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CHONG KIN GROUP HOLDINGS LIMITED

創建集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1609)

**DISCLOSEABLE TRANSACTION
PROVISION OF LOAN FACILITY**

The Board is pleased to announce that on 20 September 2020, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Facility Agreement with the Borrower, pursuant to which the Lender agreed to provide to the Borrower a loan facility of up to HK\$60,000,000 for a term of 18 months subject to the terms and conditions of the Facility Agreement.

As the relevant percentage ratios in respect of the amount of financial assistance granted to the Borrower exceed 5% but are under 25%, the transaction contemplated under the Facility Agreement constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

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THE FACILITY AGREEMENT

Principal terms of the Facility Agreement are set out as below:

Date	:	20 September 2020
Lender	:	China Golden Holdings Limited, an indirect wholly-owned subsidiary of the Company
Borrower	:	the Borrower under the Facility Agreement
Amount of Loan Facility	:	up to HK\$60,000,000
Interest rate	:	12% per annum, payable in arrears every 90 days
Availability period	:	available for drawdown within 90 days from the date of the Facility Agreement in two tranches, each tranche in the sum of HK\$30,000,000
Maturity date:	:	18 months from the date of the Facility Agreement
Prepayment	:	the Borrower may give prior written notice that specifies the date of prepayment to the Lender and make an early repayment of all of the outstanding balance of the Loan Facility together with all interest accrued and unpaid thereon
Security for the Loan Facility	:	the Loan Facility is secured by an all monies first legal charge over certain industrial properties legally and beneficially owned by the Borrower and located in Hong Kong

The Loan Facility will be funded by internal resources of the Group.

INFORMATION AND RELATIONSHIP WITH THE BORROWER

The Borrower is a limited company incorporated in Hong Kong, its principal business is property holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owners are third parties independent of the Company and its connected persons as at the date of this announcement.

REASONS FOR ENTERING INTO THE FACILITY AGREEMENT

The Group is principally engaged in three operating segments: (i) provision of concrete placing and other ancillary services as a subcontractor for both public and private sector projects, including building and infrastructure related projects in Hong Kong; (ii) provision of new energy vehicle and logistics related services including new energy vehicle sales and leasing, road freight transportation and the provision of finance leasing services in the PRC; and (iii) provision of cross-border payment and money exchange services in the United Kingdom.

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending. The provision of the Loan Facility is a transaction carried out as part of the ordinary and usual course of business activities of the Group. The Loan Facility is funded by internal resources of the Group.

The terms of the Facility Agreement (including the interest rate) were negotiated on arm's length basis between the Lender and the Borrower and were on normal commercial terms based on the Group's credit policy. Taking into account the results of the due diligence on the financial background of the Borrower, the value of the security provided and the stable interest income expected to be generated from the Loan Facility, the Directors consider that the terms of the Facility Agreement are fair and reasonable and the entering into of the Facility Agreement is in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios in respect of the amount of financial assistance granted to the Borrower exceed 5% but are under 25%, the transaction contemplated under the Facility Agreement constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

DEFINITIONS

“Board”	board of Directors of the Company
“Borrower”	Newgary Development Limited (新望發展有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of Kiu Hung International Holdings Limited, a company incorporated under the laws of the Cayman Islands and continued in Bermuda, the shares of which are listed on the Stock Exchange (stock code: 381)
“Company”	Chong Kin Group Holdings Limited, a company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 1609)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Facility Agreement”	the facility agreement dated 20 September 2020 entered into between the Lender and the Borrower relating to the granting of the Loan Facility
“Group”	the Company and its subsidiaries
“Lender”	China Golden Holdings Limited (中光集團有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facility”	the loan facility in the amount of up to HK\$60,000,000 granted by the Lender to the Borrower pursuant to the terms of the Facility Agreement

“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Share(s)”	ordinary share(s) of HK\$0.01 each of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Chong Kin Group Holdings Limited
Zhang Jinbing
Chairman and Chief Executive Officer

Hong Kong, 24 September 2020

As at the date hereof, the Board comprises three executive Directors, namely Mr. Zhang Jinbing, Mr. Ni Biao and Mr. Yang Rui; one non-executive Director, Mr. Yan Haiting; and three independent non-executive Directors, namely Dr. Zhu Zhengfu, Dr. Li Yifei and Mr. Tam Ping Kuen Daniel.