

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.

CBK Holdings Limited

國茂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8428)

DISCLOSEABLE TRANSACTION IN RELATION TO THE LEASE OF AN OFFICE PREMISES

THE LEASE OF AN OFFICE PREMISES

The Board announces that the Tenancy Agreement dated 30 March 2021 was signed between Smart Sino (an indirectly wholly-owned subsidiary of the Group) as tenant and D&I (an Independent Third Party) as landlord in respect of the lease of an Office Premises for a term of two years commencing from 1 April 2021 to 31 March 2023 (both days inclusive) with an option to renew for a further one year for the Office Premises.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16 *Leases*, the Company if entering into lease transaction as lessee will recognise a right-of-use asset in its consolidated financial statements. Such transaction will be regarded as acquisition of capital asset for the purpose of the GEM Listing Rules.

As one or more than one of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Lease based on the value of the right-of-use asset recognised by the Group is more than 5% but below 25%, the Lease constitutes a discloseable transaction of the Company, and is therefore subject to notification and announcement requirements but exempt from Shareholders' approval requirements pursuant to Chapter 19 of the GEM Listing Rules.

THE LEASE OF AN OFFICE PREMISES

The Board announces that the Tenancy Agreement dated 30 March 2021 was signed between Smart Sino (an indirectly wholly-owned subsidiary of the Group) as tenant and D&I (an Independent Third Party) as landlord in respect of the Lease of an Office Premises for a term of two years commencing from 1 April 2021 to 31 March 2023 (both days inclusive) with an option to renew for a further one year for the Office Premises.

Details of the principal terms of the Tenancy Agreement are set out below:

Parties:	(1) D&I Development Limited, an Independent Third Party, as landlord; and (2) Smart Sino Enterprises Limited, an indirectly wholly-owned subsidiary of the Company, as tenant
Premises:	Unit 3205, 32/F. of West Tower, Shuk Tak Centre, Nos. 168–200 Connaught Road Central, Hong Kong
Term:	1 April 2021 to 31 March 2023 (both days inclusive) with an option to renew for a further one year
Total amount payable:	The aggregate amount payable under the Lease is approximately HK\$2.2 million (exclusive of air-conditioning charges, management fee, government rates). The rent is determined after arm's length negotiations between D&I and Smart Sino after taking into consideration the prevailing market price of comparable premises in the vicinity of the Office Premises.

THE RIGHT-OF-USE ASSET

The value of the right-of-use asset recognised by the Group under the Lease amounted to approximately HK\$2.1 million, which is calculated with reference to the present value of the aggregated lease payments to be made under the Lease in accordance with HKFRS 16 *Leases*.

REASON FOR AND THE BENEFITS OF ENTERING THE LEASE

The Group is principally engaged in the provision of catering services in Hong Kong.

The Office Premises is located in the heart of the commercial zone in Hong Kong Island. After considering the terms of the Tenancy Agreement, the Board is of the view that the monthly rental per square feet of gross floor area of the Office Premises is fair and reasonable. The Directors consider it is beneficial to enter into the Lease for use as office premises of the Group, which will facilitate the future expansion and growth of the business of the Group.

The Directors, including the independent non-executive Directors, considered that the transactions contemplated under the Lease was entered into in the ordinary and usual course of business of the Group, and the Lease was entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the Lease were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

Information on the Group and Smart Sino

The Group is principally engaged in the provision of catering services in Hong Kong.

Smart Sino is a company incorporated in Hong Kong with limited liability and is an indirectly wholly-owned subsidiary of the Company. Smart Sino is principally engaged in the investment holding.

Information on D&I

D&I is a company incorporated in Hong Kong with limited liability. To the best knowledge, information and belief of the Directors having made all reasonable enquiries and the publicly available information, (i) D&I, which is owned by Mang King Chung Dennis and Yang Hui Ting, is principally engaged in property investment; and (ii) each of D&I and the ultimate beneficial owners of D&I are Independent Third Parties.

LISTING RULES IMPLICATION

Pursuant to HKFRS 16 *Leases*, the Company if entering into lease transaction as lessee will recognise a right-of-use asset in its consolidated financial statements. Such transaction will be regarded as acquisition of capital asset for the purpose of the GEM Listing Rules. As one or more than one of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Lease is more than 5% but below 25%, the Lease constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements but exempt from Shareholders' approval requirements pursuant to Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the Board of Directors of the Company
“D&I”	D&I Development Limited, a private company incorporated in Hong Kong with limited liability
“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	Rules governing the Listing of Securities on GEM, as amended, modified, and supplemented from time to time
“Group”	the Company and its subsidiaries
“HKFRS(s)”	Hong Kong Financial Reporting Standard(s) issued by the Hong Kong Institute of Certified Public Accountants

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are not connected persons of the Company and is/are third party(ies) independent of the Company and its connected person(s) in accordance with the GEM Listing Rules
“Lease”	Lease of the Office Premises
“Listing”	the listing of the issued Shares of the Company on GEM on 16 April 2018
“Office Premises”	Unit 3205, 32/F. of West Tower, Shuk Tak Centre, Nos. 168–200 Connaught Road Central, Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company
“Smart Sino”	Smart Sino Enterprises Limited, a limited liability company incorporated in Hong Kong and being an indirectly wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	An tenancy agreement dated 30 March 2021 stipulated the principal terms of the Lease
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

By Order of the Board
CBK Holdings Limited
CHOW Yik
Chairman and Executive Director

Hong Kong, 10 June 2021

As at the date of this announcement, the chairman and an executive director is Mr. CHOW Yik, the executive directors are Mr. CHAN Lap Ping and Mr. TSUI Wing Tak; and the independent non-executive directors are Mr. CHAN Hoi Kuen Matthew, Mr. LAW Yui Lun, Mr. LU Jun Bo and Ms. WONG Syndia D.

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.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website (www.hkgem.com) for at least seven days from the date of its publication. This announcement will also be published on the website of the Company (www.cbk.com.hk).

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.