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創輝珠寶集團控股有限公司
Chong Fai Jewellery Group Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8537)

**RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS
SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE
AND
REVISED TIMETABLE IN RELATION TO THE RIGHTS ISSUE**

Reference is made to the prospectus (the “**Prospectus**”) of Chong Fai Jewellery Group Holdings Limited (the “**Company**”) dated 21 August 2024, in relation to, among other things, the Rights Issue and the Placing. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

As at the Record Date, the total number of issued Shares was 75,000,000 Shares and the maximum number of Rights Shares to be issued pursuant to the Rights Issue is 225,000,000 Rights Shares.

The Board announces that (i) as at the Record Date, there was no Excluded Shareholder and therefore there was no ES Unsold Right Share in relation to Excluded Shareholder; and (ii) as at 4:00 p.m. on Wednesday, 4 September 2024, being the Latest Time for Acceptance, the Company had received a total of twenty-one (21) valid applications and acceptances for a total of 259,183,478 Rights Shares offered under the Rights Issue, which comprise:

- (a) Eleven (11) valid acceptances of provisional allotments under the PALs of a total of 184,337,978 Rights Shares, representing approximately 81.93% of the total number of Rights Shares offered under the Rights Issue; and
- (b) Ten (10) valid applications under the EAFs of a total of 74,845,500 Rights Shares, representing approximately 33.26% of the total number of Rights Shares offered under the Rights Issue.

In aggregate, the valid acceptances under the PALs and the valid applications under the EAFs represented 115.19% of the total number of Rights Shares offered under the Rights Issue.

Pursuant to the Irrevocable Undertaking, MGH Limited has taken up 123,750,000 Rights Shares provisionally allotted to it.

EXCESS APPLICATION

Based on the number of valid acceptances of provisional allotments under the PALs referred to above, 40,662,022 Rights Shares, representing approximately 18.07% of the total number of Rights Shares offered under the Rights Issue, were available for subscription under the EAFs. Such number of excess Rights Shares was insufficient to satisfy all valid applications for a total number of 74,845,500 Rights Shares under the EAFs.

In view of the over-subscription of the Rights Shares, allocation of the Excess Rights Shares was made pursuant to the principles set out in the Prospectus. The allocation of the 40,662,022 Rights Shares to the Qualifying Shareholder who applied for Excess Rights Shares was made on a fair and equitable basis, and as far as practicable on a pro-rata basis of approximately 54.33% of the number of Excess Rights Shares applied for under each application. Reference for allocation of Excess Rights Shares was only made to the number of Excess Rights Shares applied for and no reference was made to the Rights Shares comprised in applications through PAL or the existing number of Shares held by the relevant Qualifying Shareholders and no preference will be given to applications for topping up odd lots.

SCALE-DOWN MECHANISM OF THE RIGHTS ISSUE

As stated in the Prospectus, as the Rights Issue was proceeded on a non-underwritten basis, a Shareholder who applied to take up all or part of their entitlement under PAL or applies for excess Rights Shares under EAF or by transferees of the Nil-Paid Rights, might unwittingly trigger an MGO Obligation (unless a waiver from the Executive (as defined in the Takeovers Code) has been obtained) or non-compliance with the Public Float Requirements.

Therefore, the Rights Issue would be conducted under the condition that the Company would, in accordance with Rule 10.26(2) of the GEM Listing Rules, allow Shareholders to apply based on the understanding that if the Rights Shares were not fully taken up, the applications of any Shareholder for their entitlement under PAL or for excess Rights Shares under EAF or by transferees of the Nil-Paid Rights would be scaled down to a level that would avoid triggering an MGO Obligation or non-compliance with the Public Float Requirements.

To the best of the Directors' knowledge, information and belief after considering the allotment results of the Rights Issue, the Company is not aware of any application for Rights Shares by any Qualifying Shareholder which would result in either the incurring of an MGO Obligation or non-compliance with the Public Float Requirements. Accordingly, the scaling-down mechanism has not been triggered and all the applications for Rights Shares are not required to be scaled-down by the Company.

THE PLACING

As a result of the over-subscription of the Rights Shares taking into account of the valid applications for the Excess Rights Shares, the Placing did not proceed.

REVISED TIMETABLE FOR THE RIGHTS ISSUE

As the Placing did not proceed, the expected timetable for the Rights Issue has been revised as follows:

Events	Date and Time
Announcement of the results of the Rights Issue, the application for excess Rights Shares and the number of the Placing Shares subject to the Placing	Wednesday, 11 September 2024
Despatch of certificates for fully-paid Rights Shares and/or refund cheques	Thursday, 12 September 2024
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Friday, 13 September 2024
Payment of Net Gain to relevant No Action Shareholders or Excluded Shareholders (if any) (<i>Note</i>).	Monday, 16 September 2024

Note:

There is application for the excess Rights Shares (please refer to the section headed under “Application and payment for the excess Rights Shares on pages 19 to 20 of the Prospectus) and no Compensatory Arrangement. Arrangement will be made by the Company to sell the Rights Shares, which would have been provisionally allotted to the Excluded Shareholder, in their nil-paid form if Net Gain can be obtained. The Company shall lodge the relevant transfer documents of the Nil-Paid Rights by 4:00 p.m. on Wednesday, 4 September 2024. For the avoidance of doubt, pursuant to such arrangement, No Action Shareholders will not be entitled to receive any Net Gain (if any).

All times and dates in this announcement refer to Hong Kong local times and dates.

USE OF PROCEEDS

The gross proceeds from the Rights Issue are approximately HK\$27 million and the net proceeds from the Rights Issue after expenses are estimated to be approximately HK\$26 million. The Company will apply the net proceeds of the Rights Issue in accordance with the proposed use of proceeds as set out in the section headed “LETTER FROM THE BOARD – REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND THE PLACING AND USE OF PROCEEDS” in the Prospectus.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, set out below is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

	Immediately before the completion of the Rights Issue		Immediately after the completion of the Rights Issue	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Mr. FU Chun Keung (“ Mr. Fu ”) (<i>Note 1</i>)	41,250,000	55	165,000,000	55
Ms. FU Wan Ling (“ Ms. Fu ”) (<i>Note 1</i>)	41,250,000	55	165,000,000	55
Ms. CHEUNG Lai Yuk (“ Ms. Cheung ”) (<i>Note 1 and 2</i>)	41,250,000	55	165,000,000	55
MGH Limited (<i>Note 1</i>)	41,250,000	55	165,000,000	55
Other Public Shareholders	33,750,000	45	135,000,000	45
Total	75,000,000	100	300,000,000	100

Notes:

1. Mr. Fu, Ms. Fu and Ms. Cheung collectively are interested in one-third or more of the voting power at general meetings of MGH Limited which holds 41,250,000 Shares and they are therefore deemed to be interested in the Shares held by MGH Limited by virtue of the SFO. Ms. Fu is the sister of Mr. Fu.
2. Ms. Cheung is the spouse of Mr. Fu and she is therefore deemed to be interested in the Shares held by Mr. Fu by virtue of the SFO.

DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES

It is expected that the share certificates for the fully-paid Rights Shares and refund cheques (if any) for wholly and partially unsuccessful excess applications will be posted to the allottees and/or the applicants by ordinary post to their registered addresses at their own risks on Thursday, 12 September 2024.

COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 13 September 2024.

By order of the Board
Chong Fai Jewellery Group Holdings Company Limited
Fu Chun Keung
Chairman

Hong Kong, 11 September 2024

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 <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the website of the Company at www.chongfaiholdings.com.