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**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF ENTIRE EQUITY INTEREST IN
THE TARGET GROUP INVOLVING RENTAL COMMITMENT
IN LEASE AGREEMENTS**

On 12 January 2018 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Acquisition Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Sale Share, which represents the entire issued share capital of the Target Company, and to assign and transfer the HK Loan at a Consideration of HK\$1,161,999 in aggregate. The Purchaser also undertakes the repayment of the Shenzhen Loan of RMB1,675,100 (equivalent to approximately HK\$1,996,000) by Shenzhen IDC within 30 Business Days from Completion. Upon Completion, the Target Company and Shenzhen IDC will become indirect wholly-owned subsidiaries of the Company. Prior to the date of the Acquisition Agreement, Shenzhen IDC had entered into the Lease Agreements with the Landlord, pursuant to which, Shenzhen IDC agreed to rent, and the Landlord agreed to lease, the Property located at Shenzhen, the PRC for a term of approximately twenty years commencing on 16 July 2017 and expiring on 15 April 2037. The outstanding non-cancellable rental commitment in the Lease Agreements amounts to approximately RMB94,924,000 (equivalent to approximately HK\$113,116,000) as at the date of the Acquisition Agreement.

As the applicable percentage ratios for the Acquisition Agreement involving rental commitment in the Lease Agreements exceed 5% but are less than 25%, the Acquisition Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the announcement requirement but is exempted from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 12 January 2018 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Acquisition Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Sale Share at a Consideration of HK\$1,161,999 in aggregate which comprises the Share Consideration of HK\$30,000 for the acquisition of the Sale Share and the Loan Consideration of HK\$1,131,999 for the assignment and transfer of the HK Loan to the Purchaser. The principal terms of the Acquisition Agreement are set out below:

Date

12 January 2018 (after trading hours)

Parties

Purchaser : IDC Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

Vendor : 王兰杰 (Wang Lanjie*)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Vendor is an Independent Third Party not connected with the Company or any of its subsidiaries or any of their respective directors, chief executives or substantial shareholders or any of their respective associates.

Asset to be acquired

The Sale Share, which represents the entire issued share capital of the Target Company. As disclosed in the section headed "Information on the Target Group" below, the principal asset of the Target Company is its direct interest in the entire registered capital of Shenzhen IDC.

Consideration

The Consideration payable by the Purchaser under the Acquisition Agreement is HK\$1,161,999 in aggregate which comprises the Share Consideration of HK\$30,000 for the acquisition of the Sale Share and the Loan Consideration of HK\$1,131,999 for the assignment and transfer of the HK Loan from the Vendor to the Purchaser.

The Purchaser undertakes the repayment of the Shenzhen Loan by Shenzhen IDC within 30 Business Days from Completion.

The Consideration was determined after arm's length negotiations between the parties taking reference to the unaudited consolidated net liabilities of approximately HK\$1,470,000 of the Target Group as at 30 November 2017 and the HK Loan as at the date of Completion.

The Consideration shall be satisfied by cash upon Completion and is funded by internal resources of the Group.

Completion

Completion will take place within three Business Days from the date of the Acquisition Agreement.

THE LEASE AGREEMENTS

Prior to the date of the Acquisition Agreement, Shenzhen IDC had entered into the Lease Agreements with the Landlord, pursuant to which, Shenzhen IDC agreed to rent, and the Landlord agreed to lease, the Property.

Principal terms of the Lease Agreements are summarized below:

Date : 10 July 2017

Parties : (i) The Landlord, as the landlord of the Property; and (ii) Shenzhen IDC, as the tenant.

- Property : 4th Building, Science and Technology Garden, Bulan Road, Shang Li Lang Community, Nanwan Road, Longgang District, Shenzhen, the PRC (中國深圳市龍崗區南灣街道上李朗社區布瀾路中盛科技園4號廠房), including installed equipment and facilities.
- Term : Approximately twenty years commencing on 16 July 2017 and expiring on 15 April 2037.
- Rent : RMB282,885.78 per calendar month for the first two years, and subject to a 4% annual increment commencing on 16 April 2019, and shall be payable on or before the 10th date of each calendar month.

The outstanding non-cancellable rental commitment in the Lease Agreements amounts to approximately RMB94,924,000 (equivalent to approximately HK\$113,116,000) as at the date of the Acquisition Agreement.

INFORMATION ON THE TARGET GROUP

The Target Group comprises the Target Company and Shenzhen IDC.

The Target Company is a company incorporated in Hong Kong on 19 May 2017 with limited liability and directly solely-owned by the Vendor before Completion. The Target Company is an investment holding company and its only investment is the direct interest in the entire registered capital of Shenzhen IDC.

Shenzhen IDC is a limited liability company (solely funded by Taiwan, Hong Kong and Macau corporate body) incorporated in Shenzhen, the PRC on 4 July 2017 and a direct wholly-owned subsidiary of the Target Company. The principal activities of Shenzhen IDC include the development and technical services of internet information technology, consultancy of network and data centre infrastructure construction, integrated wiring for intelligent building, leasing of network facilities and properties etc. Shenzhen IDC has leased the Property and intends to convert the Property into internet data centre and is in the drafting stage.

As the Target Company was incorporated on 19 May 2017, only unaudited consolidated management accounts of the Target Group for the period from 19 May 2017 (date of incorporation) to 30 November 2017 are available. The unaudited consolidated loss before and after taxation of the Target Group for the period from 19 May 2017 (date of incorporation) to 30 November 2017 were approximately HK\$1,431,000. The unaudited consolidated net liabilities of the Target Group was approximately HK\$1,470,000 as at 30 November 2017.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is mainly engaged in (i) importing, marketing and distribution of plastics and chemical products; (ii) provision of superstructure construction works; (iii) other investment activities such as equity investments and investment in real estates; (iv) the E&M Engineering Business; and (v) through its interest in Chinney Kin Wing, piling construction and other ancillary services, and drilling and site investigation businesses.

The growth in next generation computation, storage and data transfer for financial technology, telecommunications and media, and smart city internet-of-things demand for increasing computing capability, storage space and bandwidth thus boost the demand for internet data centres. The demand for cross border information technology operation is increasing. The internet services providers providing hosting services for their end corporate users require

computation, storage and network capability in the Mainland China and not the least reliable cross border fibers for stable services. The Group intends to develop internet data centre construction, operation and management businesses through the E&M Engineering Business, which will be not only utilising the existing building services installation and maintenance expertise of the E&M Engineering Business, but also taking the benefit of the growth in the demand of data centres. The acquisition of the Target Group will provide the Group an opportunity to diversify into the business of construction, operation and management of internet data centre.

It was considered that the terms of the Acquisition Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION ON THE VENDOR

The Vendor is the sole shareholder and beneficial owner of the Target Company. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Vendor is an Independent Third Party not connected with the Company or any of its subsidiaries or any of their respective directors, chief executive or substantial shareholders or any of their respective associates.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the Acquisition Agreement involving rental commitment in the Lease Agreements exceed 5% but are less than 25%, the Acquisition Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the announcement requirement but is exempted from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms shall have the meanings set out below unless the context requires otherwise:

“Acquisition Agreement”	the share and purchase agreement dated 12 January 2018 entered into between the Purchaser and the Vendor for the sale and purchase of the Sale Share
“Board”	the board of directors of the Company
“Business Day”	any day (other than a Saturday, a Sunday, a public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open for general banking business in Hong Kong

Chinney Kin Wing	Chinney Kin Wing Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1556), being a subsidiary of the Company
“Company”	Chinney Alliance Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 385)
“Completion”	the completion of the sale and purchase of the Sale Share contemplated under the Acquisition Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration of HK\$1,161,999 in aggregate which comprises the Share Consideration and the Loan Consideration
“Director(s)”	the director(s) of the Company
“E&M Engineering Business”	the business segments currently engaged by the Group involving (i) provision of building services and electrical and mechanical installation and maintenance services such as air-conditioning, fire systems and electrical and extra-low voltage works; (ii) sales and installation of air-conditioning systems, digital energy optimisation systems, outdoor LED lighting systems and other building related electrical systems; and (iii) distribution and installation of aviation systems and other hi-tech products
“Group”	the Company and its subsidiaries
HK Loan	HK\$1,131,999 shareholder’s loan due from the Target Company to the Vendor
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party(ies) who is/are independent of and not connected with (a) the Company or any of its subsidiaries and (b) connected persons (as defined under the Listing Rules) of the Company or any of its subsidiaries
“Landlord”	中盛科技實業(深圳)有限公司 (Zhong Shing Industry Technology (Shenzhen) Co. Ltd.*), an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lease Agreements”	the lease agreement together with a supplemental lease agreement both dated 10 July 2017 entered into between Shenzhen IDC as the tenant and the Landlord as the landlord in respect of the Property
“Loan Consideration”	HK\$1,131,999 for the assignment of the same amount of the HK Loan to the Purchaser

“Property”	4th Building, Science and Technology Garden, Bulan Road, Shang Li Lang Community, Nanwan Road, Longgang District, Shenzhen, the PRC (中國深圳市龍崗區南灣街道上李朗社區布瀾路中盛科技園4號廠房) including installed equipment and facilities
“Purchaser”	IDC Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“Sale Share”	one ordinary share in the share capital of the Target Company, representing the entire issued and fully paid share capital of the Target Company
“Share Consideration”	HK\$30,000 for the acquisition of the Sale Share
“Shenzhen IDC”	深圳聯網通科技產業有限公司(Shenzhen IDC Realty Limited*), a limited liability company (solely funded by Taiwan, Hong Kong and Macau corporate body) incorporated in Shenzhen, the PRC and a direct wholly-owned subsidiary of the Target Company
“Shenzhen Loan”	RMB1,675,100 (equivalent to approximately HK\$1,996,000) loan from the Vendor to Shenzhen IDC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to such term under the Listing Rules
“Target Company”	IDC Realty Holdings Limited (數據產業控股有限公司), a company incorporated in Hong Kong with limited liability and directly solely-owned by the Vendor
“Target Group”	the Target Company and its only subsidiary, namely Shenzhen IDC
“Vendor”	王兰杰(Wang Lanjie*)
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By Order of the Board
Yun-Sang Lo
Company Secretary

Hong Kong, 12 January 2018

At the date of this announcement, the Board comprises of nine Directors, of which four are executive Directors, namely Dr. James Sai-Wing Wong, Mr. Yuen-Keung Chan, Mr. James Sing-Wai Wong and Mr. Philip Bing-Lun Lam; and two are non-executive Directors, namely Mr. Herman Man-Hei Fung and Ms. Wendy Kim-See Gan; and three are independent non-executive Directors, namely Mr. Yuen-Tin Ng, Mr. Chi-Chiu Wu and Mr. Ronald James Blake.

* For identification purpose only