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Super Strong Holdings Limited

宏強控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8262)

CONNECTED AND DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE TO A CONNECTED PERSON

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 9 February 2021 (after trading hours), the Loan Agreement was entered into between the Lender, a wholly-owned subsidiary of the Company and the Borrower. Pursuant to the Loan Agreement, the Lender has agreed to grant an unsecured loan in the principal amount of HK\$9 million to the Borrower for a term of 4 months.

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, the Borrower is the Chairman of the Board, an executive Director and a controlling shareholder of the Company, holding approximately 31.25% of the entire issued share capital of the Company, and is therefore a connected person of the Company pursuant to the GEM Listing Rules. Accordingly, the provision of the finance assistance by the Lender, a wholly-owned subsidiary of the Company, to the Borrower constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As all the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the provision of the finance assistance are less than 25% and the total value of the Loan plus the monetary advantage to the Borrower is less than HK\$10,000,000, the provision of the finance assistance is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 20.74 (2)(b) of the GEM Listing Rules.

Further, as certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the provision of financial assistance to the Borrower was more than 5% but less than 25%, the unsecured loan granted under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements under the GEM Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 9 February 2021 (after trading hours), the Loan Agreement was entered into between the Lender, a wholly-owned subsidiary of the Company, and the Borrower. Pursuant to the Loan Agreement, the Lender has agreed to grant an unsecured loan in the principal amount of HK\$9 million to the Borrower for a term of 4 months.

Summarized below are the principal terms of the Loan Agreement:

THE LOAN AGREEMENT

Date of the Loan Agreement	: 9 February 2021 (after trading hours)
Lender	: W.M. Construction Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
Borrower	: Mr. Kwok Tung Keung (“ Mr. Kwok ”), the Chairman of the Board, an executive Director and a controlling shareholder of the Company, holding approximately 31.25% of the entire issued share capital of the Company
Principal amount	: HK\$9 million
Interest rate	: 5% per annum
Term	: 4 months commencing from the date of drawdown of the Loan
Repayment	: Borrower shall repay the whole principal amount together with all accrued interest due and payable to the Lender on the repayment date (being 4 months from the date of drawdown of the Loan)
Purpose	: For personal use and investment

FUNDING OF THE LOAN

The Group will finance the Loan with its internal resources.

INFORMATION OF THE GROUP AND THE LENDER

W.M. Construction Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company and participated in the construction industry in Hong Kong since its incorporation in 1988 and has participated in the construction industry for more than 30 years. Currently, the Group is principally engaged in general building works and specialised building works in Hong Kong and usually act as a main contractor and subcontract various parts of the project by trade to subcontractors.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE FINANCIAL ASSISTANCE

The terms of the Loan Agreement, including the applicable interest, are negotiated on an arm's length basis between the Lender and the Borrower, with reference to the prevailing market interest rates and commercial practices. The entering into of the Loan Agreement can utilize the Group's resources more economically. Furthermore, it is expected that the Loan Agreement would enable the Group to generate a higher rate of interest income as compared to short-term deposits in banks and thus maximize the Group's return and generate stable revenue and cash flow stream on its available cash reserves without compromising the Group's risk exposure.

Based on the above reasons and having considered all relevant factors, the Directors (including the independent non-executive Directors) are of the view that although the entering into of the Loan Agreement is not in the ordinary and usual course of business of the Group, the terms of the Loan Agreement are entered into on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole. Mr. Kwok is the Borrower and he has therefore abstained from voting on the relevant Board resolution in relation to the Loan. Save as the above, none of the Directors has material interest in the Loan Agreement and/or the transactions contemplated thereunder and no other Directors have abstained from voting on the relevant Board resolution of the Company to approve the Loan Agreement and the transactions contemplated thereunder

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, the Borrower is a Chairman, an executive Director and a controlling shareholder of the Company, holding approximately 31.25% of the entire issued share capital of the Company, and is therefore a connected person of the Company pursuant to the GEM Listing Rules. Accordingly, the provision of the finance assistance by the Lender, a wholly-owned subsidiary of the Company, to the Borrower constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As all the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the provision of the finance assistance are less than 25% and the total value of the Loan plus the monetary advantage to the Borrower is less than HK\$10,000,000, the provision of the finance assistance is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 20.74 (2)(b) of the GEM Listing Rules.

Further as certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the amount of financial assistance granted to the Borrower was more than 5% but less than 25%, the unsecured loan granted under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements under the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	Mr. Kwok Tung Kwok, an executive Director, a Chairman and a controlling shareholder of the Company, holding approximately 31.25% of the entire issued share capital of the Company

“Company”	Super Strong Holdings Limited (宏強控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Lender”	W.M. Construction Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Loan”	an unsecured loan in the principal amount of HK\$9 million granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 9 February 2021 entered into between the Lender and the Borrower in respect of an unsecured loan in the amount of HK\$9 million
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Super Strong Holdings Limited
Ko Chun Hay Kelvin
Chief Executive Officer

Hong Kong, 10 February 2021

As at the date of this announcement, the executive directors are Mr. Kwok Tung Keung and Mr. Ko Chun Hay Kelvin; and the independent non-executive directors are Mr. Sneddon Donald William, Mr. Ng Man Li and Ms. Wong Shuk Fong.

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 Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from its date of posting and the Company’s website at www.wmcl.com.hk.