

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this 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 announcement.



GME Group Holdings Limited
駿傑集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8188)

DISCLOSEABLE TRANSACTION IN RELATION TO THE PROVISION OF INDEMNITY

PROVISION OF INDEMNITY

The Board wishes to announce that on 17 September 2019 (after trading hours), GMEBVI, a direct wholly-owned subsidiary of the Company, GMEHK, an indirect wholly-owned subsidiary of the Company, and the Insurer entered into the Indemnity Agreements pursuant to which each of GMEBVI and GMEHK agreed to indemnify the Insurer against the Liabilities and, without limiting the foregoing, to pay to the Insurer on demand the Claim up to approximately HK\$7,889,084.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the provision of indemnity under the Indemnity Agreements and the transactions contemplated thereafter exceed 5% but are less than 25%, the entering into of the Indemnity Agreements and the transactions contemplated thereunder constitute discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

PROVISION OF INDEMNITY

The Board wishes to announce that on 17 September 2019 (after trading hours), GMEBVI, a direct wholly owned subsidiary of the Company, GMEHK, an indirect wholly owned subsidiary of the Company, and the Insurer entered into the Indemnity Agreements.

Details of the terms of the Indemnity Agreements are set out below:

Indemnity Agreement 1

Date: 17 September 2019 (after trading hours)

Parties: GMEBVI as the indemnifying party; and

The Insurer as the indemnified party

Obligation: GMEBVI agreed to indemnify the Insurer against the Liabilities and, without limiting the foregoing, to pay to the Insurer on demand the Claim

Indemnity Agreement 2

Date: 17 September 2019 (after trading hours)

Parties: GMEHK as the indemnifying party; and

The Insurer as the indemnified party

Obligation: GMEHK agreed to indemnify the Insurer against the Liabilities and, without limiting the foregoing, to pay to the Insurer on demand the Claim

INFORMATION ON THE COMPANY, GMEBVI, GMEHK AND THE INSURER

The principal business activity of the Company is investment holding. GMEBVI is a direct wholly-owned subsidiary of the Company, and GMEHK is an indirect wholly-owned subsidiary of the Company. The principal activities of the Group involve the provision of underground construction services and the Group mainly serves private main contractors in public sector infrastructure projects. Public sector projects refer to the projects in which the main contractors are employed by the government of Hong Kong, its statutory bodies or statutory corporations.

The Insurer is an insurance company registered under the Insurance Authority in Hong Kong. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Insurer and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE INDEMNITY AGREEMENTS

The entering into of the Indemnity Agreements enable the Group to purchase the Surety Bond issued by the Insurer on 17 September 2019 (after trading hours) in favour of a main contractor for a public tunnel construction project in Hong Kong undertaken by GMEHK, provided that the total of all demands so made will not exceed the sum of HK\$7,889,084.

The Board considers that the Indemnity Agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group. The Board is of the view that the terms of the Indemnity Agreements are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the provision of indemnity under the Indemnity Agreements and the transactions contemplated thereafter exceeds 5% but is less than 25%, the entering into of the Indemnity Agreements and the transactions contemplated thereunder constitute discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“Board”	the Board of Directors
“BVI”	the British Virgin Islands
“Claim”	all sums which may be claimed by the Insurer or which the Insurer may pay or become liable to pay under or by reason of or in connection with the Surety Bond including, without limitation, all costs and expenses (including legal fees and other fees on a full indemnity basis) incurred by the Insurer in defending or otherwise resisting any claim or threatened claim up to approximately HK\$7,889,084
“Company”	GME Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM

“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GMEBVI”	GME International Limited, a company incorporated in BVI with limited liability on 23 February 2016 and a direct wholly-owned subsidiary of the Company
“GMEHK”	Good Mind Engineering Limited (駿傑工程有限公司), a company incorporated in Hong Kong with limited liability on 22 March 1994 and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indemnity Agreement 1”	the agreement entered into between GMEBVI and the Insurer dated 17 September 2019 (after trading hours) pursuant to which GMEBVI agreed to indemnify the Insurer against the Liabilities and, without limiting the foregoing, to pay to the Insurer on demand the Claim
“Indemnity Agreement 2”	the agreement entered into between GMEHK and the Insurer dated 17 September 2019 (after trading hours) pursuant to which GMEHK, agreed to indemnify the Insurer against the Liabilities and, without limiting the foregoing, to pay to the Insurer on demand the Claim
“Indemnity Agreements”	the Indemnity Agreement 1 and Indemnity Agreement 2
“Insurer”	an insurance company registered under the Insurance Authority in Hong Kong
“Liabilities”	all the claims, demands, actions, liabilities, damages, costs, losses and expenses of whatever nature which the Insurer may incur in any way as a consequence of the Insurer giving the Surety Bond

“PRC”	the People’s Republic of China
“Share(s)”	the shares of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the GEM Listing Rules
“Surety Bond”	the surety bond of HK\$7,889,084 issued by the Insurer on 17 September 2019 (after trading hours) in favour of a main contractor for a public tunnel construction project in Hong Kong undertaken by GMEHK, provided that the total of all demands so made will not exceed the sum of HK\$7,889,084
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
GME Group Holdings Limited
Chuang Chun Ngok Boris
Chairman and executive Director

Hong Kong, 17 September 2019

As at the date of this announcement, the executive Directors are Mr. Chuang Chun Ngok Boris and Mr. Chuang Wei Chu and the independent non-executive Directors are Mr. Lam Man Bun Alan, Mr. Lau Chun Fai Douglas and Ir Ng Wai Ming Patrick.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.gmehk.com.