

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.*

*This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Chong Kin Group Holdings Limited.*

**CHONG KIN GROUP HOLDINGS  
LIMITED**

**PRESTIGE RICH HOLDINGS LIMITED**

*(Incorporated in the BVI with limited liability)*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1609)**

**JOINT ANNOUNCEMENT**

- (1) CLOSE OF UNCONDITIONAL  
MANDATORY CASH GENERAL OFFER BY  
OPTIMA CAPITAL LIMITED  
ON BEHALF OF PRESTIGE RICH HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
CHONG KIN GROUP HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY  
PRESTIGE RICH HOLDINGS LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT);**
- (2) RESULTS OF THE OFFER;**
- (3) PUBLIC FLOAT OF THE COMPANY;**
- (4) RESIGNATION OF DIRECTORS;**
- (5) RE-DESIGNATION OF CHAIRMAN AND CO-CHAIRMAN;**
- (6) CHANGE IN COMPOSITION OF THE BOARD COMMITTEES;**
- (7) CHANGE OF CHIEF EXECUTIVE OFFICER;**
- (8) CHANGE OF COMPANY SECRETARY;**
- AND**
- (9) CHANGE OF AUTHORISED REPRESENTATIVES**

**Financial adviser to  
Prestige Rich Holdings Limited**



**Joint financial advisers to  
Chong Kin Group Holdings Limited**



## INTRODUCTION

Reference is made to (i) the announcement jointly issued by Prestige Rich Holdings Limited (the “**Offeror**”) and Chong Kin Group Holdings Limited (the “**Company**”) on 1 December 2017 in relation to, among other things, the unconditional mandatory cash general offer by Optima Capital Limited on behalf of the Offeror to acquire all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) (the “**Offer**”); (ii) the announcement issued by the Company on 5 January 2018 (the “**Announcement**”) in relation to the appointment of directors and co-chairman of the board of directors of the Company; and (iii) the composite offer and response document jointly issued by the Offeror and the Company on 22 December 2017 (the “**Composite Document**”) in relation to, among other things, the proposed change of the board of directors’ composition of the Company and the Offer. Capitalised terms used herein shall have the same meanings as defined in the Composite Document unless the context otherwise requires.

## CLOSE AND RESULTS OF THE OFFER

### Close of the Offer

The Offeror and the Company jointly announce that the Offer has been closed at 4:00 p.m. on Friday, 12 January 2018. The Offer has not been revised or extended by the Offeror.

### Results of the Offer

As at 4:00 p.m. on Friday, 12 January 2018, being the latest time for acceptance of the Offer, a valid acceptance of the Offer have been received in respect of a total of 40,000 Offer Shares, representing approximately 0.01% of the entire issued share capital of the Company as at the date of this joint announcement.

During the Relevant Period, apart from the acquisition of the Sale Shares under the Agreement which was completed on 29 November 2017, the Offeror had also dealt in the Shares as follows:

<b>Date</b>	<b>Nature of dealing</b>	<b>Number of Shares involved</b>	<b>Price per Share HK\$</b>
<i>2017</i>			
4 September	Purchase	6,660,000	0.8420
5 September	Purchase	560,000	0.8507
6 September	Purchase	2,480,000	0.9186
7 September	Purchase	650,000	0.9200
8 September	Purchase	300,000	0.9000
11 September	Purchase	3,760,000	0.9544
13 September	Purchase	100,000	0.9400
6 October	Sale	(3,500,000)	1.0900
9 October	Sale	(11,010,000)	1.1486

Immediately after Completion but prior to the commencement of the Offer Period (being 1 December 2017), the Offeror and parties acting in concert with it held, controlled or directed a total of 573,600,000 Shares, representing approximately 75% of the total issued share capital of the Company as at the date of this joint announcement. Immediately upon the close of the Offer, taking into account the valid acceptance in respect of 40,000 Offer Shares, representing approximately 0.01% of the total issued share capital of the Company under the Offer, the Offeror and parties acting in concert with it are interested in an aggregate of 573,640,000 Shares, representing approximately 75.01% of the total issued share capital of the Company as at the date of this joint announcement.

Save as disclosed above, none of the Offeror and parties acting in concert with it (i) held, controlled or directed any Shares and rights over Shares before the Offer Period; and (ii) acquire or agree to acquire any Shares or rights over Shares during the Offer Period. None of the Offeror and any party acting in concert with it had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

### **SETTLEMENT OF THE OFFERS**

Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptance of the Offer) payable for the Offer Shares tendered under the Offer has been/will be despatched to the Independent Shareholder(s) accepting the Offer by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed and valid Acceptance Form and the relevant documents of title of the Offer Shares in respect of such acceptance to render such acceptance complete and valid and in accordance with the Takeovers Code. The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Tuesday, 23 January 2018.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Offer will be rounded down to the nearest cent.

### **PUBLIC FLOAT OF THE COMPANY**

Immediately after the close of the Offer, subject to the due registration by the Registrar of the transfer of the Offer Shares in respect of which valid the acceptance received, 191,160,000 Shares, representing approximately 24.99% of the existing issued share capital of the Company, are held by the public (within the meaning of the Listing Rules), which was less than 25% of the existing issued share capital of the Company as required under Rule 8.08(1)(a) of the Listing Rule. Accordingly, the Company is not able to satisfy the public float requirement under the Listing Rules upon the close of the Offer. An application will be made to the Stock Exchange for a temporary waiver to the Company from the strict compliance with the public float requirement under Rule 8.08(1)(a) of the Listing Rules. The Offeror and the Company will take appropriate steps to restore the minimum public float of the Company as required under the Listing Rules as early as practicable. Further announcement(s) will be made by the Company regarding the restoration of the public float as and when appropriate.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to the commencement of the Offer; and (ii) immediately upon the close of the Offer and as at the date of this joint announcement:

	Immediately prior to the commencement of the Offer		Immediately upon the close of the Offer and as at the date of this joint announcement	
	<i>No. of Shares</i>	<i>% of issued Shares</i>	<i>No. of Shares</i>	<i>% of issued Shares</i>
The Offeror and parties acting in concert with it	573,600,000	75.00	573,640,000	75.01
Public Shareholders	191,200,000	25.00	191,160,000	24.99
Total	<u>764,800,000</u>	<u>100.00</u>	<u>764,800,000</u>	<u>100.00</u>

## RESIGNATION OF DIRECTORS

The Board announces that, with effect immediately after the close of the Offer on 12 January 2018:

- (i) Mr. Cheung Yuk Kei (“**Mr. Y.K. Cheung**”) has resigned as executive Director and the co-chairman of the Company;
- (ii) Mr. Cheung Man Tim (“**Mr. M.T. Cheung**”) has resigned as executive Director and the chief executive officer of the Company;
- (iii) Mr. Fung Chi Chung (“**Mr. Fung**”) has resigned as executive Director; and
- (iv) Mr. Miu Hon Kit (“**Mr. Miu**”), Mr. Leung Chi Wai (“**Mr. Leung**”) and Mr. Seid Ka Him (“**Mr. Seid**”) have resigned as independent non-executive Directors.

The resignation of the aforesaid Directors was due to change in control of the Company after close of the Offer. Each of the resigning Directors has confirmed that he has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board would like to take this opportunity to express its appreciation to the resigning Directors for their invaluable contributions to the Group during their tenure of services.

## RE-DESIGNATION OF CHAIRMAN AND CO-CHAIRMAN

Mr. Y.K. Cheung has ceased to act as the co-chairman of the Company. Mr. Zhang Jinbing (“**Mr. Zhang**”), an executive Director and co-chairman of the Company, has been re-designated as the chairman of the Company with effect from 12 January 2018.

The detailed biography of Mr. Zhang is as follow:

Mr. Zhang, aged 46, graduated from Guangzhou Foreign Language Institute with a bachelor’s degree of arts in 1994. Mr. Zhang has extensive experience in corporate management and wide range of investment experience in property development projects in the PRC. From 2004 to 2006, he worked as a general manager for Guangdong Copper Alloy Material Company Limited. Mr. Zhang founded China Golden Holdings Limited in 2006, which is principally engaged in trading of coppers, car parts and stationeries.

Mr. Zhang was an executive director of Synertone Communication Corporation (stock code: 1613), a company listed on the Stock Exchange, for the period from August 2012 to April 2014. Mr. Zhang has also served on the board of directors of O Luxe Holdings Limited (“**O Luxe**”) (stock code: 860), a company listed on the Stock Exchange, since January 2015. He had been an executive director and chief executive officer of O Luxe for the period from January 2015 to June 2015 and became the chairman of the board of directors in June 2015 until November 2017. As at the date of this joint announcement, Mr. Zhang is a non-executive director and the co-chairman of O Luxe. O Luxe and its subsidiaries are principally engaged in a wide range of business including exports and domestic trading, retail and wholesale of jewellery products and watches, money lending, securities investments, property investment, mining, manufacturing of electronic vehicles and the provision of related engineering solutions.

As disclosed in the Announcement, Mr. Zhang had entered into a letter of appointment with the Company for a term of 2 years from 5 January 2018 to 4 January 2020 (both dates inclusive). He is entitled to receive a nominal remuneration of HK\$1 per annum. Mr. Zhang is subject to re-election or retirement by rotation pursuant to the Amended and Restated Articles of Association of the Company (the “**Articles of Association**”).

Mr. Zhang owns the entire equity interest in the Offeror, which is interested in 573,640,000 Shares (representing 75.01% of the issued share capital of the Company) as at the date of this joint announcement. Accordingly, Mr. Zhang is the controlling shareholder (as defined in the Listing Rules) of the Company. In addition, Mr. Zhang is the sole director of the Offeror.

Save as disclosed above, as at the date of this joint announcement, Mr. Zhang:

- (i) does not hold any position in the Company or other members of the Group;
- (ii) does not hold any directorship in any public companies, the securities of which are listed in Hong Kong or overseas, in the last three years preceding the date of this joint announcement;

(iii) is not interested in and does not have any interest in any shares or underlying shares or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO; and

(iv) is not connected and has no relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company (as defined in the Listing Rules).

Save as disclosed above, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to the appointment of Mr. Zhang that need to be brought to the attention of the Shareholders.

## **CHANGES IN COMPOSITION OF THE BOARD COMMITTEES**

With effect from 12 January 2018, the composition of the Board committees has been changed as follows:

### **Audit Committee**

Mr. Miu has resigned as the chairperson of the audit committee of the Company (the “**Audit Committee**”) and Mr. Leung and Mr. Seid have resigned as members of the Audit Committee.

Mr. Tse Chi Wai (“**Mr. Tse**”), an independent non-executive Director, has been appointed as the chairman of the Audit Committee and Dr. Zhu Zhengfu (“**Dr. Zhu**”) and Dr. Li Yifei (“**Dr. Li**”), independent non-executive Directors, have been appointed as members of the Audit Committee.

### **Remuneration Committee**

Mr. Leung has resigned as the chairperson of the remuneration committee of the Company (the “**Remuneration Committee**”) and Mr. M.T. Cheung and Mr. Seid have resigned as members of the Remuneration Committee.

Mr. Tse has been appointed as the chairman of the Remuneration Committee and Dr. Zhu and Dr. Li have been appointed as members of the Remuneration Committee.

### **Nomination Committee**

Mr. Y.K. Cheung has resigned as the chairperson of the nomination committee of the Company (the “**Nomination Committee**”) and Mr. Leung and Mr. Seid have resigned as members of the Nomination Committee.

Mr. Zhang has been appointed as the chairman of the Nomination Committee and Mr. Tse, Dr. Zhu and Dr. Li have been appointed as members of the Nomination Committee.

## **CHANGE OF CHIEF EXECUTIVE OFFICER**

Mr. M.T. Cheung has ceased to act as the chief executive officer of the Company. Mr. Zhang, an executive Director and the chairman of the Board, has been appointed as the chief executive officer of the Company with effect from 12 January 2018.

Code provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Notwithstanding the deviation from code provision A.2.1, the Board believes that with the support of the management, vesting the roles of both chairman and chief executive officer on the same person can facilitate execution of the Group's business strategies and provide a strong and consistent leadership to the Group. The Board considers that the appointment of Mr. Zhang as the chairman of the Board and the chief executive officer of the Company will not impair the balance of power as all major decisions are made in consultation with members of the Board. In addition, under the supervision by the Board which currently consists of one executive Director, one non-executive Director and three independent non-executive Directors, the interests of the shareholders of the Company will be adequately and fairly represented.

## **CHANGE OF COMPANY SECRETARY**

The Board announces that Ms. Yu Pik So has resigned from her position as the company secretary of the Company with effect from 12 January 2018 and Ms. Lee Eva ("**Ms. Lee**") has been appointed as the company secretary of the Company with effect from 12 January 2018.

Ms. Lee is admitted as a solicitor in Hong Kong and focusing on capital markets and corporate finance work. She is also a member of the Hong Kong Institute of Directors. Ms. Lee graduated from the London School of Economic and Political Science with Masters of Laws (Distinction).

## **CHANGE OF AUTHORISED REPRESENTATIVES**

The Board announces that with effect from 12 January 2018, (i) Mr. M. T. Cheung and Mr. Fung ceased to be the authorised representatives of the Company under Rule 3.05 of the Listing Rules; (ii) Adrian Yeung & Cheng ceased to be the authorised representative under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) of the Company; (iii) Mr. Zhang and Ms. Lee have been appointed as the authorised representatives of the Company under Rule 3.05 of the Listing Rules; and (iv) Mr. Zhang has been appointed as the authorised representative under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) of the Company.

By order of the sole director  
**Prestige Rich Holdings Limited**  
**Zhang Jinbing**  
*Sole director*

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

Hong Kong, 12 January 2018

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Zhang Jinbing.*

*Mr. Zhang accepts full responsibility for the accuracy of the information contained in this joint announcement and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the Board comprises one executive Director, namely Mr. Zhang Jinbing, one non-executive Director, namely Mr. Poon Chiu Kwok, and three independent non-executive Directors, namely Dr. Zhu Zhengfu, Dr. Li Yifei and Mr. Tse Chi Wai.*

*The Directors, Mr. Cheung Yuk Kei, Mr. Cheung Man Tim, Mr. Fung Chi Chung, Mr. Miu Hon Kit, Mr. Leung Chi Wai and Mr. Seid Ka Him jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*