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COME SURE GROUP (HOLDINGS) LIMITED

錦勝集團（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00794)

INSIDE INFORMATION IN RELATION TO RELOCATION COMPENSATION AGREEMENT

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 3 December 2020 and 10 December 2020 in relation to the Tenancy Agreement entered into between the Tenant (an indirect wholly-owned subsidiary of the Company) and the Landlord.

The Board announces that, as part of the evacuation arrangement as a result of the government-driven redevelopment of Tangxiayong Community, the Tenant of the Premises have on 2 September 2024 entered into the Relocation Compensation Agreement with the Relocator and the Landlord, at the aggregate Compensation of RMB2,860,000.

RELOCATION COMPENSATION AGREEMENT

The principal terms of the Relocation Compensation Agreement are set out below:

Date:	2 September 2024
Relocator:	Shenzhen Tangxiayong Joint-stock Cooperative Company* (深圳市塘下涌股份合作公司)
Landlord:	Shenzhen Kejiying Shareholding Cooperative Company* (深圳市科集盈股份合作公司)
Tenant:	Sky Achiever Paper Industrial (Shenzhen) Company Limited* (中洲紙業(深圳)有限公司)
Premises:	The factory building, dormitory and ancillary facilities located at Industrial Zone, No.41 Chuangxin Road, Tangxiayong Community, Yanluo Street, Baoan District, Shenzhen, the PRC* (中國深圳市寶安區燕羅街道塘下涌社區創新路41號工業區內的建築物廠房、宿舍及配套)
Gross Floor Area:	11,879.67 m ²
Original Term pursuant to Tenancy Agreement:	18 December 2020 to 17 December 2029
Total amount of Compensation:	RMB2,860,000
Payment terms:	Compensation shall be payable via bank transfer to the Tenant in two instalments: (1) a sum of RMB1,056,871.50, within 15 business days after signing of the Relocation Compensation Agreement; and (2) the remaining balance of RMB1,803,128.50, within 30 business days after the delivery of Premises by Tenant to Relocator and Landlord and inspection of the Premises by Relocator and Landlord.

Pursuant to the terms of the Relocation Compensation Agreement, the Tenant shall vacate the Premises before the Relocation Deadline on 30 September 2024. If the Tenant is unable to deliver vacant possession of the Premises on or before the Relocation Deadline, the Relocator and the Landlord have the right to suspend the payment of Compensation and the Tenant shall pay damage to the Relocator and the Landlord at the rate of 0.01% for each day of delay. In the event that the Tenant fails to vacate the Premises after three days from the Relocation Deadline, the Relocator and the Landlord shall have the right to deal with the Premises and handover the Premises on behalf of the Tenant.

In the event that the Compensation has not been paid to the Tenant in accordance with the Relocation Compensation Agreement, the Relocator and the Landlord shall pay the damages at the rate of 0.01% on the outstanding amount of the Compensation for each day of delay.

INFORMATION OF THE TENANT, THE COMPANY AND THE GROUP

The Tenant is an indirect wholly-owned subsidiaries of the Company and is principally engaged in the trading and manufacturing of paper-based packaging products and molded pulp products in the PRC.

The principal activity of the Company is investment holding. The Group is principally engaged in the manufacturing and trading of corrugated paperboards and paper-based packaging products to customers with production base in the PRC.

INFORMATION OF THE RELOCATOR AND THE LANDLORD

To the best knowledge of the Directors, Shenzhen Tangxiayong Joint-stock Cooperative Company* (深圳市塘下涌股份合作公司), being the Relocator, is principally engaged in leasing properties, which is owned as to (a) approximately 61% by the villagers and (b) approximately 39% by Shenzhen Tangxiachong Collective Asset Management Committee* (深圳市塘下涌集體資產管理委員會) (the “**Tangxiachong AM Committee**”). To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the ultimate beneficial owners of the Shenzhen Tangxiayong Joint-stock Cooperative Company and the Tangxiachong AM Committee are the villagers of Tangxiayong, Yaniu Street, Baoan District, Shenzhen (with over 50 villagers as at the date of this announcement) with their beneficial interests divided equally amongst themselves.

To the best knowledge of the Directors, Shenzhen Kejiying Shareholding Cooperative Company* (深圳市科集盈股份合作公司), being the Landlord of the Premises, is principally engaged in leasing of properties, which is owned as to (a) approximately 79.22% by the Second Villagers’ Group of Tangxiayong Neighbourhood Committee, Yaniu Street, Baoan District, Shenzhen* (深圳市寶安區燕羅街道塘下涌居委會第二村民小組) (the “**Second Villager’s Group Committee**”) and (b) approximately 20.78% by

Shenzhen Kejiying Collective Assets Management Committee* (深圳市科集盈集體資產管理委員會) (the “**Kejiying AM Committee**”). To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the ultimate beneficial owners of the Second Villager’s Group Committee and the Kejiying AM Committee are the villagers of Tangxiayong, Yaniu Street, Baoan District, Shenzhen (with over 50 villagers as at the date of this announcement) with their beneficial interests divided equally amongst themselves.

Each of the Relocator and Landlord and their respective ultimate beneficial owners, to the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE RELOCATION COMPENSATION AGREEMENT

The Group is principally engaged in the manufacturing and trading of corrugated paperboards and paper-based packaging products to customers with production base in the PRC. The Premises was leased under the Tenancy Agreement and used by the Group as production plant for corrugated paperboards and paper-based packaging products as well as staff quarters.

As mentioned above, the Premises was located within Tangxiayong Community which is subject to the redevelopment plan of Urban Renewal and Land Readiness Bureau of Bao’an District in Shenzhen* (深圳市寶安區城市更新和土地整備局). In furtherance of such redevelopment plan, the Company was notified by the relevant government authorities regarding the evacuation of its operations from the Premises before the Relocation Deadline and engaged in negotiations with the Relocator and Landlord regarding the Compensation to cover costs for early termination of the Tenancy Agreement, including moving costs, and redundancy. As a result, on 2 September 2024, the Tenant entered into the Relocation Compensation Agreement in relation to the Disposal, pursuant to which the Group shall be entitled to the Compensation.

The Compensation in the aggregate amount of RMB2,860,000 is determined after arm’s length negotiations between the parties with reference to, among others, the valuation adopted the cost approach to assess the market value of the statutory compensation payable on the expected moving cost and loss from suspension of business due to early termination of the Tenancy Agreement of RMB2,854,700 in aggregate as assessed by an independent valuer appointed by the Company as at 20 August 2024 (the “**Independent Valuation**”). The Compensation payable to the Tenant under the Relocation Compensation Agreement will be fully utilised to cover costs for early termination of the Tenancy Agreement, including moving costs and redundancy incurred by the Group as a result of the Premises being vacated.

Having regard to (a) the Disposal being the direct consequence of inevitable early termination of the leases in accommodation of the redevelopment plan of Urban Renewal and Land Readiness Bureau of Bao'an District in Shenzhen* (深圳市寶安區城市更新和土地整備局); (b) the government-driven process on the terms of the Relocation Compensation Agreement including the Compensation; (c) the Compensation calculated are according to the statutory requirements under the Shenzhen government authorities as confirmed by the Independent Valuation; and (d) the Disposal is in line with the Group's efforts in production line integration to enhance its production capacity and optimise production efficiency and there is no material adverse impact on the Group's existing production capacity and business operation due to the Disposal, the Board is of the view that the Disposal and the terms of the Relocation Compensation Agreement (including the Compensation) are fair and reasonable and on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT OF THE DISPOSAL

Based on (i) the Compensation in the aggregate amount of RMB2,860,000; (ii) the carrying value of the rights-of-use assets to be disposed pursuant to the Relocation Compensation Agreement in the amount of approximately RMB16,580,572; (iii) carrying value of the lease liabilities regarding the tenancy pursuant to the Tenancy Agreement in the amount of approximately RMB20,346,386; and (iv) the estimated costs for redundancy in the aggregate amount of RMB5,500,000, it is estimated that the Group will record a net gain of RMB1,125,814 (before taxation) from the Disposal. The actual amount of the gain or loss on the Disposal to be recognised in the consolidated financial statements of the Group depends on the net assets/liabilities of the Disposal at the date of completion and therefore may be different from the amount mentioned above.

IMPLICATION UNDER LISTING RULES

In accordance with HKFRS 16 "Leases", the Company recognises the value of the right-of-use assets on its consolidated statement of financial position in connection with the lease of the Premises under the Tenancy Agreement. Accordingly, the entering into of the Relocation Compensation Agreement and the transactions contemplated thereunder (including the termination of the Tenancy Agreement) is regarded as a disposal of assets by the Tenant under the Listing Rules.

As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the arrangement contemplated under the Relocation Compensation Agreement are less than 5%, the arrangement contemplated under the Relocation Compensation Agreement does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	Board of Directors
“Company”	Come Sure Group (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 794)
“Compensation”	the aggregate amount of RMB2,860,000 payable to the Tenant as compensation under the Relocation Compensation Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of rights-of-use assets pursuant to the Relocation Compensation Agreement in relation to the early termination of the Tenancy Agreement
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	a party independent of and not connected with the Company and its connected persons
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Landlord”	Shenzhen Kejiying Shareholding Cooperative Company* (深圳市科集盈股份合作公司), a company established in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, which for the purposes of this announcement only, excluding Hong Kong, Taiwan and Macau Special Administrative Region of the PRC, unless otherwise specified
“Premises”	the factory building, dormitory and ancillary facilities located at Industrial Zone, No.41 Chuangxin Road, Tangxiayong Community, Yanluo Street, Baoan District, Shenzhen, the PRC* (中國深圳市寶安區燕羅街道塘下涌社區創新路41號工業區內的建築物廠房、宿舍及配套)
“Relocation Compensation Agreement”	the relocation compensation agreement to be entered into among the Relocator, the Landlord and the Tenant
“Relocation Deadline”	30 September 2024
“Relocator”	Shenzhen Tangxiayong Joint-stock Cooperative Company* (深圳市塘下涌股份合作公司), a joint-stock company established in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) of HK\$0.01 each in the issued and unissued share capital of the Company
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tangxiayong Community”	Tangxiayong Community, Yanluo Street, Baoan District, Shenzhen, the PRC* (中國深圳市寶安區燕羅街道塘下涌社區), being the area subject to redevelopment according to the redevelopment plan of Urban Renewal and Land Readiness Bureau of Bao’an District in Shenzhen* (深圳市寶安區城市更新和土地整備局)
“Tenant”	Sky Achiever Paper Industrial (Shenzhen) Company Limited* (中洲紙業(深圳)有限公司), a company incorporated in the PRC and an indirect wholly-owned subsidiaries of the Company

“Tenancy Agreement” the tenancy agreement dated 3 December 2020 entered into between the Tenant and the Landlord in relation to the Premises

“%” per cent.

By order of the Board
Come Sure Group (Holdings) Limited
CHONG Kam Chau
Chairman

Hong Kong, 2 September 2024

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. CHONG Kam Chau, Mr. CHONG Wa Pan and Mr. CHONG Wa Ching; and three independent non-executive Directors, namely Ms. TSUI Pui Man, Mr. LAW Tze Lun and Mr. CHEUNG Wang Ip.

* *for identification purposes only*