

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

TONG KEE (HOLDING) LIMITED

棠記（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8305)

SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT

References are made to the section headed “**Future Plans and Use of Proceeds**” in the prospectus of Tong Kee (Holding) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 20 June 2018 (the “**Prospectus**”), the supplemental announcement dated 15 July 2020 (the “**Supplemental Announcement**”), and the section headed “Management Discussion and Analysis — Use of Proceeds” in the 2021 annual report of the Company dated 29 March 2022 (the “**2021 Annual Report**”). Unless otherwise defined, capitalised items used in this announcement shall have the same meanings as those defined in the Prospectus, Supplemental Announcement, and the 2021 Annual Report.

The Board would like to provide an update in relation to the use of the proceeds from the Listing as supplemental information to the 2021 Annual Report. The net proceeds from the Listing (after deducting underwriting fee and the relevant expenses payable by the Group in connection to the Listing) amounted to approximately HK\$25.2 million (“**Proceeds**”). As at 31 December 2021, a total amount of approximately HK\$22.6 million out of the Proceeds of the Listing had been utilised by the Group according to the allocation set out in the Prospectus and the Supplemental Announcement, and the remaining balance of approximately HK\$2.6 million is yet to be utilized.

In accordance with the requirements of Rule 18.32(8)(a) and 18.32A to the Rules Governing the Listing of Securities on the GEM operated by The Stock Exchange of Hong Kong Limited, the table below is a summary of the Group’s use of Proceeds used during each financial year from year ended 31 December 2018 and up to year end 31 December 2021:

Purpose	Revised use of net proceeds as disclosed in the announcement dated 15 July 2020	Actual utilised Proceeds during year ended 31 December 2018	Actual utilised Proceeds during year ended 31 December 2019	Actual utilised Proceeds during year ended 31 December 2020	Actual utilised Proceeds during year ended 31 December 2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Reserved capital to satisfy the Group's potential customers' requirement for surety/ performance bond	1.2	-	0.7	0.5	-
Further Strengthen the Group's manpower	9.4	1.0	3.8	2.5	2.1
Acquisition of additional machinery and equipment	4.3	0.2	1.3	1.6	0.3
Upgrading the Hong Kong office and workshop	7.7	0.8	4.9	0.2	0.1
General working capital	2.6	2.6	-	-	-

CHANGE IN USE OF PROCEEDS

On 15 July 2020, the Board resolved to change the use of the remaining balance of the Proceeds and issued the Supplemental Announcement, and no change in use of Proceeds thereafter and up to the date of this announcement. The breakdown of the planned allocation of the Proceeds as set out in the Prospectus, the proposed change of use of the remaining balance as at 15 July 2020 of the Proceeds, and the reasons of change in use of Proceeds were set out in the Supplemental Announcement.

REASONS FOR THE DELAY OF USE OF PROCEEDS

The business objectives, future and planned use of Proceeds as disclosed in the Prospectus and the Supplemental Announcement were based on the best estimation and assumption of future market conditions made by the Group at the relevant time while the proceeds were applied based on the actual development of the Group's business, the actual situation and the industry.

As disclosed in the Supplemental Announcement, the Proceeds for further strengthen the Group's manpower, acquisition of additional machinery and equipment, and upgrading the Hong Kong office and workshop were expected to fully utilized by the end of year 2021, however there are still HK\$0.9 million and HK\$1.7 million for acquisition of additional machinery and equipment, and upgrading the Hong Kong office and workshop yet to be utilized as at 31 December 2021.

The reason for the delay of use of Proceeds are due to the unfavorable market environment and the negative impacts due to the outbreak of the novel coronavirus (COVID-19) in Hong Kong has affected the economic development in Hong Kong, the growth in the overall income of the Group has slowed down. The management therefore considered prioritizing the financial resources on maintaining daily operation and slowdown the progress of expanding, resulting the delay of utilization of the Proceeds for acquisition of additional machinery and equipment, and upgrading the Hong Kong office and workshop. However, the Group expected the unutilized Proceeds will be fully utilized at the end of year 2022.

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

Hong Kong, 15 September 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 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.