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建業實業有限公司
Chinney Investments, Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 216)



漢國置業有限公司
Hon Kwok Land Investment Company, Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 160)



建聯集團有限公司*
Chinney Alliance Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 385)

JOINT ANNOUNCEMENT

CONNECTED TRANSACTIONS IN RELATION TO THE BUILDER'S WORKS AND THE M&E AND FAÇADE WORKS

The directors of the Companies announce that on 26 September 2022 (after trading hours), the Employer entered into the Framework Agreement with each of the Builder's Works Contractor and the M&E and Façade Works Contractor, pursuant to which the Employer conditionally agreed to engage each of the Contractors, and respectively, the Builder's Works Contractor conditionally agreed to act as the contractor to carry out the Builder's Works for the Project at the contract sum of not exceeding HK\$96,300,000, and the M&E and Façade Works Contractor conditionally agreed to act as the contractor to carry out the M&E and Façade Works for the Project at the contract sum of not exceeding HK\$141,000,000.

As at the date of this announcement, the Employer is an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments, and each of the Builder's Works Contractor and the M&E and Façade Works Contractor is an indirect wholly-owned subsidiary of Chinney Alliance. Chinney Investments is interested in approximately 68.09% and 29.10% of the issued shares of Hon Kwok and Chinney Alliance respectively. Dr. James Sai-Wing Wong is the chairman and the executive director of each of Chinney Investments, Hon Kwok and Chinney Alliance, and he is beneficially interested in (a) approximately 62.02% of the issued shares of Chinney Investments; (b) approximately 69.72% of the issued shares of Hon Kwok (including those interests held through Chinney Investments); and (c) approximately 73.68% of the issued shares of Chinney Alliance (including those interests held through Chinney Investments). Thus Chinney Investments, Hon Kwok and Chinney Alliance are connected persons to one another within the meaning of the Listing Rules.

For each of the Companies, as the entering into of the Framework Agreement constitutes a connected transaction under the Listing Rules, with the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) being more than 5% for each of the Companies and the Total Contract Sum being more than HK\$10 million, the Proposed CT constitute non-exempt connected transactions under Chapter 14A of the Listing Rules. Each of the Companies is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Chinney Investments IBC, Hon Kwok IBC and Chinney Alliance IBC have been established to advise the independent shareholders of each of the Companies, and independent financial advisers have been appointed by each of the Companies to advise the Chinney Investments IBC, Hon Kwok IBC and Chinney Alliance IBC and the independent shareholders of each of the Companies in respect of the Proposed CT.

A special general meeting or an extraordinary general meeting (as the case may be) will be convened by each of the Companies for the purpose of, among other things, seeking the approval from the independent shareholders of each of the Companies in respect of the Proposed CT. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of each of the Companies in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Chinney Investments IBC to the independent shareholders of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Chinney Investments IFA to Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Chinney Investments EGM, will be despatched to the shareholders of Chinney Investments on or before 18 October 2022 in accordance with the Listing Rules.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Hon Kwok IBC to the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Hon Kwok IFA to Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Hon Kwok EGM, will be despatched to the shareholders of Hon Kwok on or before 18 October 2022 in accordance with the Listing Rules.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Chinney Alliance IBC to the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Chinney Alliance IFA to Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Chinney Alliance SGM, will be despatched to the shareholders of Chinney Alliance on or before 18 October 2022 in accordance with the Listing Rules.

Shareholders and potential investors of each of the Companies should note that the Proposed CT is subject to the satisfaction of the Conditions Precedent to the Framework Agreement. As such, the Proposed CT may or may not proceed. Shareholders and potential investors of each of the Companies are therefore urged to exercise caution when dealing in the shares and other securities of the Companies.

INTRODUCTION

The directors of the Companies announce that on 26 September 2022 (after trading hours), the Employer entered into the Framework Agreement with each of the Builder's Works Contractor and the M&E and Façade Works Contractor, pursuant to which the Employer conditionally agreed to engage each of the Contractors, and respectively, the Builder's Works Contractor conditionally agreed to act as the contractor to carry out the Builder's Works for the Project at the contract sum of not exceeding HK\$96,300,000, and the M&E and Façade Works Contractor conditionally agreed to act as the contractor to carry out the M&E and Façade Works for the Project at the contract sum of not exceeding HK\$141,000,000.

THE FRAMEWORK AGREEMENT

Date

26 September 2022 (after trading hours)

Parties to the Framework Agreement

- (a) the Employer (an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments);
- (b) the Builder's Works Contractor (an indirect wholly-owned subsidiary of Chinney Alliance);
and
- (c) the M&E and Façade Works Contractor (an indirect wholly-owned subsidiary of Chinney Alliance).

Builder's Works

Pursuant to the Framework Agreement, the Employer conditionally engages the Builder's Works Contractor and the Builder's Works Contractor conditionally agrees to act as the contractor to carry out the Builder's Works for the Project at a contract sum (and subject to the provisional sums) on the terms and subject to the Conditions Precedent to the Framework Agreement, and on the terms and conditions as contained in the Builder's Works Contract Documents. The period of the Builder's Works is estimated to be approximately 490 calendar days.

The Builder's Works Contractor was selected through a tendering process in which three companies had submitted tenders to the Architect and the Quantity Surveyor, both being Independent Third Parties, for review and assessment. The contract sum for the Builder's Works represents the aggregate of (i) the amount offered by the Builder's Works Contractor under the lump sum fixed price tender, which is HK\$67,300,000; (ii) the prime cost sums for lift replacement works to be carried out by an independent lift sub-contractor, whose contract is pending on tendering procedure and is currently estimated by the Quantity Surveyor to be HK\$8,000,000; and (iii) the provisional sums for (a) certain builder's works not yet quantified at the time of the tendering; and (b) the relevant contingencies in respect of the Builder's Works, in the total amount of not exceeding HK\$21,000,000. For the other two companies which had submitted tenders for the Builder's Works, to the best of knowledge, information and belief of the directors from each of Chinney Investments and Hon Kwok, after having made reasonable enquiries, are Independent Third Parties.

M&E and Façade Works

Pursuant to the Framework Agreement, the Employer conditionally engages the M&E and Façade Works Contractor and the M&E and Façade Works Contractor conditionally agrees to act as the contractor to carry out the M&E and Façade Works for the Project at a contract sum (and subject to the provisional sums) on the terms and subject to the Conditions Precedent to the Framework Agreement, and on the terms and conditions as contained in the M&E and Façade Works Contract Documents. The period of the M&E and Façade Works is estimated to be approximately 490 calendar days.

The M&E and Façade Works Contractor was selected through a tendering process in which three companies had submitted tenders to the Architect and the Quantity Surveyor, both being Independent Third Parties, for review and assessment. The contract sum for the M&E and Façade Works represents the aggregate of (i) the amount offered by the M&E and Façade Works Contractor under the lump sum fixed price tender which is HK\$132,000,000 and (ii) the provisional sums for (a) towngas installation and façade lighting works not yet quantified at the time of the tendering; and (b) the relevant contingencies in respect of the M&E and Façade Works, in the total amount of not exceeding HK\$9,000,000. For the other two companies which had submitted tenders for the M&E and Façade Works, to the best of knowledge, information and belief of the directors from each of Chinney Investments and Hon Kwok, after having made reasonable enquiries, are Independent Third Parties.

Total Contract Sum and terms of payment

The Total Contract Sum is the aggregate of:

- (i) the tender sums offered by the Builder's Works Contractor and the M&E and Façade Works Contractor under their respective lump sum fixed price tenders of HK\$67,300,000 and HK\$132,000,000 respectively;

- (ii) the prime cost sums for lift replacement works to be carried out by an independent lift sub-contractor (as part of the Builder's Works), whose contract is pending on tendering procedure and is currently estimated by the Quantity Surveyor to be HK\$8,000,000;
- (iii) the provisional sums for such works not yet quantified at the time of tendering and estimated by the Quantity Surveyor in respect of the Builder's Works and the M&E and Façade Works, in the amount of not exceeding HK\$11,000,000 and HK\$4,000,000 respectively; and
- (iv) the provisional sums for the relevant contingencies in respect of the Builder's Works and the M&E and Façade Works, in the amount of not exceeding HK\$10,000,000 and HK\$5,000,000 respectively.

The Total Contract Sum, being the total amount of not exceeding HK\$237,300,000, represents the total costs to be incurred by the Employer in respect of the Project under the Framework Agreement.

Payment of the contract sums under the terms and conditions of the respective Builder's Works Contract Documents and the M&E and Façade Works Contract Documents will follow common industry practice which is to be effected in stages based on the progress of the Builder's Works and the M&E and Façade Works properly executed by each of the Builder's Works Contractor and the M&E and Façade Works Contractor, and the materials and goods delivered, as certified by the Architect in the Architect's certificates to be delivered to the Employer from time to time.

As to the Builder's Works Contractor and the M&E and Façade Works Contractor, the contract sums respectively offered by them to the Employer were determined based on the estimated project costs (including but not limited to machinery usage costs, direct labour costs, subcontracting charges and construction materials costs) by reference to the prevailing market rate, and such pricing policy is also adopted in other contracts offered to other Independent Third Parties by the respective Contractors for similar works.

Assessment criteria for the tenders on the Builder's Works and the M&E and Façade Works

The Employer has engaged the Architect and the Quantity Surveyor to conduct the tendering process and both of them have examined and assessed the merits of the tenders received. In concluding the Builder's Works Contractor and the M&E and Façade Works Contractor to be responsible for their respective work regarding the Project, the Architect and the Quantity Surveyor have considered, on top of the tender prices, other factors relating to the tenderers such as the number of projects they have completed, their experiences of building contracts of similar nature, project scale and complexity for past projects, the competences of their technical staff and the quality of their technical proposals submitted. Each tenderer was given a score by the Architect after consideration of the above factors. Based on the examination and assessment by the Architect and the Quantity Surveyor, each of the Builder's Works Contractor and the M&E and Façade Works Contractor was respectively able to attain the passing score and ranked the highest amongst the three tenderers for each of the tender and the Architect and the Quantity Surveyor recommended to award the respective tenders to the Builder's Works Contractor and the M&E and Façade Works Contractor.

Conditions Precedent to the Framework Agreement

The engagement of each of the Contractors by the Employer and the acceptance of such engagement by each of the Contractors, and the obligations of the Parties under the Framework Agreement are conditional upon:

- (a) the respective approval and authorisation of each of the Chinney Investments Board, the Hon Kwok Board and the Chinney Alliance Board regarding the entering of the Proposed CT and the execution, delivery and performance of the Framework Agreement, all the transactions contemplated thereunder and any agreement ancillary thereto;
- (b) the passing by the independent shareholders of each of the Companies in their respective special general meeting or extraordinary general meetings (as the case may be) by way of poll of resolution(s) approving, amongst other things, the Proposed CT and authorising the execution, delivery and performance of all the transactions contemplated under the Framework Agreement and any agreement ancillary thereto;
- (c) all requirements imposed by the Stock Exchange under the Listing Rules or otherwise, any relevant laws and regulations in connection with all the transactions contemplated by the Framework Agreement having been fully complied with; and
- (d) all waivers, consents, approvals or confirmations (as the case may be) of the Stock Exchange and any governing body for the transactions contemplated under the Framework Agreement, which are required or appropriate or in relation thereto, and all relevant waivers, consents, approvals or confirmations (as the case may be) required for the purposes of the Parties for the entry into and the implementation of the Framework Agreement having been obtained.

None of the above conditions precedent can be waived by any of the Contractors or the Employer.

The Parties shall use their reasonable endeavours to procure that the Conditions Precedent to the Framework Agreement shall be fulfilled on or before the Long-Stop Date.

If the Conditions Precedent to the Framework Agreement have not been fulfilled by the Long-Stop Date, or such other date as the Parties may agree in writing (time in either case being of the essence), then save in respect of any antecedent breach of the Framework Agreement, all rights and liabilities of the Parties shall cease and no Party shall have any claim against the other Parties.

INFORMATION OF THE COMPANIES

Chinney Investments is an investment holding company incorporated in Hong Kong with limited liability. Chinney Investments Group (excluding Hon Kwok Group and CAG Group) is mainly engaged in properties investment.

Hon Kwok is an investment holding company incorporated in Hong Kong with limited liability. Hon Kwok Group is mainly engaged in property development, property investment and property related businesses.

Chinney Alliance is an investment holding company incorporated in Bermuda with limited liability. CAG Group is mainly engaged in trading of plastics and chemical products; provision of building related contracting services; provision of foundation piling works and sub-structure works; provision of construction works; distribution and installation of aviation system and other high-tech products; and property holding and development.

INFORMATION OF THE PARTIES TO THE FRAMEWORK AGREEMENT

Honour Well Development Limited, being the Employer of the Framework Agreement and a company incorporated under the Laws of Hong Kong with limited liability, is an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments. It is the owner of the Building and is principally engaged in property holding and letting in Hong Kong.

Chinney Construction Company, Limited, being the Builder's Works Contractor of the Framework Agreement and a company incorporated under the Laws of Hong Kong with limited liability, is an indirect wholly-owned subsidiary of Chinney Alliance. It is a general building contractor principally engaged in the provision of building construction works and services to the public and private sectors in Hong Kong.

Shun Cheong Building Services Limited, being the M&E and Façade Works Contractor of the Framework Agreement and a company incorporated under the Laws of Hong Kong with limited liability, is an indirect wholly-owned subsidiary of Chinney Alliance. It is a contractor principally engaged in multi-discipline building services, including but not limited to mechanical and electrical engineering and general building maintenance.

REASONS FOR AND BENEFITS OF THE PROPOSED CT

The principal activities of Hon Kwok Group are property development and investment. From time to time, Hon Kwok Group engages contractors for (i) construction works of its property development projects; and (ii) additions, alterations and maintenance works for its properties held for investment purpose. The Building was completed in 1970, acquired by Hon Kwok Group in 1998 and has been held by Hon Kwok Group as a serviced apartment and hotel since then. The management of Hon Kwok considers that it is in the best interest of Hon Kwok and its shareholders as a whole to (i) refurbish and renovate the Building in order to upgrade its condition to tailor for the demand and expectation of its guests, so as to maintain the competitiveness and attractiveness of the Building (with its utilisation as a serviced apartment and hotel), by means of revamp works such as the Builder's Works, the M&E and Façade Works and interior fitting-out works (currently under preliminary design stage, and its relevant contract will only be granted next year via a new tendering procedure for such works); and (ii) accordingly, engage technically competent contractors at a competitive price to carry out the Builder's Works and the M&E and Façade Works.

Each of the Contractors is considered an appropriate choice given (a) the awarding of the respective contracts for the Builder's Works and the M&E and Façade Works to each of the Contractors have been based on the fair and reasonable assessment criteria elaborated under the subsection "Assessment criteria for the tenders on the Builder's Works and the M&E and Façade Works" of the section headed "THE FRAMEWORK AGREEMENT" in this announcement; (b) the recommendation by the Architect and the Quantity Surveyor by reference to the technical aspect and pricing of all three tenders received by the Employer; (c) being same as the Employer, both of the Contractors are under the control of Dr. James Sai-Wing Wong who has the objective of achieving the well-being for all of the Companies; and (d) the long-established relationship amongst the Companies that will enhance work efficiency and effective communication.

Moreover, by means of the Builder's Works and the M&E and Façade Works, it is anticipated that those works will upgrade the overall appearance and image of the Building, providing a refreshed experience to the guests of the Building and will make it more attractive. In particular, with the aim of addressing the growing concerns on energy-saving and the advocacy for green buildings in Hong Kong, the Employer has decided to apply the building-integrated photovoltaics system to the façade of the Building, which is a solar power generating system seamlessly integrated into the curtain wall of the Building. It is expected that the Project would be able to (i) increase occupancy, income derived from and business value of the Building; and (ii) enhance the performance of the Chinney Investments Group and the Hon Kwok Group in terms of their efforts for environmental protection, and is therefore considered beneficial and in the interests of the Chinney Investments Group, the Hon Kwok Group and the shareholders of each of Chinney Investments and Hon Kwok as a whole.

CAG Group has been engaging in construction works, foundation construction works, and building related contracting services in Hong Kong for many years. The management of CAG Group considers that the submission of the tenders and the acceptance of them (if being awarded) relating to the Builder's Works and the M&E and Façade Works are within its normal course of businesses. The contract sums respectively offered to the Employer were determined based on the estimated project costs (including machinery usage costs, direct labour costs, subcontracting charges and construction materials costs) by reference to the prevailing market rate, and such pricing policy is also adopted in other contracts offered to other Independent Third Parties by the respective Contractors for similar works.

The conditional engagement by the Employer and the conditional acceptance by the Contractors to act as the contractors to carry out the Builder's Works and the M&E and Façade Works represent activities within the ordinary and usual course of businesses of each of the Chinney Investments Group, the Hon Kwok Group and the CAG Group. The terms of the Framework Agreement were arrived at by each of the Contractors and the Employer after arm's length negotiations.

In light of the above, (a) the Chinney Investments Board (excluding the independent non-executive directors of Chinney Investments, whose views will be contained in the letter from the Chinney Investments IBC to be set out in its circular after taking into account the advice from the Chinney Investments IFA) considers that the terms of the Framework Agreement are on normal commercial terms, are fair and reasonable and in the interests of Chinney Investments and its shareholders as a whole; (b) the Hon Kwok Board (excluding the independent non-executive directors of Hon Kwok, whose views will be contained in the letter from the Hon Kwok IBC to be set out in its circular after taking into account the advice from the Hon Kwok IFA) considers that the terms of the Framework Agreement are on normal commercial terms, are fair and reasonable and in the interests of Hon Kwok and its shareholders as a whole; and (c) the Chinney Alliance Board (excluding the independent non-executive directors of Chinney Alliance, whose views will be contained in the letter from the Chinney Alliance IBC to be set out in its circular after taking into account the advice from the Chinney Alliance IFA) considers that the terms of the Framework Agreement are on normal commercial terms, are fair and reasonable and in the interests of Chinney Alliance and its shareholders as a whole.

Under the articles of association of Chinney Investments, a director should not vote (nor be counted in the quorum) on any resolution of the Chinney Investments Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the board resolutions of Chinney Investments approving the Framework Agreement. Mr. James Sing-Wai Wong and Dr. Emily Yen Wong, being respectively the son and the daughter of Dr. James Sai-Wing Wong, have also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

Under the articles of association of Hon Kwok, a director should not vote (nor be counted in the quorum) on any resolution of the Hon Kwok Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the board resolutions of Hon Kwok approving the Framework Agreement. Mr. James Sing-Wai Wong, being the son of Dr. James Sai-Wing Wong, has also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

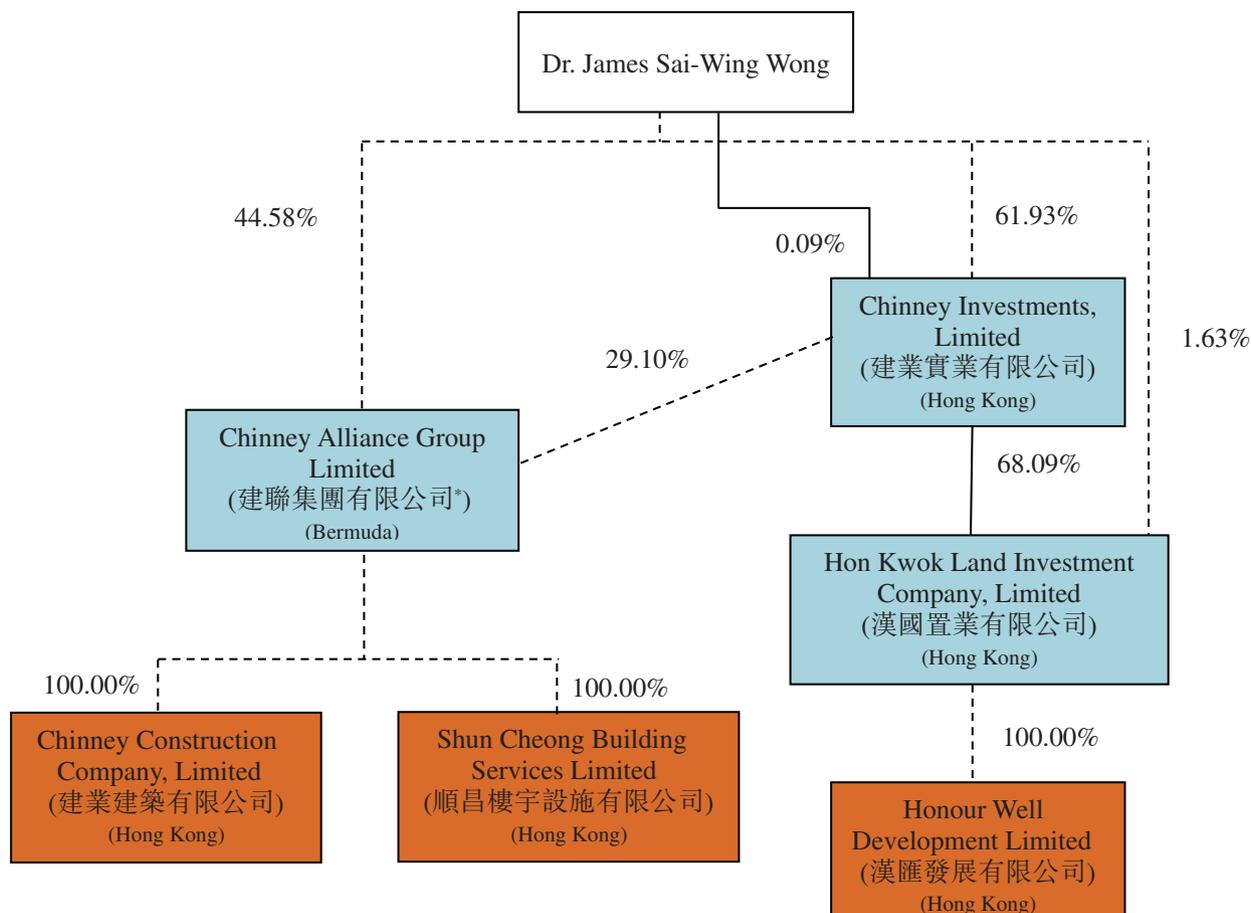
Under the bye-laws of Chinney Alliance, a director should not vote (nor be counted in the quorum) on any resolution of the Chinney Alliance Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the board resolutions of Chinney Alliance approving the Framework Agreement. Mr. James Sing-Wai Wong, being the son of Dr. James Sai-Wing Wong, has also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

Save and except the above directors in the respective Companies having abstained from voting on the respective board resolutions approving the Framework Agreement, to the best of the directors' knowledge, information and belief, after having made reasonable enquiries, none of the directors in the respective Companies has any material interest in the Framework Agreement and are required to abstain from voting (or be disregarded in the quorum) on the respective board resolutions approving the same.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Employer is an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments, and each of the Builder's Works Contractor and the M&E and Façade Works Contractor is an indirect wholly-owned subsidiary of Chinney Alliance. Chinney Investments is interested in approximately 68.09% and 29.10% of the issued shares of Hon Kwok and Chinney Alliance respectively. Dr. James Sai-Wing Wong is the chairman and the executive director of each of Chinney Investments, Hon Kwok and Chinney Alliance, and he is beneficially interested in (a) approximately 62.02% of the issued shares of Chinney Investments; (b) approximately 69.72% of the issued shares of Hon Kwok (including those interests held through Chinney Investments); and (c) approximately 73.68% of the issued shares of Chinney Alliance (including those interests held through Chinney Investments). Thus, Chinney Investments, Hon Kwok and Chinney Alliance are connected persons to one another within the meaning of the Listing Rules.

The relationships of Dr. James Sai-Wing Wong, the Parties and the Companies are set out in the structure chart below:



Notes:

1. ----- represents indirect shareholding interests.
2. ——— represents direct shareholding interests.
3. Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Accordingly, for each of the Companies, as the entering into of the Framework Agreement constitutes a connected transaction under the Listing Rules, with the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) being more than 5% for each of the Companies and the Total Contract Sum being more than HK\$10 million, the Proposed CT constitute non-exempt connected transactions under Chapter 14A of the Listing Rules. Each of the Companies is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEES AND INDEPENDENT FINANCIAL ADVISERS

Chinney Investments IBC, comprising the independent non-executive directors of Chinney Investments (namely Mr. Richard Chi-Ho Lo, Mr. Winfred Wai-Lap Fan and Mr. Randall Todd Turney) has been established to advise the independent shareholders of Chinney Investments, and Veda Capital has been appointed as the Chinney Investments IFA to advise Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder.

Hon Kwok IBC, comprising the independent non-executive directors of Hon Kwok (namely Ms. Janie Fong, Mr. David Tak-Wai Ma and Mr. James C. Chen) has been established to advise the independent shareholders of Hon Kwok, and Veda Capital has been appointed as the Hon Kwok IFA to advise Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder.

Chinney Alliance IBC, comprising the independent non-executive directors of Chinney Alliance (namely Mr. Chi-Chiu Wu, Mr. Ronald James Blake, Mr. Anthony King-Yan Tong and Ms. Dee-Dee Chan) has been established to advise the independent shareholders of Chinney Alliance, and Luk Fook Capital has been appointed as the Chinney Alliance IFA to advise Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder.

SGM/EGM

Chinney Investments EGM

Chinney Investments EGM will be convened by Chinney Investments for the purpose of, among other things, considering and if thought fit, seeking approval from the independent shareholders of Chinney Investments of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates are currently interested in 341,919,324 shares of Chinney Investments (including 341,439,324 shares held indirectly, representing approximately 61.93% of the entire issued share capital of Chinney Investments and 480,000 shares held directly, representing approximately 0.09% of the entire issued share capital of Chinney Investments), representing approximately 62.02% of the issued shares of Chinney Investments in aggregate. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Chinney Investments and after having made all reasonable enquiry, no other shareholder of Chinney Investments has any material interest in the Proposed CT, the Framework Agreement and the transactions contemplated thereunder and therefore no other shareholder of Chinney Investments is required to abstain from voting at the Chinney Investments EGM.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Chinney Investments IBC to the independent shareholders of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Chinney Investments IFA to Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Chinney Investments EGM, will be despatched to the shareholders of Chinney Investments on or before 18 October 2022 in accordance with the Listing Rules.

Hon Kwok EGM

Hon Kwok EGM will be convened by Hon Kwok for the purpose of, among other things, considering and if thought fit, seeking approval from the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates are currently interested in 502,262,139 shares of Hon Kwok, representing approximately 69.72% of the issued shares of Hon Kwok. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Hon Kwok and after having made all reasonable enquiry, no other shareholder of Hon Kwok has any material interest in the Proposed CT, the Framework Agreement and the transactions contemplated thereunder and therefore no other shareholder of Hon Kwok is required to abstain from voting at the Hon Kwok EGM.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Hon Kwok IBC to the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Hon Kwok IFA to Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Hon Kwok EGM, will be despatched to the shareholders of Hon Kwok on or before 18 October 2022 in accordance with the Listing Rules.

Chinney Alliance SGM

Chinney Alliance SGM will be convened by Chinney Alliance for the purpose of, among other things, considering and if thought fit, seeking approval from the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder. Dr. James Sai-Wing Wong and his associates are currently interested in 438,334,216 shares of Chinney Alliance, representing approximately 73.68% of the issued shares of Chinney Alliance. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Chinney Alliance and after having made all reasonable enquiry, no other shareholder of Chinney Alliance has any material interest in the Proposed CT, the Framework Agreement and the transactions contemplated thereunder and therefore no other shareholder of Chinney Alliance is required to abstain from voting at the Chinney Alliance SGM.

A circular containing, *inter alia*, (a) further details of the Proposed CT and transactions contemplated under the Framework Agreement; (b) a letter of recommendation from Chinney Alliance IBC to the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; (c) a letter of advice from the Chinney Alliance IFA to Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT, the Framework Agreement and the transactions contemplated thereunder; and (d) a notice of the Chinney Alliance SGM, will be despatched to the shareholders of Chinney Alliance on or before 18 October 2022 in accordance with the Listing Rules.

Shareholders and potential investors of each of the Companies should note that the Proposed CT is subject to the satisfaction of the Conditions Precedent to the Framework Agreement. As such, the Proposed CT may or may not proceed. Shareholders and potential investors of each of the Companies are therefore urged to exercise caution when dealing in the shares and other securities of the Companies.

DEFINITIONS

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

- “Architect” AGC Design Limited, an independent architect engaged by the Employer in respect of the Project
- “associates” has the meaning given to it under the Listing Rules
- “Builder’s Works” the builder’s works relating to the Project, including but not limited to:
- (i) demolition and removal from site of existing structures, canopies, partitions, finishes, fittings, furniture, etc. as necessary for the completion of the Project;
 - (ii) mock-up works of sunken trench for testing the drainage system to the satisfaction of the Architect;
 - (iii) design of windows, louvres, doors, waterproofing interfacing, transformer room cooperation, etc. and provision of shop drawings to the satisfaction of the Architect;
 - (iv) provision of walls, partitions, doors, windows, louvres, waterproofing, finishes, fittings, etc. in accordance with the specifications as set out in the Builder’s Works Contract Documents;
 - (v) provision of reinforced concrete slabs, steel beams, light weight concrete fill, structural screeds, etc. in accordance with the specifications as set out in the Builder’s Works Contract Documents;
 - (vi) all builder’s works in connection with hoarding works, mechanical and electrical works, façade works, interior fitting out works and utilities companies as necessary to enable these specialist contractors to complete their respective works notwithstanding that the same may have not been shown in the Builder’s Works Contract Documents;

(vii) any taking down/demolition, alteration, diversion, reinstatement and making good works as necessary for the completion of the Builder's Works; and

(viii) provision and subsequent removal of all protection works as necessary for the full protection of existing works to be remained and, if damaged, making good or replacement works disturbed all to the satisfaction of the Architect,

as more particularly set out in the Builder's Works Contract Documents

"Builder's Works Contract Documents" the contract documents in respect of the Builder's Works to be entered into between the Employer and the Builder's Works Contractor in accordance with and substantially in the same form and substance as annexed to the Framework Agreement

"Builder's Works Contractor" Chinney Construction Company, Limited (建業建築有限公司), a company incorporated under the Laws of Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Chinney Alliance

"Building" such building related to the Project, located at 119-121 Connaught Road Central, Sheung Wan, Hong Kong

"CAG Group" Chinney Alliance and its subsidiaries

"Chinney Alliance" Chinney Alliance Group Limited (建聯集團有限公司*), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange

"Chinney Alliance Board" the board of directors of Chinney Alliance

"Chinney Alliance IBC" an independent committee of the board of directors of Chinney Alliance comprising the four independent non-executive directors of Chinney Alliance formed for the purpose of advising and giving recommendation to the independent shareholders of Chinney Alliance in respect of the Proposed CT

"Chinney Alliance IFA" or "Luk Fook Capital" Luk Fook Capital (HK) Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser appointed by Chinney Alliance to advise Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT

"Chinney Alliance SGM" the special general meeting to be convened by Chinney Alliance for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Alliance in respect of the Proposed CT

“Chinney Investments”	Chinney Investments, Limited (建業實業有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange, and is the holding company of Hon Kwok and a substantial shareholder of Chinney Alliance
“Chinney Investments Board”	the board of directors of Chinney Investments
“Chinney Investments EGM”	the extraordinary general meeting to be convened by Chinney Investments for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Investments in respect of the Proposed CT
“Chinney Investments Group”	Chinney Investments and its subsidiaries, excluding the Hon Kwok Group and CAG Group
“Chinney Investments IBC”	an independent committee of the board of directors of Chinney Investments comprising the three independent non-executive directors of Chinney Investments formed for the purpose of advising and giving recommendation to the independent shareholders of Chinney Investments in respect of the Proposed CT
“Chinney Investments IFA” or “Hon Kwok IFA” or “Veda Capital”	Veda Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser appointed by each of Chinney Investments and Hon Kwok to advise (i) Chinney Investments IBC; (ii) Hon Kwok IBC; (iii) the independent shareholders of Chinney Investments; and (iv) the independent shareholders of Hon Kwok in respect of the Proposed CT
“Companies”	collectively, Chinney Investments, Hon Kwok and Chinney Alliance
“Conditions Precedent to the Framework Agreement”	the conditions precedents set out under the paragraph “Conditions Precedent to the Framework Agreement”
“connected persons”	has the meaning given to it under the Listing Rules
“Contractors”	collectively the Builder’s Works Contractor and the M&E and Façade Works Contractor
“Dr. James Sai-Wing Wong”	Dr. James Sai-Wing Wong, the chairman and executive director of each of Chinney Investments, Hon Kwok and Chinney Alliance

“Employer”	Honour Well Development Limited (漢匯發展有限公司), a company incorporated under the Laws of Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments
“Framework Agreement”	a framework agreement dated 26 September 2022 entered into between the Contractors and the Employer in relation to the Builder’s Works and the M&E and Façade Works
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hon Kwok”	Hon Kwok Land Investment Company, Limited (漢國置業有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“Hon Kwok Board”	the board of directors of Hon Kwok
“Hon Kwok EGM”	the extraordinary general meeting to be convened by Hon Kwok for the purpose of, among other things, seeking approval from the independent shareholders of Hon Kwok in respect of the Proposed CT
“Hon Kwok Group”	Hon Kwok and its subsidiaries
“Hon Kwok IBC”	an independent committee of the board of directors of Hon Kwok comprising the three independent non-executive directors of Hon Kwok formed for the purpose of advising and giving recommendation to the independent shareholders of Hon Kwok in respect of the Proposed CT
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) not connected with any of the directors, chief executive, substantial shareholders of each of the Company(ies) or any of its subsidiaries or any of their respective associates
“Laws”	includes the Listing Rules, all laws, bye-laws, rules, regulations, guidelines, orders, judgments, decrees or rulings of any court, government, governmental or regulatory authority whether or not <i>ejusdem generis</i> with any of the foregoing and the “Law” shall be construed accordingly
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long-Stop Date”	31 December 2022

“M&E and Façade Works”	<p>the mechanical and electrical engineering works and façade works relating to the Project, including but not limited to:</p> <ul style="list-style-type: none"> (i) demolition and removal from site of existing mechanical and electrical equipment, plumbing equipment, etc. as necessary for the completion of the M&E and Façade Works; (ii) design, supply, installation, testing, commissioning and maintenance of various installations including mechanical ventilation and air-conditioning, electrical, fire services, plumbing and drainage in accordance with the specifications as set out in the M&E and Façade Works Contract Documents; (iii) design, supply and installation of cladding wall system, curtain wall system, façade features, louvres, windows, external doors, finishes, etc. in accordance with the specifications as set out in the M&E and Façade Works Contract Documents; (iv) any taking down/demolition, alteration, diversion, reinstatement and making good works as necessary for the completion of the M&E and Façade Works; and (v) provision and subsequent removal of all protection works as necessary for the full protection of existing works to be remained and, if damaged, making good or replacement works disturbed all to the satisfaction of the Architect, <p>as more particularly set out in the M&E and Façade Works Contract Documents</p>
“M&E and Façade Works Contract Documents”	the contract documents in respect of the M&E and Façade Works to be entered into between the Employer and the M&E and Façade Works Contractor in accordance with and substantially in the same form and substance as annexed to the Framework Agreement
“M&E and Façade Works Contractor”	Shun Cheong Building Services Limited (順昌樓宇設施有限公司), a company incorporated under the Laws of Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Chinney Alliance
“Parties”	the Contractors and the Employer, the parties to the Framework Agreement and a “Party” shall be construed accordingly
“Project”	The revamp of the Building with the Builder’s Works and the M&E and Façade Works inclusive
“Proposed CT”	the proposed connected transactions contemplated under the Framework Agreement
“Quantity Surveyor”	Rider Levett Bucknall Limited, an independent quantity surveyor engaged by the Employer in respect of the Project

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning given to it under the Listing Rules
“Total Contract Sum”	the aggregate of the contract sums respectively offered by the Builder’s Works Contractor and the M&E and Façade Works Contractor and the respective provisional sums under the Builder’s Works Contract Documents and the M&E and Façade Works Contract Documents, being the amount of not exceeding HK\$237,300,000 and represents the total costs in respect of the Project under the Framework Agreement
“%”	per cent

By Order of the Board
Chinney Investments, Limited
 (建業實業有限公司)
Ka-Yee Wan
Company Secretary

By Order of the Board
Hon Kwok Land Investment Company, Limited
 (漢國置業有限公司)
Ka-Yee Wan
Company Secretary

By Order of the Board
Chinney Alliance Group Limited
 (建聯集團有限公司*)
Yun-Sang Lo
Company Secretary

Hong Kong, 26 September 2022

At the date of this announcement, the directors of Chinney Investments are Dr. James Sai-Wing Wong (Chairman), Mr. Yuen-Keung Chan (Vice Chairman and Managing Director) and Mr. James Sing-Wai Wong as executive directors; Mr. Paul Hon-To Tong and Dr. Emily Yen Wong as non-executive directors; and Mr. Richard Chi-Ho Lo, Mr. Winfred Wai-Lap Fan and Mr. Randall Todd Turney as independent non-executive directors.

At the date of this announcement, the directors of Hon Kwok are Dr. James Sai-Wing Wong (Chairman), Mr. James Sing-Wai Wong, Mr. Xiao-Ping Li and Mr. Philip Bing-Lun Lam as executive directors; and Ms. Janie Fong, Mr. David Tak-Wai Ma and Mr. James C. Chen as independent non-executive directors.

At the date of this announcement, the directors of Chinney Alliance are Dr. James Sai-Wing Wong (Chairman), Mr. Yuen-Keung Chan (Vice Chairman and Managing Director), Mr. James Sing-Wai Wong and Mr. Philip Bing-Lun Lam as executive directors; and Mr. Chi-Chiu Wu, Mr. Ronald James Blake, Mr. Anthony King-Yan Tong and Ms. Dee-Dee Chan as independent non-executive directors.

* For identification purpose only