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建聯集團有限公司*

Chinney Alliance Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 385)

DISCLOSEABLE TRANSACTION SUCCESSFUL TENDER OF THE PROPERTY

On 29 September 2020, Strong Link, an indirect wholly-owned subsidiary of the Company, received the Acceptance of Offer from the Vendor confirming that the Tender submitted for the purchase of the Property on 28 September 2020 at the Purchase Price of HK\$96,800,000 has been accepted. On 8 October 2020, the Memorandum of Agreement was executed by Strong Link and the Vendor.

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% and all are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 29 September 2020, Strong Link, an indirect wholly-owned subsidiary of the Company, received the Acceptance of Offer from the Vendor confirming that the Tender submitted for the purchase of the Property on 28 September 2020 at the Purchase Price of HK\$96,800,000 has been accepted. On 8 October 2020, the Memorandum of Agreement was executed by Strong Link and the Vendor.

DETAILS OF THE ACQUISITION

Date of Memorandum of Agreement

8 October 2020

The Parties

- (1) Wai Lam Investment Limited as the Vendor; and
- (2) Strong Link, an indirect wholly-owned subsidiary of the Company as the purchaser.

The Vendor is a property holding company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Assets to be acquired

The Property

Purchase Price and payment terms

The Purchase Price is HK\$96,800,000 which shall be settled as follows:

- (a) a tender payment of HK\$5,000,000 paid at the time when the Tender was submitted has been applied in part payment of the Purchase Price;
- (b) a further sum of HK\$4,680,000, aggregated with the tender payment paid, making up to 10% of the Purchase Price were paid on 8 October 2020 upon the signing of the Memorandum of Agreement; and
- (c) the balance of HK\$87,120,000 (equivalent to 90% of the Purchase Price) shall be paid upon completion of the Acquisition, which shall take place on or before 16 November 2020.

The Purchase Price submitted under the Tender was determined by the Company with reference to the market price of residential buildings in the region which the Property is situated and the overall prospect of the property market in Hong Kong.

The Purchase Price will be funded by the Group's internal resources and bank financing.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is mainly engaged in trading of plastics and chemical products, the provision of building related contracting services for both public and private sectors, superstructure construction works for both public and private sectors in Hong Kong and Macau, foundation piling, and drilling and site investigation for both public and private sectors in Hong Kong and Macau, the distribution of aviation system and other hi-tech products, and property and investment holding.

Strong Link is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, which is an investment holding company.

The Board considers that the Acquisition can enhance and enlarge the property portfolio and bring additional income to the Group. The Board will continue to explore different options to maximise the value of this Acquisition as well as the Group's investments in properties.

The Board considers that the terms of the Acquisition are on normal commercial terms, is fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% and all are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acceptance of Offer”	the acceptance of offer dated 29 September 2020 and signed by the Vendor for the acceptance of the Tender submitted by Strong Link
“Acquisition”	the acquisition of the Property from the Vendor by way of the Tender
“Board”	the board of Directors
“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)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Agreement”	the memorandum of agreement for sale and purchase of the Property executed by Strong Link and the Vendor on 8 October 2020

“Property”	all that piece or parcel of ground situate at Fanling New Territories Hong Kong and registered in the Land Registry as the Remaining Portion of Lot No. 4960 in Demarcation District No. 51 together with the messuages erections and buildings erected thereon (if any), known as No.15 Chi Fuk Circuit, Fanling, New Territories, Hong Kong. There is a two-storey residential building concluding a total of four flats with ground floor and roof garden, carparking spaces and a caretaker room behind the gate of the Property, with a saleable area of approximately 7,100 square feet and a site area of approximately 13,158 square feet
“Purchase Price”	the purchase price of HK\$96,800,000, being the consideration for the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strong Link”	Strong Link Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Tender”	sale of the Property by the Vendor by way of public tender
“Vendor”	Wai Lam Investment Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent.

By Order of the Board
Yun-Sang Lo
Company Secretary

Hong Kong, 8 October 2020

At the date of this announcement, the Board comprises of eight 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 one is non-executive Director, namely 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*