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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)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF 17% ISSUED SHARE
CAPITAL OF THE TARGET COMPANY

Reference is made to the announcement of Chong Fai Jewellery Group Holdings Company Limited (the “**Company**”) dated 10 April 2025 (the “**Announcement**”) in relation to the discloseable transaction regarding the Acquisition. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the consideration of HK\$9.7 million was determined with reference to the market value of net assets of the Target Company of HK\$57.1 million consisting of (i) the net assets value of the Target Company prepared with Hong Kong Financial Reporting Standards as at 28 February 2025 of approximately HK\$0.6 million and (ii) the valuation premium of the Property by an independent professional valuer (the “**Independent Valuer**”) of approximately HK\$56.5 million as at 28 February 2025 subject to the Sale and Purchase Agreement.

In this regard, the Board would like to provide the Shareholders and potential investors additional information in relation to the valuation process as follows:

As part of the process of the valuation conducted by the Independent Valuer, the asset value of the Property was reassessed from the net book value of approximately HK\$11.5 million to align with the prevailing fair market value of HK\$68.0 million as at 28 February 2025, with a valuation premium amount of HK\$56.5 million. Such revaluation reflected the appreciated value of the Property since its acquisition.

As such, the Directors (including the independent non-executive Directors, but excluding the Directors who are required to abstain from voting) consider the Consideration is fair and reasonable and on normal commercial terms and is in the interests of the Company and the Shareholders as a whole, and consider the Acquisition is in the ordinary and usual course of business of the Group.

In relation to the valuation conducted by the Independent Valuer, the following methodologies, assumptions and comparables were used and adopted:—

Valuation methodologies:

The Property was valued by the direct comparison approach assuming sale of the properties in its existing state with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market. Comparison is based on the considerations realized on actual transactions of comparable properties. Comparable properties with similar sizes, characters and locations are analyzed and carefully weighed against all respective advantages and disadvantages of each property in order to arrive at a fair comparison of value.

Assumptions:

The valuation was made on the assumption that the owner sells the properties in the market existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the value of such properties. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the properties and no allowance has been made for the properties to be sold in one lot or to a single purchaser.

Comparables:

The Property has a gross floor area of approximately 589 sq. ft. (plus a cockloft of approximately 475 sq. ft. and a yard and lavatories area of approximately 133 sq. ft. respectively) and it is located in Tsuen Wan. The Independent Valuer had identified and considered three comparables located in Tsuen Wan in the nature of shops with saleable area of 183 sq. ft., 315 sq. ft. and 590 sq. ft. (and with consideration of HK\$21,500,000, HK\$26,125,000 and HK\$38,000,000 respectively) in the market in conducting the valuation of the Property.

Based on the above comparables, adjustments have been made by the Independent Valuer on factors including years of time, building age, size, location and accessibility.

The Company would like to supplement that, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as the Target Company was incorporated by the Vendor, there is no original acquisition cost in respect of the Sale Shares.

The Company would like to further supplement that Mr. Fu Chun Keung, Ms. Cheung Lai Yuk and Ms. Fu Wan Ling (who are regarded to have a material interest in the Acquisition) have abstained from voting in the relevant board resolution for the Acquisition.

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

Hong Kong, 12 May 2025

As at the date of this announcement, the executive Directors are Mr. Fu Chun Keung, Ms. Cheung Lai Yuk, Ms. Fu Wan Ling and Mr. Fu Ho Hon; 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 Stock Exchange’s website at www.hkexnews.hk for a minimum period of seven days from the date of its publication and on the website of the Company at www.chongfaiholdings.com.