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**建業實業有限公司**  
**Chinney Investments, Limited**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 216)**



**漢國置業有限公司**  
**Hon Kwok Land Investment Company, Limited**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 160)**



**建聯集團有限公司\***  
**Chinney Alliance Group Limited**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 385)**

## JOINT ANNOUNCEMENT

### CONNECTED TRANSACTION IN RELATION TO CONSTRUCTION WORKS

The directors of the Companies announce that on 12 July 2018 (after trading hours), the Contractor and the Employer entered into the Framework Agreement, pursuant to which the Employer conditionally agreed to engage the Contractor, and the Contractor conditionally agreed to act as the main contractor to carry out the Construction Works for the Project at the Tender Sum of HK\$724,838,691.70, subject to a potential Provisional Sum not exceeding HK\$33,000,000.

On 12 June 2018, the Employer and Shun Cheong Data Centre Solutions, an indirect wholly-owned subsidiary of Chinney Alliance, entered into the Consultancy Agreement, pursuant to which Shun Cheong Data Centre Solutions was appointed by the Employer as a consultant to provide consultancy services for the Project at a fixed fee of HK\$16,200,000. Details of the Consultancy Agreement were set out in the joint announcement of the Companies dated 12 June 2018.

As at the date of this announcement, the Employer is an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments, and the Contractor is an indirect wholly-owned subsidiary of Chinney Alliance. Chinney Investments is interested in approximately 68.09% and 29.10% of the issued shares of Hon Kwok and Chinney Alliance respectively. Dr. James Sai-Wing Wong is the chairman and executive director of Chinney Investments, Hon Kwok and Chinney Alliance and is beneficially interested in (a) approximately 62.02% of the issued shares of Chinney Investments; (b) approximately 69.72% of the issued shares of Hon Kwok (including those interests held through Chinney Investments); and (c) approximately 73.43% of the issued shares of Chinney Alliance (including those interests held through Chinney Investments). Thus Chinney Investments, Hon Kwok and Chinney Alliance are connected persons to one another within the meaning of the Listing Rules.

The entering into of the Framework Agreement constitutes a connected transaction for each of the Companies under the Listing Rules. As disclosed in the joint announcement of the Companies dated 12 June 2018, the entering into of the Consultancy Agreement also constituted a connected transaction for each of the Companies under the Listing Rules. Pursuant to Rules 14A.81 and 14A.82 of the Listing Rules, the Agreements shall be aggregated as a series of transactions as they were entered into within a 12-month period and involved parties which are connected with one another among the Companies. As the applicable percentage ratios of the Proposed CT, on both stand-alone and the basis when aggregated with the Consultancy Agreement, are more than 5% and the Total Contract Sum is more than HK\$10 million, the Proposed CT constitutes a non-exempt connected transaction under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Chinney Investments IBC, Hon Kwok IBC and Chinney Alliance IBC have been established to advise the independent shareholders of each of the Companies, and independent financial advisers have been appointed by each of the Companies to advise the Chinney Investments IBC, Hon Kwok IBC and Chinney Alliance IBC and the independent shareholders of each of the Companies in respect of the Proposed CT.

A special general meeting or an extraordinary general meeting (as the case may be) will be convened by each of the Companies for the purpose of, among other things, seeking the approval from the independent shareholders of each of the Companies in respect of the Proposed CT. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of each of the Companies in respect of the Proposed CT.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Chinney Investments IBC to the independent shareholders of Chinney Investments in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Chinney Investments to Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT; and (d) a notice of the Chinney Investments EGM, will be despatched to the shareholders of Chinney Investments on or before 2 August 2018 in accordance with the Listing Rules.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Hon Kwok IBC to the independent shareholders of Hon Kwok in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Hon Kwok to Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT; and (d) a notice of the Hon Kwok EGM, will be despatched to the shareholders of Hon Kwok on or before 2 August 2018 in accordance with the Listing Rules.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Chinney Alliance IBC to the independent shareholders of Chinney Alliance in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Chinney Alliance to Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT; and (d) a notice of the Chinney Alliance SGM, will be despatched to the shareholders of Chinney Alliance on or before 2 August 2018 in accordance with the Listing Rules.

**Shareholders and potential investors of each of the Companies should note that the Proposed CT is subject to the satisfaction of the Conditions Precedent to the Framework Agreement. As such, the Proposed CT may or may not proceed. Shareholders and potential investors of each of the Companies are therefore urged to exercise caution when dealing in the shares and other securities of the Companies.**

## **INTRODUCTION**

The directors of the Companies announce that on 12 July 2018 (after trading hours), the Contractor and the Employer entered into the Framework Agreement, pursuant to which the Employer conditionally agreed to engage the Contractor, and the Contractor conditionally agreed to act as the main contractor to carry out the Construction Works for the Project at the Tender Sum of HK\$724,838,691.70, subject to a potential Provisional Sum not exceeding HK\$33,000,000.

Reference is also made to the joint announcement of the Companies dated 12 June 2018 pursuant to which the Employer and Shun Cheong Data Centre Solutions entered into the Consultancy Agreement in relation to the provision of consultancy services for the Project.

## **THE CONSULTANCY AGREEMENT**

### **Date**

12 June 2018

### **Parties to the Consultancy Agreement**

- (a) the Employer, an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments, is the owner and developer of the Project and is principally engaged in property development business in Hong Kong; and
- (b) Shun Cheong Data Centre Solutions, an indirect wholly-owned subsidiary of Chinney Alliance, is a consultancy company principally engaged in providing solutions in respect of design and planning, project management, facilities delivery, operation and maintenance of data centres.

### **Consultancy services**

Pursuant to the Consultancy Agreement, Shun Cheong Data Centre Solutions was appointed as the consultant to provide consultancy services for the Project, which mainly include:

- (a) To illustrate the optional layouts in the test-fits of the data centre;
- (b) To liaise with utilities companies regarding the maximum electrical loading requirements and telecommunication capacities;
- (c) To provide principal data centre design concept and overall planning review of the development;
- (d) To review with the project architectural consultant team to formalise infrastructural provisions for the statutory submissions;
- (e) To study and develop the optimum rack layout for the modular data halls such as effective rack load density, circulating corridor, maintenance space, rack height, cabling zone, facility zone and spacing, etc.;

- (f) To provide detailed design for modular data halls and consultancy services for statutory submissions in accordance with the design;
- (g) To attend project management and progress meetings and to monitor and review the latest project schedule and identify critical milestones during the construction and development stages; and
- (h) To explore potential tenants globally and create tailored proposals to meet customer's specific requirements on data centre design and specifications.

### **Term and consultancy fee**

The term of the engagement under the Consultancy Agreement has commenced from the date of the Consultancy Agreement and covers the whole construction and development period of the Project until 12 months after issuance of the Building Occupation Permit. The Building Occupation Permit is now expected to be issued in late 2019.

The consultancy fee under the Consultancy Agreement is fixed at HK\$16,200,000 and payable by the Employer to Shun Cheong Data Centre Solutions in stages.

### **THE FRAMEWORK AGREEMENT**

#### **Date**

12 July 2018 (after trading hours)

#### **Parties to the Framework Agreement**

- (a) the Employer; and
- (b) the Contractor, an indirect wholly-owned subsidiary of Chinney Alliance, is a general building contractor principally engaged in the provision of building construction works and services to the public and private sectors in Hong Kong.

#### **Construction Works**

Pursuant to the Framework Agreement, the Employer conditionally engages the Contractor and the Contractor conditionally agrees to act as the main contractor to carry out the Construction Works for the Project at the Tender Sum (and subject to the potential Provisional Sum) on the terms and subject to the Conditions Precedent to the Framework Agreement, and the terms and conditions as contained in the Contract Documents. The period of the Construction Works is estimated to be approximately 465 calendar days.

## **Total Contract Sum and terms of payment**

The Contractor was selected through a tendering process in which three companies had submitted tenders to the Quantity Surveyor and the Architect, both being independent third parties, for review and assessment. The Tender Sum represents the amount offered by the Contractor under the lump sum fixed price tender which is HK\$724,838,691.70.

In addition, the Employer intends to apply to the government departments for exempting an area of approximately 1,200 square meters as non-accountable gross floor area under the original building plans of the Project. In the event that such application is approved, the floor area of the building to be constructed would be increased and it was estimated by the Quantity Surveyor that the Tender Sum would be increased by the potential Provisional Sum which is capped at HK\$33,000,000 under the Framework Agreement. Accordingly, the Total Contract Sum representing the Tender Sum plus the potential Provisional Sum of the Construction Works under the Framework Agreement will not be exceeding HK\$757,838,691.70.

Payment of the Total Contract Sum will follow common industry practice which is to be effected in stages based on the progress of the Construction Works properly executed by the Contractor and the materials and goods delivered, as certified by the Architect in the architect's certificates to be delivered to the Employer from time to time.

The Employer has engaged the Architect and the Quantity Surveyor to conduct the tendering process and both of them have examined and assessed the merits of the tenders received. In determining the main contractor of the Project, the Architect and the Quantity Surveyor do not only consider the tender prices but also other factors relating to the tenderers such as the number of projects they have completed, their experiences of building contracts with similar nature, project scale and complexity, the competence of their technical staff and also the quality of their technical proposals submitted. Each tenderer will be scored by the Architect after consideration of the above factors. Based on the examination and assessment by the Architect and the Quantity Surveyor, the Contractor was ranked the highest score amongst the three tenderers and the Quantity Surveyor recommended to award the tender to the Contractor.

As to the Contractor, the Tender Sum offered by the Contractor to the Employer was determined based on the estimated project costs (including machinery usage costs, direct labour costs, subcontracting charges and construction materials costs etc.) by reference to the prevailing market rates, and were comparable to those offered to other independent third parties for similar Construction Works.

## **Conditions Precedent to the Framework Agreement**

The engagement of the Contractor by the Employer and the acceptance of such engagement by the Contractor, and the obligations of the Parties under the Framework Agreement are conditional upon:

- (a) the passing by the independent shareholders of each of the Companies in their respective special general meetings or extraordinary general meetings (as the case may be) by way of poll of resolution(s) approving, amongst other things, the Proposed CT and authorising the execution, delivery and performance of all the transactions contemplated under the Framework Agreement and any agreement ancillary thereto;
- (b) all requirements imposed by the Stock Exchange under the Listing Rules or otherwise in connection with all the transactions contemplated by the Framework Agreement having been fully complied with; and
- (c) all waivers, consents, approvals or confirmations of the Stock Exchange which are required or appropriate or in relation thereto, and all relevant waivers, consents, approvals or confirmations required for the purposes of the Parties for the entry into and the implementation of the Framework Agreement having been obtained.

None of the above conditions precedent can be waived by the Contractor or the Employer.

The Parties shall use their reasonable endeavours to procure that the Conditions Precedent to the Framework Agreement shall be fulfilled by the Long-Stop Date.

If the Conditions Precedent to the Framework Agreement shall not have been fulfilled by the Long-Stop Date, or such other date as the Parties may agree in writing (time in either case being of the essence), then save in respect of any antecedent breach of the Framework Agreement, all rights and liabilities of the Parties shall cease and no Party shall have any claim against the other Party.

## **INFORMATION ON THE COMPANIES**

Chinney Investments is an investment holding company incorporated in Hong Kong with limited liability. Chinney Investments Group (excluding Hon Kwok Group and CAG Group) is mainly engaged in garment manufacturing and trading and investment holding.

Hon Kwok is an investment holding company incorporated in Hong Kong with limited liability. Hon Kwok Group is mainly engaged in property development, property investment and property related businesses.

Chinney Alliance is a company incorporated in Bermuda with limited liability. CAG Group is mainly engaged in trading of plastics and chemical products; provision of building related contracting services; provision of foundation piling works and sub-structure works; and provision of construction works.

## **REASON FOR AND BENEFITS OF THE PROPOSED CT**

The principal activities of Hon Kwok Group are property development and investment. From time to time, Hon Kwok Group engages contractors for construction works of its property development projects. The land site of the Project was acquired by Hon Kwok Group through government public tender in Hong Kong in 2015, and is planned to be developed as a data centre for recurring rental income. The management of Hon Kwok considers that it is in the best interest of Hon Kwok and its shareholders as a whole to engage a technically competent contractor at a competitive price to carry out the Construction Works. The Contractor is considered an appropriate choice given that (a) the recommendation by the Architect and the Quantity Surveyor by reference to the technical aspect and pricing of the all three tenders received by the Employer; (b) same as the Employer, it is under the control of Dr. James Sai-Wing Wong who has the objective of achieving the well-being for all of the Companies; and (c) the long established relationship amongst the Companies will enhance work efficiency and effective communication.

CAG Group has been engaging in construction works, foundation construction works and building related contracting services in Hong Kong for many years. The management of CAG Group considers that the submission of the tender and the acceptance of it (if being awarded) relating to the Construction Works are within its normal course of business. The Tender Sum offered to the Employer was determined based on the estimated project costs (including machinery usage costs, direct labour costs, subcontracting charges and construction materials costs etc.) by reference to the prevailing market rates, and were comparable to those offered to other independent third parties by the Contractor for similar Construction Works.

The conditional engagement by the Employer and the conditional acceptance by the Contractor to act as the main contractor to carry out the Construction Works represent activities within the ordinary and usual course of business of each of the CAG Group, Chinney Investments Group and Hon Kwok Group. The terms of the Framework Agreement were arrived at by the Contractor and the Employer after arm's length negotiations.

In light of the above, (a) the Chinney Investments Board (excluding the independent non-executive directors of Chinney Investments whose views will be given after taking into account the advice from the Independent Financial Adviser of Chinney Investments) considers that the terms of the Framework Agreement are on normal commercial terms and are fair and reasonable and in the interests of Chinney Investments and its shareholders as a whole; (b) the Hon Kwok Board (excluding the independent non-executive directors of Hon Kwok whose views will be given after taking into account the advice from the Independent Financial Adviser of Hon Kwok) considers that the terms of the Framework Agreement are on normal commercial terms and are fair and reasonable and in the interests of Hon Kwok and its shareholders as a whole; and (c) the Chinney Alliance Board (excluding the independent non-executive directors of Chinney Alliance whose views will be given after taking into account the advice from the Independent Financial Adviser of Chinney Alliance) considers that the terms of the Framework Agreement are on normal commercial terms and are fair and reasonable and in the interests of Chinney Alliance and its shareholders as a whole.

Under the articles of association of Chinney Investments, a director should not vote (nor be counted in the quorum) on any resolution of the Chinney Investments Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the resolutions of Chinney Investments approving the Framework Agreement. Dr. Emily Yen Wong, being the daughter of Dr. James Sai-Wing Wong, has also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

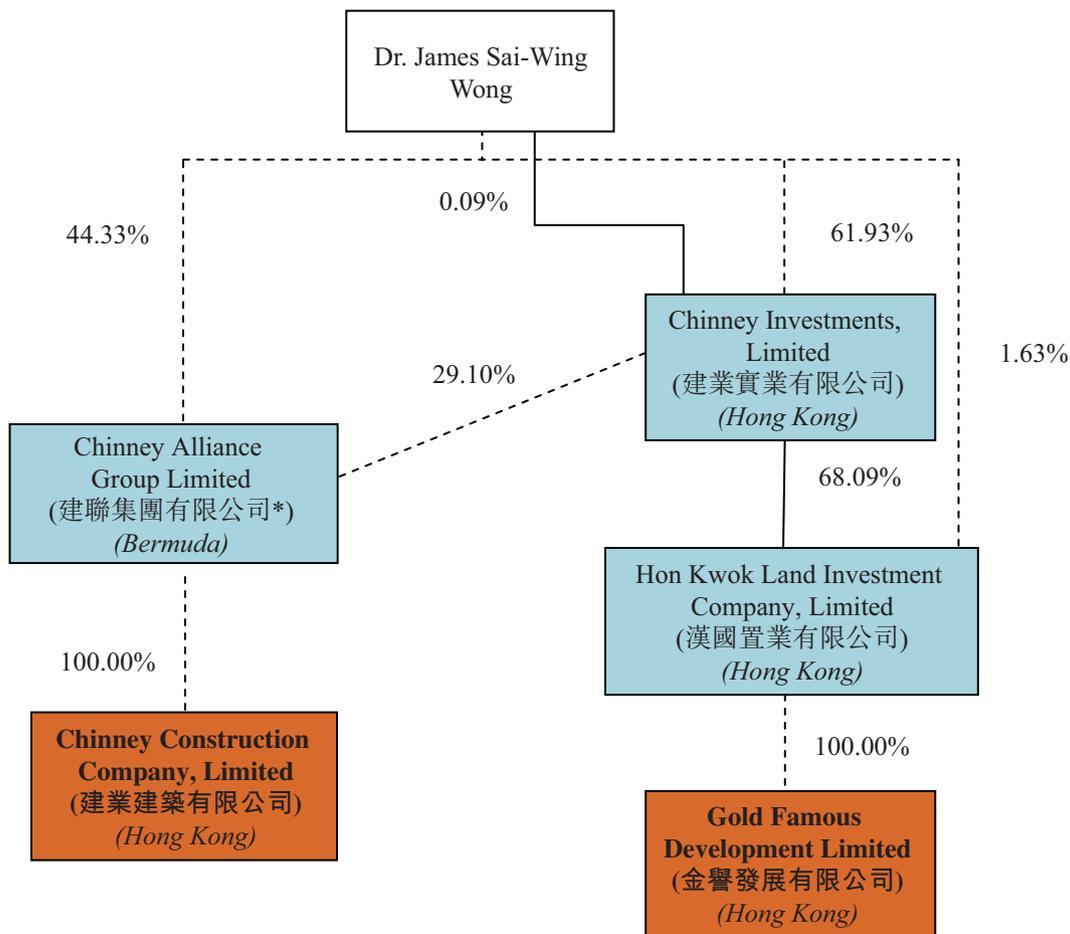
Under the articles of association of Hon Kwok, a director should not vote (nor be counted in the quorum) on any resolution of the Hon Kwok Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the resolutions of Hon Kwok approving the Framework Agreement. Mr. James Sing-Wai Wong, being the son of Dr. James Sai-Wing Wong, has also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

Under the bye-laws of Chinney Alliance, a director should not vote (nor be counted in the quorum) on any resolution of the Chinney Alliance Board in respect of any contract or arrangement in which he/she is to his/her knowledge materially interested. Accordingly, Dr. James Sai-Wing Wong has not voted or been counted in the quorum on the resolutions of Chinney Alliance approving the Framework Agreement. Mr. James Sing-Wai Wong, being the son of Dr. James Sai-Wing Wong, has also abstained from voting on the said board resolutions voluntarily for the purpose of good corporate governance.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, the Employer is an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments, and the Contractor is an indirect wholly-owned subsidiary of Chinney Alliance. Chinney Investments is interested in approximately 68.09% and 29.10% of the issued shares of Hon Kwok and Chinney Alliance respectively. Dr. James Sai-Wing Wong is the chairman and executive director of Chinney Investments, Hon Kwok and Chinney Alliance and is beneficially interested in (a) approximately 62.02% of the issued shares of Chinney Investments; (b) approximately 69.72% of the issued shares of Hon Kwok (including those interests held through Chinney Investments); and (c) approximately 73.43% of the issued shares of Chinney Alliance (including those interests held through Chinney Investments). Thus Chinney Investments, Hon Kwok and Chinney Alliance are connected persons to one another within the meaning of the Listing Rules.

The relationships of Dr. James Sai-Wing Wong, the Parties and the Companies are set out in the structure chart below:



Notes:

1. ----- represents indirect shareholding interests
2. ————— represents direct shareholding interests
3. The percentages are subject to rounding

Accordingly, the entering into of the Framework Agreement constitutes a connected transaction for each of the Companies under the Listing Rules.

On 12 June 2018, the Employer entered into the Consultancy Agreement with Shun Cheong Data Centre Solutions relating to the provision of consultancy services for the Project, details of which are set out in the joint announcement of the Companies dated 12 June 2018. Having considered that (a) the Agreements were both entered into between subsidiaries of Hon Kwok and Chinney Alliance; (b) the Agreements were entered into within a period of 12 months up to the date of this announcement; and (c) the respective transactions contemplated under the Agreements are both related to the Project, the directors of the Companies consider that the transactions under the Agreements shall be aggregated for the purpose of determining the relevant requirements applicable to the Framework Agreement pursuant to Rules 14A.81 and 14A.82 of the Listing Rules.

As the applicable percentage ratios of the Proposed CT, on both stand-alone and the basis when aggregated with the Consultancy Agreement, are more than 5% and the Total Contract Sum is more than HK\$10 million, the Proposed CT constitutes a non-exempt connected transaction under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISERS**

Chinney Investments IBC comprising the independent non-executive directors of Chinney Investments (namely Dr. Clement Kwok-Hung Young, Mr. James C. Chen and Mr. Richard Chi-Ho Lo) has been established to advise the independent shareholders of Chinney Investments, and Red Sun Capital has been appointed as the Independent Financial Adviser of Chinney Investments to advise Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT.

Hon Kwok IBC comprising the independent non-executive directors of Hon Kwok (namely Dr. Daniel Chi-Wai Tse, Mr. Zuo Xiang and Mr. William Kwan-Lim Chu) has been established to advise the independent shareholders of Hon Kwok, and Red Sun Capital has been appointed as the Independent Financial Adviser of Hon Kwok to advise Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT.

Chinney Alliance IBC comprising the independent non-executive directors of Chinney Alliance (namely Mr. Yuen-Tin Ng, Mr. Chi-Chiu Wu and Mr. Ronald James Blake) has been established to advise the independent shareholders of Chinney Alliance, and Veda Capital has been appointed as the Independent Financial Adviser of Chinney Alliance to advise Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT.

## **SGM/EGM**

### **Chinney Investments EGM**

An extraordinary general meeting will be convened by Chinney Investments for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Investments of the Proposed CT. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Chinney Investments in respect of the Proposed CT. Dr. James Sai-Wing Wong is currently holding 341,919,324 shares of Chinney Investments (including 341,439,324 shares held indirectly representing approximately 61.93% and 480,000 shares held directly representing approximately 0.09%), representing approximately 62.02% of the issued shares of Chinney Investments in aggregate. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Chinney Investments and having made all reasonable enquiry, no other shareholder of Chinney Investments has a material interest in the Proposed CT and therefore no other shareholder of Chinney Investments is required to abstain from voting at the Chinney Investments EGM.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Chinney Investments IBC to the independent shareholders of Chinney Investments in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Chinney Investments to Chinney Investments IBC and the independent shareholders of Chinney Investments in respect of the Proposed CT; and (d) a notice of the Chinney Investments EGM, will be despatched to the shareholders of Chinney Investments on or before 2 August 2018 in accordance with the Listing Rules.

### **Hon Kwok EGM**

An extraordinary general meeting will be convened by Hon Kwok for the purpose of, among other things, seeking approval from the independent shareholders of Hon Kwok in respect of the Proposed CT. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Hon Kwok in respect of the Proposed CT. Dr. James Sai-Wing Wong is currently indirectly holding 502,262,139 shares of Hon Kwok, representing approximately 69.72% of the issued shares of Hon Kwok. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Hon Kwok and having made all reasonable enquiry, no other shareholder of Hon Kwok has a material interest in the Proposed CT and therefore no other shareholder of Hon Kwok is required to abstain from voting at the Hon Kwok EGM.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Hon Kwok IBC to the independent shareholders of Hon Kwok in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Hon Kwok to Hon Kwok IBC and the independent shareholders of Hon Kwok in respect of the Proposed CT; and (d) a notice of the Hon Kwok EGM, will be despatched to the shareholders of Hon Kwok on or before 2 August 2018 in accordance with the Listing Rules.

### **Chinney Alliance SGM**

A special general meeting will be convened by Chinney Alliance for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Alliance in respect of the Proposed CT. Dr. James Sai-Wing Wong and his associates will be required to abstain from voting on the shareholders' resolutions of Chinney Alliance in respect of the Proposed CT. Dr. James Sai-Wing Wong is currently indirectly holding 436,860,216 shares of Chinney Alliance, representing approximately 73.43% of the issued shares of Chinney Alliance. Save as aforementioned, to the best of the knowledge, information and belief of the directors of Chinney Alliance and having made all reasonable enquiry, no other shareholder of Chinney Alliance has a material interest in the Proposed CT and therefore no other shareholder of Chinney Alliance is required to abstain from voting at the Chinney Alliance SGM.

A circular containing, *inter alia*, (a) further details of the transactions contemplated under the Agreements; (b) a letter from Chinney Alliance IBC to the independent shareholders of Chinney Alliance in respect of the Proposed CT; (c) a letter of advice from the Independent Financial Adviser of Chinney Alliance to Chinney Alliance IBC and the independent shareholders of Chinney Alliance in respect of the Proposed CT; and (d) a notice of the Chinney Alliance SGM, will be despatched to the shareholders of Chinney Alliance on or before 2 August 2018 in accordance with the Listing Rules.

**Shareholders and potential investors of each of the Companies should note that the Proposed CT are subject to the satisfaction of the Conditions Precedent to the Framework Agreement. As such, the Proposed CT may or may not proceed. Shareholders and potential investors of each of the Companies are therefore urged to exercise caution when dealing in the shares and other securities of the Companies.**

## **DEFINITIONS**

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

“Agreements”	collectively, the Consultancy Agreement and the Framework Agreement
“Architect”	Andrew Lee King Fun & Associates Architects Limited, an independent architect engaged by the Employer in respect of the Project
“associates”	has the meaning given to it under the Listing Rules
“Building Occupation Permit”	the occupation permit to be issued by the Buildings Department of Hong Kong in respect of the Project in accordance with the Buildings Ordinance, Chapter 123 of the Laws of Hong Kong
“CAG Group”	Chinney Alliance and its subsidiaries
“Chinney Alliance”	Chinney Alliance Group Limited (建聯集團有限公司*), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“Chinney Alliance Board”	the board of directors of Chinney Alliance
“Chinney Alliance IBC”	an independent committee of the Chinney Alliance Board comprising the three independent non-executive directors of Chinney Alliance formed for the purpose of advising and giving recommendation to the independent shareholders of Chinney Alliance in respect of the Proposed CT
“Chinney Alliance SGM”	the special general meeting to be convened by Chinney Alliance for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Alliance in respect of the Proposed CT
“Chinney Investments”	Chinney Investments, Limited (建業實業有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange, and is the holding company of Hon Kwok and a substantial shareholder of Chinney Alliance

“Chinney Investments Board”	the board of directors of Chinney Investments
“Chinney Investments EGM”	the extraordinary general meeting to be convened by Chinney Investments for the purpose of, among other things, seeking approval from the independent shareholders of Chinney Investments in respect of the Proposed CT
“Chinney Investments Group”	Chinney Investments and its subsidiaries
“Chinney Investments IBC”	an independent committee of the Chinney Investments Board comprising the three independent non-executive directors of Chinney Investments formed for the purpose of advising and giving recommendation to the independent shareholders of Chinney Investments in respect of the Proposed CT
“Companies”	Chinney Investments, Hon Kwok and Chinney Alliance
“Conditions Precedent to the Framework Agreement”	the conditions precedents set out under the paragraph “Conditions Precedent to the Framework Agreement” in this announcement
“connected person”	has the meaning given to it under the Listing Rules
“Construction Works”	<p>the construction of the data centre and the provision of ancillary building services relating to the Project, including but not limited to:</p> <ul style="list-style-type: none"> <li>(a) take over, alter, modify and maintain the existing hoarding, covered walkway, fences, gantry, piling, temporary shoring system for excavation and lateral support works and the like, as required;</li> <li>(b) carry out substructure and superstructure building works and finishes including but not limited to plastering and tiling, roofing system, waterproofing, windows, louvres, metal grilles, doors, ironmongery, fixtures, fittings, sundries and all builder’s works in connection with building services installations;</li> <li>(c) design, supply, submission, installation and preparation of shop drawings for windows, curtain wall, aluminium cladding and louvres works, external false ceiling, gondola installation, etc.;</li> <li>(d) all associated plumbing, drainage and underground drainage works and external works including hard landscaping, ducts and pits, connections to the public service mains and services diversions within and outside the site boundary;</li> </ul>

- (e) reinstatement of all excavation, adjacent land, pavement and roads, and the construction of run-in/out and road widening works including application of all excavation permits;
- (f) preparation and submission of the necessary records, plans, reports in accordance with relevant laws and regulations to the satisfaction of the Architect and relevant government departments;
- (g) attendance on and co-ordination with various sub-contractors, separate contractors, specialist contractors, government departments;
- (h) locate, lower or divert as necessary and maintain all existing utilities services and arrange with government departments and public utilities undertakings for disconnection, diversion and/or sealing of all encountered utilities without affecting adjoining building's services;
- (i) carry out all necessary works including construction, alteration and maintenance of all permanent and temporary works and measures necessary to obtain the occupation permit; and
- (j) any other works as instructed by the Architect to satisfy the requirements of relevant government departments,

as more particularly set out in the Contract Documents

“Consultancy Agreement”	the consultancy agreement dated 12 June 2018 entered into between the Employer and Shun Cheong Data Centre Solutions in relation to the construction and development of the Project located in Kwai Chung, Hong Kong
“Contract Documents”	the contract documents in respect of the Construction Works to be entered into between the Employer and the Contractor in accordance with and substantially in the same form and substance as annexed to the Framework Agreement
“Contractor”	Chinney Construction Company, Limited (建業建築有限公司), a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Chinney Alliance
“Dr. James Sai-Wing Wong”	Dr. James Sai-Wing Wong, the chairman and executive director of each of Chinney Investments, Hon Kwok and Chinney Alliance

“Employer”	Gold Famous Development Limited (金譽發展有限公司), a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Hon Kwok and an indirect non wholly-owned subsidiary of Chinney Investments
“Framework Agreement”	a framework agreement dated 12 July 2018 entered into between the Contractor and the Employer in relation to the Construction Works
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hon Kwok”	Hon Kwok Land Investment Company, Limited (漢國置業有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange
“Hon Kwok Board”	the board of directors of Hon Kwok
“Hon Kwok EGM”	the extraordinary general meeting to be convened by Hon Kwok for the purpose of, among other things, seeking approval from the independent shareholders of Hon Kwok in respect of the Proposed CT
“Hon Kwok Group”	Hon Kwok and its subsidiaries
“Hon Kwok IBC”	an independent committee of the Hon Kwok Board comprising the three independent non-executive directors of Hon Kwok formed for the purpose of advising and giving recommendation to the independent shareholders of Hon Kwok in respect of the Proposed CT
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Laws”	includes the Listing Rules, all laws, bye-laws, rules, regulations, guidelines, orders, judgments, decrees or rulings of any court, government, governmental or regulatory authority whether or not <i>ejusdem generis</i> with any of the foregoing and the “Law” shall be construed accordingly
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long-Stop Date”	31 December 2018

“Parties”	the Contractor and the Employer, the parties to the Framework Agreement and a “Party” shall be construed accordingly
“Project”	the construction and development of a data centre in a parcel of land situated at and known as K.C.T.L. No. 495, Kin Chuen Street, Kwai Chung, New Territories, Hong Kong
“Proposed CT”	the proposed connected transaction and the ancillary transactions contemplated under the Framework Agreement
“Provisional Sum”	an amount not exceeding Hong Kong dollars thirty-three million (HK\$33,000,000) being the estimated additional costs of Construction Works in the event that an application for exempting an area of approximately 1,200 square meters as non-accountable gross floor area under the original building plans of the Project is being approved by the relevant government departments
“Quantity Surveyor”	Beria Consultants Limited, an independent quantity surveyor engaged by the Employer in respect of the Project
“Red Sun Capital” or “Independent Financial Adviser of Chinney Investments” or “Independent Financial Adviser of Hon Kwok”	Red Sun Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser appointed by each of Chinney Investments and Hon Kwok in respect of the Proposed CT
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shun Cheong Data Centre Solutions”	Shun Cheong Data Centre Solutions Company Limited (順昌數據中心創展有限公司), a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of Chinney Alliance
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning given to it under the Listing Rules
“Tender Sum”	a sum of Hong Kong dollars seven hundred twenty-four million eight hundred thirty-eight thousand six hundred and ninety-one and seventy cents (HK\$724,838,691.70) as offered by the Contractor in the tendering documents relating to the Construction Works
“Total Contract Sum”	the aggregate of the Tender Sum and the potential Provisional Sum of the amount not exceeding Hong Kong dollars seven hundred fifty-seven million eight hundred thirty-eight thousand six hundred and ninety-one and seventy cents (HK\$757,838,691.70), being the total value of the Construction Works under the Framework Agreement

“Veda Capital” or  
“Independent Financial  
Adviser of  
Chinney Alliance”

Veda Capital Limited, a corporation licensed to carry out Type 6  
(advising on corporate finance) regulated activity under the SFO,  
being the independent financial adviser appointed by Chinney  
Alliance in respect of the Proposed CT

“%”

per cent

By Order of the Board  
**Chinney Investments, Limited**  
(建業實業有限公司)  
**Ka-Yee Wan**  
*Company Secretary*

By Order of the Board  
**Hon Kwok Land Investment Company, Limited**  
(漢國置業有限公司)  
**Ka-Yee Wan**  
*Company Secretary*

By Order of the Board  
**Chinney Alliance Group Limited**  
(建聯集團有限公司\*)  
**Yun-Sang Lo**  
*Company Secretary*

Hong Kong, 12 July 2018

*At the date of this announcement, the directors of Chinney Investments are Dr. James Sai-Wing Wong (Chairman) and Mr. Yuen-Keung Chan (Managing Director) as executive directors; Mr. Paul Hon-To Tong and Dr. Emily Yen Wong as non-executive directors; and Dr. Clement Kwok-Hung Young, Mr. James C. Chen and Mr. Richard Chi-Ho Lo as independent non-executive directors.*

*At the date of this announcement, the directors of Hon Kwok are Dr. James Sai-Wing Wong (Chairman), Mr. Yuen-Keung Chan, Mr. Xiao-Ping Li and Mr. Peter Chi-Chung Luk as executive directors; Mr. James Sing-Wai Wong as non-executive director; and Dr. Daniel Chi-Wai Tse, Mr. Zuo Xiang and Mr. William Kwan-Lim Chu as independent non-executive directors.*

*At the date of this announcement, the directors of Chinney Alliance are Dr. James Sai-Wing Wong (Chairman), Mr. Yuen-Keung Chan (Vice Chairman and Managing Director), Mr. James Sing-Wai Wong and Mr. Philip Bing-Lun Lam as executive directors; Ms. Wendy Kim-See Gan as non-executive director; and Mr. Yuen-Tin Ng, Mr. Chi-Chiu Wu and Mr. Ronald James Blake as independent non-executive directors.*

\* *For identification purpose only*