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**創輝珠寶集團控股有限公司**  
**Chong Fai Jewellery Group Holdings Company Limited**  
(formerly known as Dominate Group Holdings Company Limited)  
(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 8537)

**SUPPLEMENTAL ANNOUNCEMENT TO INTERIM REPORT AND ANNUAL REPORTS**

References are made to (i) the prospectus of Chong Fai Jewellery Group Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 15 March 2019 (the “**Prospectus**”) in relation to the listing of the shares of the Company on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of placing and public offer (the “**Share Offer**”), (ii) the annual report of the Company for the year ended 31 March 2019 (the “**2019 Annual Report**”), (iii) the interim report of the Company for the six months ended 30 September 2019 (the “**2020 Interim Report**”) and (iv) the annual report of the Company for the year ended 31 March 2020 (the “**2020 Annual Report**”).

In addition to the information disclosed in the section “Management Discussion and Analysis” in the 2019 Annual Report, the 2020 Interim Report and the 2020 Annual Report, the board of directors (the “**Board**”) of the Company would like to provide additional information pursuant to Rules 18.32(8), 18.32A and 18.55A to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) in relation to the use of net proceeds of approximately HK\$24.5 million raised from the Share Offer (the “**Net Proceeds**”), after deducting the underwriting fees and other expenses relating to the Share Offer, as follows:

	Net Proceeds from Share Offer (Note 1) (approx.) HK\$ million	Utilisation up to 31 March 2019 (approx.) HK\$ million	Utilisation up to 30 September 2019 (approx.) HK\$ million	Revised allocation of intended use of Net Proceeds (Note 2) (approx.) HK\$ million	Utilisation up to 31 March 2020 (approx.) HK\$ million	Unutilised amount as at 31 March 2020 (approx.) HK\$ million	Further revised allocation of intended use of Net Proceeds (Note 3) (approx.) HK\$ million	Utilisation up to the date of this announcement (approx.) HK\$ million	Unutilised amount as at the date of this announcement (approx.) HK\$ million	Expected timeline for utilising the unutilised net proceeds after reallocation
Intended use										
Expand the Group's retail presence	22.1	—	—	1.0	—	1.0	9.9	8.9	1.0	On or before 31 March 2021
Enhance the Group's brand recognition	1.2	—	0.3	1.2	0.6	0.6	1.2	0.8	0.4	On or before 31 March 2021
For the Group's working capital and other general corporate purposes	1.2	—	0.1	6.2	0.1	6.1	6.2	2.6	3.6	On or before 31 March 2021
Invest in blue-chip stocks, investment-grade bonds and debentures (Note 2)	N/A	N/A	N/A	16.1	—	16.1	7.2	5.3	1.9	On or before 31 March 2021
	<u>24.5</u>	<u>—</u>	<u>0.4</u>	<u>24.5</u>	<u>0.7</u>	<u>23.8</u>	<u>24.5</u>	<u>17.6</u>	<u>6.9</u>	

**Notes:**

1. The application of the Net Proceeds is based on the proposed percentage of utilisation as specified in the section headed "Future Plans and Use of Proceeds" in the Prospectus.
2. The change in use of Net Proceeds has been disclosed in the Announcement (as defined below).
3. The Company had further reallocated HK\$8.9 million from its investment in blue-chip stocks, investment-grade bonds and debentures to expand the Group's retail presence as disclosed in the announcement published by the Company on 3 July 2020 in relation to, inter alia, further change in the use of proceeds.

**Expanding the Group's retail presence**

As stated in the Prospectus, the Company had planned to use approximately HK\$22.1 million of the Net Proceeds to expand the Group's retail presence.

Such expansion would involve opening of retail stores and payment of rental deposit, renovation costs, inventories and staff salaries. According to the Company's implementation plan set out in the Prospectus, the Company expected to implement such expansion plan by the six months ending 30 September 2019.

As mentioned in the 2019 Annual Report, the Directors did not intend to change the planned use of the Net Proceeds as disclosed in the Prospectus as at the date of the 2019 Annual Report.

According to the 2020 Interim Report, the Company delayed its plan to expand its retail presence owing to the local economic and social uncertainties, which resulted in the Company's having difficulty in finding a suitable store with a reasonable price to be the flagship store of the Company.

According to an announcement published by the Company on 25 March 2020 in relation to the change in use of proceeds (the “**Announcement**”), the Company reallocated approximately HK\$16.1 million and approximately HK\$5 million from the amount of approximately HK\$22.1 million, which was originally planned to be used to expand the Group's retail presence, to (a) invest in blue-chip stocks, investment-grade bonds and debentures; and (b) become the Group's working capital and for other general corporate purposes respectively. The changes were mainly due to local economic and social uncertainties and the outbreak of the novel coronavirus in Hong Kong and around the globe, resulting in the Company's resolution to postpone the plan to find a suitable flagship retail store until the economic environment in Hong Kong becomes better.

Accordingly, the amount of Net Proceeds remained to be used for expanding the Group's retail presence, after deducting the reallocated portion in the amount of approximately HK\$21.1 million in aggregate, comes to approximately HK\$1 million as at 31 March 2020, the amount of which is expected to be fully utilised on or before year ended 31 March 2021.

### **Enhancing the Group's brand recognition**

As stated in the Prospectus, the Company had planned to use approximately HK\$1.2 million of the Net Proceeds to enhance the Group's brand recognition by launching various marketing and promotional activities and refurbishing the Group's existing retail stores.

As mentioned in the 2019 Annual Report, the Directors did not intend to change the planned use of the Net Proceeds as disclosed in the Prospectus as at the date of the 2019 Annual Report.

According to the 2020 Interim Report and the 2020 Annual Report, the Company had utilised approximately HK\$0.3 million of Net Proceeds for each of the six months ended 30 September 2019 and the year ended 31 March 2020 for the same purposes as disclosed in the Prospectus.

Accordingly, there are approximately HK\$0.6 million utilised Net Proceeds as at 31 March 2020 allocated for enhancing the Group's brand recognition and the amount of which is expected to be fully utilised on or before year ended 31 March 2021.

### **For the Group's working capital and other general corporate purposes**

As stated in the Prospectus, the Company had planned to use approximately HK\$1.2 million of the Net Proceeds as the Group's working capital and for other general corporate purposes.

As mentioned in the 2019 Annual Report, the Directors did not intend to change the planned use of the Net Proceeds as disclosed in the Prospectus as at the date of the 2019 Annual Report.

As mentioned in the 2020 Interim Report, the Company had utilised HK\$0.1 million of Net Proceeds for the six months ended 30 September 2019 as the planned use of the Net Proceeds as disclosed in the Prospectus as at the date of the 2020 Interim Report. The delay in utilisation of HK\$0.2 million was mainly due to local economic and social uncertainties, therefore the Company planned to save the money to use in a more efficient way in the future.

As disclosed in the Announcement, the Company reallocated HK\$5 million from the portion which was originally planned to be used to expand the Group's retail presence to become the Group's working capital and other general corporate purposes. Accordingly, the amount of unutilised Net Proceeds to be used as the Group's working capital and for other general corporate purposes comes to approximately HK\$6.1 million.

The Group will make use of such unutilised amount as working capital for its daily operations and the Group expects that such unutilised amount would be fully utilised on or before year ended 31 March 2021.

### **Investing in blue-chip stocks, investment-grade bonds and debentures**

As mentioned in the Announcement, the Company reallocated HK\$16.1 million of the Net Proceeds to invest in blue-chip stocks, investment-grade bonds and debentures. The change was mainly due to local economic and social uncertainties and the outbreak of the novel coronavirus in Hong Kong and around the globe. The Group considered that such change in the use of the Net Proceeds would generate higher returns for the Group.

However, as at the date of the 2020 Annual Report, the Company is yet able to identify any such investment opportunities, therefore, such portion of the Net Proceeds in the amount of approximately HK\$16.1 million remains unutilised as at the date of the 2020 Annual Report.

According to an announcement published by the Company on 3 July 2020 in relation to, inter alia, further change in the use of proceeds, in view of the rapid changes in the retail and property market conditions in Hong Kong and the overall costs and expenses in property acquisition, the Board resolved to further reallocate an amount of HK\$8.9 million from the Net Proceeds, which was planned to be used to invest in blue chip stocks, investment grade bonds and debenture, to finance an acquisition in relation to 13% of the entire issued share capital of Grand Rise Creation Limited, which is a private company incorporated under the laws of Hong Kong whose major asset is a commercial premises currently used as the flagship store of the Company, and the acquisition of which was completed on 8 July 2020.

The supplemental information provided in this announcement does not affect other information contained in the 2019 Annual Report, the 2020 Interim Report and the 2020 Annual Report, save as disclosed above, the contents of the 2019 Annual Report, the 2020 Interim Report and the 2020 Annual Report remain unchanged.

By order of the Board  
**Chong Fai Jewellery Group Holdings Company Limited**  
**FU Chun Keung**  
*Chairman and Chief Executive Officer*

Hong Kong, 24 August 2020

*As at the date of this announcement, the executive Directors are Mr. Fu Chun Keung, Ms. Cheung Lai Yuk and Ms. Fu Wan Ling; and the independent non-executive Directors are Mr. Chan Chi Ming Tony, Mr. Chan Cheong Tat and Mr. Wong Wing Keung Meyrick.*

*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 at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company at [www.chongfaiholdings.com](http://www.chongfaiholdings.com).*