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GME Group Holdings Limited
駿傑集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8188)

**DISCLOSEABLE TRANSACTION IN RELATION TO
THE PROVISION OF CREDIT FACILITIES**

This announcement is made pursuant to 19.07 of the GEM Listing Rules.

THE CREDIT FACILITIES

The Board is pleased to announce that on 10 December 2021 (after trading hours), the Company and GMEHK, an indirect wholly-owned subsidiary of the Company, entered into the Facility Letter whereby the Bank agreed to provide export invoice discounting services to GMEHK with an aggregate principal amount of HK\$12,000,000. Pursuant to the Facility Letter, the Company entered into a Guarantee on 10 December 2021 (after trading hours) in favour of the Bank whereby the Company agreed to provide a Corporate Guarantee in respect of the Liabilities of GMEHK owing to the Bank from time to time.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under GEM Listing Rules) in respect of Corporate Guarantee exceeds 5% but is less than 25%, the Corporate Guarantee constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

THE CREDIT FACILITIES

The Board is pleased to announce that on 10 December 2021 (after trading hours), the Company and GMEHK, an indirect wholly-owned subsidiary of the Company, entered into the Facility Letter whereby the Bank agreed to provide export invoice discounting services to GMEHK with an aggregate principal amount of HK\$12,000,000. The principal terms of the Facility Letter are set out below:

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| Date: | 10 December 2021 |
| Borrower: | GMEHK |
| Lender: | the Bank |
| Guarantor: | the Company |
| Aggregate principal amount: | HK\$12,000,000 |
| Maximum discount rate: | 80% on the invoice amount of interim payment certificate |
| Interest rate: | 3.5% p.a. over the higher of (i) HIBOR and (ii) the Bank's cost of fund |
| Maximum tenor: | Up to 45 days from the date of interim payment certificate |
| Handling commission: | First USD70,000 at 1/8%, balance at 1/16% |
| Major securities: | (i) Provision of the Guarantee in the amount of up to HK\$12,000,000 in respect of the Liabilities of GMEHK given by the Company in favour of the Bank; and (ii) A charge over deposit of HK\$2,000,000 to secure the obligations of GMEHK to the Bank. |
| Other terms: | (i) The Credit Facilities are granted on an uncommitted basis at the sole discretion of the Bank and are repayable on demand by the Bank without having to specify any particular reason notwithstanding any of the above (including any specified maximum tenor) or the non-occurrence of an event of default; and |

- (ii) The Credit Facilities are subject to the Bank's periodic review and may be modified or terminated, in whole or in part, at the Bank's sole discretion without prior notice.

INFORMATION ON THE COMPANY, GMEHK AND THE BANK

The principal business activity of the Company is an investment holding company. GMEHK is an indirect wholly-owned subsidiary of the Company. The principal business activities of the Group involve the provision of underground construction services for private main contractors in public sector infrastructure projects. Public sector projects refer to the projects in which the main contractors are employed by the government of Hong Kong, its statutory bodies or statutory corporations.

The Bank is a licensed bank in Hong Kong, which the principal business activity is banking business in Hong Kong. Having made all reasonable inquiry and to the best of the Directors' knowledge, information and belief, the Bank and its ultimate beneficial owners and close associates are independent third parties of the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTION DOCUMENTS

The provision of the Credit Facilities under the Facility Letter enables the Group to improve the financial resources for its participation in existing and future projects, which is in line with the Group's business objectives to expand its services into other high-value construction services and enhance the efficiency of its operation.

The Board considers that the Transaction Documents were on normal commercial terms and entered in the ordinary and usual course of business of the Group. The Board is of the view that the terms of the Transaction Documents are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

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DEFINITIONS

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

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| “Bank” | a licensed bank in Hong Kong, being the lender under the Facility Letter |
| “Board” | the Board of Directors |
| “close associate(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Company” | GME Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM |
| “Corporate Guarantee” | the guarantee from the Company for HK\$12,000,000 guaranteeing the repayment of the Liabilities due and owed by GMEHK to the Bank |
| “Credit Facilities” | the credit facilities of up to an aggregate principal amount of HKD12,000,000 for export invoice discounting of interim payment certificate |
| “Director(s)” | the director(s) of the Company |
| “Facility Letter” | A letter of Credit Facilities issued by the Bank on 10 December 2021 |
| “GEM” | the GEM operated by the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “GMEHK” | Good Mind Engineering Limited (駿傑工程有限公司), a company incorporated in Hong Kong with limited liability on 22 March 1994 and an indirect wholly-owned subsidiary of the Company |
| “Group” | the Company and its subsidiaries |
| “Guarantee” | the guarantee and indemnity dated 10 December 2021 executed by the Company in respect of the Corporate Guarantee |

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| “HIBOR” | Hong Kong Interbank Offered Rate as from time to time quoted by the Bank |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Liabilities” | the outstanding indebtedness plus interest, costs, and expenses |
| “PRC” | the People’s Republic of China |
| “Share(s)” | the shares of the Company |
| “Shareholders” | holders of Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed thereto under the GEM Listing Rules |
| “Transaction Documents” | the Facility Letter and the Guarantee |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “USD” | United States dollars, the lawful currency of the United States of America |
| “%” | per cent. |

By order of the Board
GME Group Holdings Limited
Chuang Chun Ngok Boris
Chairman and executive Director

Hong Kong, 10 December 2021

As at the date of this announcement, the executive Directors are Mr. Chuang Chun Ngok Boris and Mr. Chuang Wei Chu and the independent non-executive Directors are Mr. Lam Man Bun Alan, Mr. Lau Chun Fai Douglas and Ir Ng Wai Ming Patrick.

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.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.gmehk.com.