

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

 **軟庫中華 SBI China**

SBI China Capital Financial Services Limited

THE PLACING

On 1 August 2025 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 60,000,000 Placing Shares at the Placing Price of HK\$0.141 per Placing Share to not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing Shares will be allotted and issued under the General Mandate.

Assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date, the maximum number of the Placing Shares under the Placing represents (i) 20.00% of the existing issued share capital of the Company of 300,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue and allotment of the maximum number of the Placing Shares. The aggregate nominal value of the maximum number of the Placing Shares under the Placing will be HK\$6,000,000 based on par value of HK\$0.1 per Share.

The Placing Price of HK\$0.141 per Placing Share represents (i) a discount of approximately 12.4% to the closing price of HK\$0.161 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 19.9% to the average closing price of HK\$0.176 per Share for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming that all the Placing Shares are successfully placed, the maximum gross proceeds and net proceeds (after deduction of placing commission and other expenses of the placing) from the Placing are estimated to be approximately HK\$8.5 million and approximately HK\$8.2 million, respectively and the net price per Placing Share will be approximately HK\$0.136.

The Shareholders and the potential investors of the Company should note that Completion is subject to the fulfilment of the condition under the Placing Agreement. As the Placing may or may not proceed, the Shareholders and the potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PLACING AGREEMENT

Date : 1 August 2025 (after trading hours)

Issuer : The Company

Placing Agent : SBI China Capital Financial Services Limited

The Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 60,000,000 Placing Shares to the Placees upon the terms and subject to the conditions as set out in the Placing Agreement.

To the best knowledge, information and belief of the Board, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares either by itself or through its sub-placing agents to not less than six Placees, being individual, professional, corporate, institutional or other investor(s), who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing Agent shall use its best endeavour to ensure that none of the Placees, together with their ultimate beneficial owner(s) (if applicable), will become a significant shareholder (as defined in the GEM Listing Rules) or is (or belongs to a group of persons who together are) entitled to exercise or control the exercise of 5% or more of the voting power of the Company immediately following the Placing.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date, the maximum number of the Placing Shares under the Placing represents (i) 20.00% of the existing issued share capital of the Company of 300,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue and allotment of the maximum number of the Placing Shares. The aggregate nominal value of the maximum number of the Placing Shares under the Placing will be HK\$6,000,000 based on par value of HK\$0.1 per Share.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue at the time of issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.141 per Placing Share represents (i) a discount of approximately 12.4% to the closing price of HK\$0.161 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 19.9% to the average closing price of HK\$0.176 per Share for the last five consecutive trading days immediately prior to the date of the Placing Agreement based on the respective daily closing prices quoted on the Stock Exchange.

The estimated expenses for the Placing amounted to approximately HK\$0.3 million, comprising placing commission and other related expenses and professional fees. Assuming that all the Placing Shares are successfully placed, the net price per Placing Share will be approximately HK\$0.136.

The Placing Price was determined with reference to the current market conditions, the prevailing market prices and the liquidity of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing, including the Placing Price, are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing Commission

The placing commission to be received by the Placing Agent pursuant to the Placing Agreement is 3.0% of the amount equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent.

The placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions, the size of the Placing as well as the trading performance of the Shares. The Directors consider that the terms of the Placing, including the placing commission, are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

General Mandate

The Placing Shares will be allotted and issued under the General Mandate pursuant to which the Directors are authorised to allot, issue and deal with up to 60,000,000 new Shares, representing 20% of the then issued Shares as at AGM 2025. As at the date of this announcement, no Shares have been issued under the General Mandate. Therefore, the General Mandate is sufficient for the issue and allotment of the Placing Shares and the Placing is not subject to any Shareholders' approval.

Application for listing of Placing Shares

Application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the Placing Shares.

Conditions of the Placing

Condition of the Placing is conditional upon fulfilment of the following conditions:

- (i) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Placing Shares; and
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

If any of the above conditions is not fulfilled on or prior to the Long Stop Date or if the placing results of the Placing are considered or deemed unsatisfactory by the Company, the Placing Agreement will terminate and all obligations of the Placing Agent and of the Company thereunder shall cease and terminate and none of the parties thereto shall have any claim against the other for any costs or losses, damages, compensation or otherwise save in respect of any antecedent breaches of the Placing Agreement.

Termination of the Placing

Pursuant to the Placing Agreement, if at any time between the date of the Placing Agreement up to but no later than 9:00 a.m. on the Completion Date, there occurs:

- (a) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (b) there is any breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (c) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
- (d) any statement contained in the Announcement or the Previous Publications has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (e) there is any suspension of trading in the Shares on the Stock Exchange for more than five consecutive Business Days (other than as a result of or in connection with the Placing or notifiable transaction under Chapter 19 of the GEM Listing Rules); or
- (f) any event of force majeure (being an event beyond the control of the parties hereto and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties hereunder.

If the Placing Agreement shall be terminated pursuant to the above termination clause, the obligations of each of the parties thereto shall cease and terminate and no party thereto shall have any claim against the other party for compensation, costs, damages or otherwise except for any breach arising from other terms of the Placing Agreement.

Completion

Completion will take place on the Completion Date, subject to the terms of, and fulfilment of the conditions set out in the Placing Agreement. Please refer to the paragraph headed “Conditions of the Placing Agreement” and the paragraph headed “Termination of the Placing” in this announcement for details.

REASONS FOR THE PLACING AND USE OF NET PROCEEDS

The Company is an investment holding company. The Group is principally engaged in the retail of gem-set jewellery and gold jewellery products through its network of seven retail stores strategically located in Kowloon and the New Territories in Hong Kong.

The net proceeds from the Placing will strengthen the financial position of the Group by providing additional funding for the business development and operations. In addition, the Placing will broaden both the shareholder base and the capital base of the Company, thereby increasing the liquidity of the Shares within a relatively shorter time frame and at a lower cost compared with other means of fundraising.

Having considered that the terms of the Placing Agreement (including the Placing Price and the placing commission), which were determined after arm’s length negotiations between the Company and the Placing Agent, are on normal commercial terms and fair and reasonable, the Directors (including the independent non-executive Directors) consider that the entering into of the Placing Agreement is in the interests of the Company and the Shareholders as a whole.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK\$8.5 million and approximately HK\$8.2 million, respectively. The net proceeds from the Placing are intended to be applied by the Company for working capital and general corporate purposes of the Group.

EQUITY FUNDRAISING ACTIVITY IN THE PAST TWELVE MONTHS

Save and except the Rights Issue, the Company has not conducted any fundraising activity involving the issue of its equity securities in the past twelve (12) months immediately preceding the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 300,000,000 Shares in issue. Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion (assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date and all 60,000,000 Placing Shares have been successfully placed):

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 Placing:

	As at the date of this announcement		Immediately after the completion of the Placing	
	Number of Shares	Approximately %	Number of Shares	Approximately %
Mr. FU Chun Keung (“ Mr. Fu ”) (Note 1)	165,000,000	55	165,000,000	45.83
Ms. FU Wan Ling (“ Ms. Fu ”) (Note 1)	165,000,000	55	165,000,000	45.83
Ms. CHEUNG Lai Yuk (“ Ms. Cheung ”) (Note 1 and 2)	165,000,000	55	165,000,000	45.83
MGH Limited (Note 1)	165,000,000	55	165,000,000	45.83
Placees	—	—	60,000,000	16.67
Other Public Shareholders	135,000,000	45	135,000,000	37.50
Total	300,000,000	100	360,000,000	100

Notes:

- 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 165,000,000 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.
- 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.

The Shareholders and the potential investors of the Company should note that Completion is subject to the fulfilment of the condition under the Placing Agreement. As the Placing may or may not proceed, the Shareholders and the potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

“AGM 2025”	the annual general meeting of the Company held on 31 July 2025
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong, or “extreme conditions” are announced by the Hong Kong Government at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for banking business in Hong Kong
“Company”	Chong Fai Jewellery Group Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (Stock Code: 08537)
“Completion”	completion of the Placing pursuant to the terms and condition of the Placing Agreement
“Completion Date”	a day falling within two (2) Business Days following the fulfilment of the conditions under the Placing (or such other date as the Company and the Placing Agent may agree in writing) and on which Completion will take place
“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM 2025 to allot, issue and deal with up to 60,000,000 new Shares, representing 20% of the then issued Shares as at the date of the AGM 2025
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with, the Company and its connected person(s) (as defined under the GEM Listing Rules)
“Long Stop Date”	15 August 2025, or such later date as the Company and the Placing Agent shall agree in writing
“Placee(s)”	any individual, professional, corporate, institutional or other investor(s), who and whose ultimate beneficial owner(s) (if applicable) is/are Independent Third Party(ies), procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares
“Placing”	the placing of the Placing Shares by the Placing Agent pursuant to the Placing Agreement upon the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	SBI China Capital Financial Services Limited
“Placing Agreement”	the conditional placing agreement dated 1 August 2025 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the placing price of HK\$0.141 per Placing Share
“Placing Shares”	up to 60,000,000 new Shares to issued and allotted under the General Mandate and to be placed under the Placing
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Rights Issue”	the rights issue as defined in the Company’s circular dated 17 July 2024
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with par value of HK\$0.1 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 1 August 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 Cheong Tat, Mr. Wong Wing Keung Meyrick and Mr. Chan Chi Ming Tony.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 at least seven days from the date of its posting. This announcement will also be published on the Company’s website at www.chongfaiholdings.com.