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## **TONG KEE (HOLDING) LIMITED**

**棠記（控股）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8305)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY**

The Board announces that on 7 July 2022 (after trading hours), the Vendor, being an indirect wholly-owned subsidiary of the Company, has entered into the Provisional Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor has agreed to dispose of and the Purchaser has agreed to purchase the Property at the consideration of HK\$3,500,000.

As the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Disposal exceed 5% but are under 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

#### **INTRODUCTION**

The Board announces that on 7 July 2022 (after trading hours), the Vendor, being an indirect wholly-owned subsidiary of the Company, has entered into the Provisional Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor has agreed to dispose of and the Purchaser has agreed to purchase the Property at the consideration of HK\$3,500,000.

#### **THE PROVISIONAL SALE AND PURCHASE AGREEMENT**

Vendor: Tong Kee Engineering Limited, a company incorporated in Hong Kong with

limited liability and an indirect wholly-owned subsidiary of the Company

Purchaser: Mr. Li, Adrian Chun Hei

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Purchaser is an Independent Third Party.

### **Assets to be disposed**

Pursuant to the Provisional Sale and Purchase Agreement, the Vendor has agreed to dispose of the Property and the Purchaser has agreed to purchase the Property. Vacant possession of the Property will be delivered by the Vendor to the Purchaser on Completion.

### **Consideration and payment terms**

The Consideration of HK\$3,500,000 shall be paid by the Purchaser to the Vendor in the following manner:

- (a) HK\$175,000 shall be paid upon signing of the Provisional Sale and Purchase Agreement as initial deposit;
- (b) HK\$175,000 shall be paid on or before 20 July 2022 as further deposit;
- (c) the remaining balance of approximately HK\$3,150,000 shall be paid on completion of the Disposal.

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to the prevailing market value of the properties in the vicinity.

### **Formal agreement**

A formal agreement for sale and purchase of the Property will be signed by the Vendor and the Purchaser on or before 20 July 2022 or within 7 days after the date of the completion of quarantine by either party (if any) pursuant to the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong), whichever is later.

## **Completion**

Completion of the Disposal shall take place on or before 22 August 2022 or within 7 days after the date of the completion of quarantine by either party (if any) pursuant to the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong), whichever is later.

## **FINANCIAL EFFECT OF THE DISPOSAL AND INTENDED USE OF PROCEEDS**

The carrying value of the Property as shown in the unaudited consolidated accounts of the Company as at 30 June 2022 was approximately HK\$2,647,000. Subject to review and confirmation by the auditors, the Group is expected to record a gain of approximately HK\$853,000 from the Disposal, which is calculated based on the consideration to be received by the Group for the Disposal less the carrying value of the Property as at 30 June 2022 before any related expenses. The Company intends to use the net proceeds from the Disposal as general working capital of the Group.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

Taking into account of the current financial position and business operation of the Group, the Directors believe that the Disposal represents a good opportunity for the Company to realise the value of the Property at a reasonable price and the proceeds from the Disposal will improve the financial position and increase the general working capital of the Group.

The Board considers that the terms and conditions of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As the relevant percentage ratios (as defined under GEM Listing Rules) in respect of the Disposal exceed 5% but are under 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

The following terms have the following meanings in this announcement, unless the context otherwise requires:

“Board”	the board of directors of the Company
“Company”	Tong Kee (Holding) Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the Disposal in accordance with the terms and conditions of the formal agreement
“Consideration”	the consideration of HK\$3,500,000, being the total consideration payable by the Purchaser to the Vendor for the Disposal
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor pursuant to the Provisional Sale and Purchase Agreement
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third parties independent of and not connected with the Company and its connected persons (as

defined in the GEM Listing Rules)

“Property”	Unit J, 11/F, Block 2, Kin Ho Industrial Building, 14-24 Au Pui Wan Street, Fotan, New Territories, Hong Kong
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement dated 7 July 2022 entered into between the Vendor and the Purchaser relating to the sale and purchase of the Property
“Purchaser”	Mr. Li, Adrian Chun Hei
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Tong Kee Engineering Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board  
**Tong Kee (Holding) Limited**  
**Heung Chung Sum**  
*Chairman*

Hong Kong, 12 July 2022

*As at the date of this announcement, the executive Directors are Mr. Heung Chung Sum and Mr. Chan Wai Hon Alan; the non-executive Directors are Ms. Heung Joe Yee and Ms. Heung Joe Tung; and the independent non-executive Directors are Dr. Ip Wai Hung, Mr. Ko, Wilson Wai Shun and Mr. Chan Chi Hang.*

*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 enquires, 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](http://www.hkgem.com) for at least 7 days from the day of its publication. This announcement, will also be published on the Company’s website at [www.tongkee.com.hk](http://www.tongkee.com.hk).*