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**ELATE HOLDINGS LIMITED**

**誼礫控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 076)**

**DISCLOSEABLE TRANSACTION**

**ACQUISITION OF ADDITIONAL EQUITY INTEREST IN  
A JOINT VENTURE  
AND  
SUPPLEMENTAL ANNOUNCEMENT  
IN RELATION TO  
SHARE SWAP AGREEMENT  
INVOLVING THE ISSUE OF SHARES  
UNDER GENERAL MANDATE**

Reference is made to the Announcement dated 19 September 2022 in relation to the entering into the Share Swap Agreement between the Company and the Swap Shareholder. This announcement is made to provide supplemental information in relation to the Share Swap Agreement and to disclose a discloseable transaction.

As disclosed in the Announcement, SEI and Cityhill Limited, a wholly-owned subsidiary of the Company, is respectively holding 50% of 3G. Upon Completion of the Share Swap Agreement, the Company will own 9.87% of SEI's capital shares which include 4.935% of 3G's equity shares. The Acquisition constituted a discloseable transaction under the Listing Rules.

The relevant applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceeds 5% but is less than 25%, the transaction constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Reference is made to the announcement published on 19 September 2022 (the "Announcement") in relation to the entering into the Share Swap Agreement between the Company and the Swap Shareholder.

This announcement is made to disclose a discloseable transaction and to provide supplemental information in relation to the Share Swap Agreement. Unless the context otherwise requires, capitalized terms in this announcement shall have the same meaning as defined in the Announcement.

As disclosed in the Announcement, SEI and Cityhill Limited, a wholly-owned subsidiary of the Company, is respectively holding 50% of Gold Gold Gold Limited (“3G”). Upon Completion of the Share Swap Agreement, the Company will own 9.87% of SEI’s capital shares. By entering into the Share Swap Agreement, the Company will acquire additional 4.935% of 3G (the “Acquisition”), and indirectly own 54.935% of 3G. As a result, 3G will become a majority owned subsidiary of the Company, and its financial results will be consolidated into the consolidated financial statements of the Company.

## **THE ACQUISITION**

Date	19 September 2022
Purchaser	The Company
Vendor	The Swap Shareholder, Ms. Ping Chan, a Macau resident, is the owner of 26,000,000 SEI Shares
Asset to be acquired	9.87% of SEI Shares, which include 4.935% equity interest in 3G.
Consideration	HK\$10,010,000
Condition	Completion is subject to the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Swap Shares.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Ms. Ping Chan, being the ultimate beneficial owner, is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

## **Information on 3G**

3G is a 50-50 joint venture established in 2018 by the Company and SEI. 3G is engaged in business of providing global trading services of physical gold for global customers.

Set out below are the financial information of 3G extracted from the audit reports for the year ended 31 December 2020 and for the year ended 31 December 2021, as well as from the management accounts for the six months ended 30 June 2022:

	<b>(Unaudited)</b> <b>As at</b> <b>30 June</b> <b>2022</b> <b>(HKD)</b>	<b>(Audited)</b> <b>As at</b> <b>31 December</b> <b>2021</b> <b>(HKD)</b>	<b>(Audited)</b> <b>As at</b> <b>31 December</b> <b>2020</b> <b>(HKD)</b>
Net Asset Value	(29,730,796)	(28,204,715)	(23,534,787)
Revenues	40,497,752	66,418,469	3,338,406
Profit/Loss before taxation	(1,834,202)	(4,669,928)	(8,415,685)
Profit/Loss after taxation	(1,834,202)	(4,669,928)	(8,415,685)

### **Reason for the Acquisition**

As disclosed in the Announcement, the Company, through its wholly-owned subsidiary Cityhill Limited, is indirectly holding 50% of 3G. By entering into the Share Swap Agreement, along with 9.87% SEI Shares, the Company will acquire additional 4.935% of equity interest in 3G.

### **Basis of the Consideration**

The total consideration of HK\$10,010,000 is for buying 9.87% of SEI Shares, which include 4.935% equity interest in 3G. And the consideration will be settled by the Company's issuance and allotment of 250,250,000 Swap Shares for a total of 26,000,000 SEI Shares. It was based on the agreed prices of HK\$0.04 per Swap Share and US\$0.05 (exchange rate at US\$1 to HK\$7.7) per SEI Share. The agreed prices were based on the highest closing price quoted on the Stock Exchange within 30 consecutive trading days immediately prior to the date of the Share Swap Agreement, and the average closing price quoted on the OTC Markets in the U.S.A for 30 consecutive trading days immediately prior to the date of the Share Swap Agreement. They were arrived at after arm's length commercial negotiations between the respective parties to the Share Swap Agreement.

### **Listing Application**

The relevant applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceeds 5% but is less than 25%, the transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **SUPPLEMENTAL INFORMATION IN RELATION TO THE SHARE SWAP AGREEMENT**

The Swap Shareholder, Ms. Ping Chan, is a Macau resident. She is the ultimate beneficial owner of 26,000,000 SEI Shares.

SEI's financial information for the year ended 31 December 2021 and for the six months ended 30 June 2022 have been disclosed in the Announcement published on 19 September 2022; for the year ended 31 December 2020, SEI recorded a net loss of US\$461,519 both before and after tax.

### **INFORMATION OF THE COMPANY**

The Company (together with its subsidiaries) businesses primarily consist of (i) manufacture and sales of graphite products worldwide, (ii) manufacture and sales of electronic products in the United Kingdom, and (iii) development of multi-media production and movie making.

By order of the board of directors  
**Elate Holdings Limited**  
**Vivian Lam**  
*Company Secretary*

Hong Kong, 23 September 2022

*As at the date of this announcement, the board of directors comprises of Mr. Feng Zhong Yun and Ms. Zhang Xue, being executive directors; Mr. Chai Woon Chew, Mr. Ng Lai Po and Ms. Ye Yi Fan being independent non-executive directors.*