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瑞安建業有限公司*
SOCAM Development Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 983)

DISCLOSEABLE TRANSACTION

RENEWAL OF THE TENANCY AGREEMENT

TENANCY AGREEMENT

The Board announces that on 26 June 2026, the Tenant and the Landlord entered into the Tenancy Agreement to renew the Existing Lease in respect of the leasing of the Premises for a fixed term of three (3) years for the period from 1 July 2026 to 30 June 2029 (both days inclusive).

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 “Leases”, the Group is required to recognise the value of the right-of-use assets on its consolidated statement of financial position in connection with the renewal of the Existing Lease under the Tenancy Agreement, which will be regarded as an acquisition of assets by the Group pursuant to the Listing Rules. The estimated value of the right-of-use assets to be recognised by the Group under the Tenancy Agreement is approximately HK\$11.79 million (unaudited), which is calculated with reference to the present value of the aggregated rents to be payable under the Tenancy Agreement.

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the estimated value of the right-of-use assets to be recognised by the Group under the Tenancy Agreement exceeds 5% but is less than 25%, the Tenancy Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE TENANCY AGREEMENT

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The Tenant, being a non-wholly-owned subsidiary of the Company, has been leasing the Premises from the Landlord as an open storage yard for plant, equipment, materials and sample panels / mock-up components for inspection and checking, together with site office and ancillary supporting uses to carry out business operation in Hong Kong under the Existing Lease.

The principal terms of the Tenancy Agreement are summarised below:

Date	:	26 June 2026
Landlord	:	Tranca Limited
Tenant	:	Shui On Plant and Equipment Services Limited
Premises	:	The land at lots 832, 833, 835, 838RP, 839 and 840 in D.D. 77 located at Ng Chow South Road, Ping Che, Fanling, New Territories, Hong Kong, with an aggregate area of approximately 61,636 square feet (the “ Premises ”)
Usage	:	As an open storage yard for plant, equipment, materials and sample panels / mock-up components for inspection and checking, together with site office and ancillary supporting uses to carry out business operation in Hong Kong
Lease term	:	A fixed term for three (3) years for the period from 1 July 2026 to 30 June 2029 (both days inclusive)
Rent (inclusive of rates and government rent)	:	From 1 July 2026 to 30 June 2028: HK\$338,000 per month (“ Basic Rent ”) From 1 July 2028 to 30 June 2029: HK\$371,800 – HK\$381,940 per month (representing an upward adjustment of 10% – 13% from the Basic Rent). Actual amount to be determined upon arm’s length negotiation with the Landlord on or before 1 January 2028.

Security Deposit : The Tenant shall pay an amount of HK\$676,000, equivalent to two (2) months' Basic Rent, to the Landlord as security deposit upon the signing of the Tenancy Agreement.

Such security deposit shall be refunded to the Tenant without interest within fourteen (14) days upon expiry or early termination of the Tenancy Agreement.

BASIS OF DETERMINATION OF THE RENTS

The rents payable under the Tenancy Agreement were determined after arm's length negotiation with the Landlord, taking into consideration:

- (i) the historical amounts of the rents paid or payable by the Tenant for the Premises under the Existing Lease; and
- (ii) the prevailing market rents for premises of comparable size, usage and location.

The rents under the Tenancy Agreement shall be payable by the Tenant to the Landlord monthly in advance on the first day of each calendar month and will be satisfied by the internal resources of the Tenant.

REASONS FOR AND BENEFITS OF RENEWAL OF THE EXISTING LEASE

The Premises have been occupied by the Tenant as an open storage yard for plant, equipment, materials and sample panels / mock-up components for inspection and checking, together with site office and ancillary supporting uses to carry out business operation in Hong Kong since 2022. The Board is of the view that the renewal of the Existing Lease will enable the Tenant to (i) avoid any unnecessary interruption to its operations; (ii) meet business development needs; and (iii) avoid any additional capital expenditure and overheads resulting from relocation. The Directors consider that the terms and conditions of the Tenancy Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

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As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the estimated value of the right-of-use assets to be recognised by the Group under the Tenancy Agreement exceeds 5% but is less than 25%, the Tenancy Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Group principally engages in construction, maintenance and minor works and provision of building information modelling services in Hong Kong, interior fit-out in Hong Kong and Macau; and property development and investment, as well as provision of property management services in the PRC.

The principal business activity of the Tenant is owning and leasing of plant and machinery and structural steel construction work.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Landlord is a company incorporated in Hong Kong with limited liability, which principally engages in property investment in Hong Kong.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	SOCAM Development Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 983)
“connected persons” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Lease”	the existing lease entered into between the Tenant and the Landlord in respect of the Premises for a term commencing on 21 March 2022 to 30 June 2026
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Landlord”	Tranca Limited, a company incorporated in Hong Kong with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macao Special Administrative Region of the People’s Republic of China
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan)
“Premises”	has the meaning ascribed to it in the section headed “The Tenancy Agreement” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the Tenancy Agreement dated 26 June 2026 entered into between the Tenant and the Landlord in respect of the lease of the Premises, particulars of which are set out in this announcement
“Tenant”	Shui On Plant and Equipment Services Limited, a company incorporated in Hong Kong with limited liability, which is an indirect 94.75%-owned subsidiary of the Company at the date of this announcement
“%”	per cent

By order of the Board
SOCAM Development Limited
Lee Chun Kong, Freddy
Executive Director and Chief Executive Officer

Hong Kong, 26 June 2026

At the date of this announcement, the executive Directors are Mr. Lo Hong Sui, Vincent (Chairman), Mr. Lee Chun Kong, Freddy (Chief Executive Officer) and Mr. Lo Adrian Jonathan Chun Sing (Deputy Chief Executive Officer); the non-executive Directors are Ms. Lo Bo Yue, Stephanie and Mr. Chan Wai Kan, George; and the independent non-executive Directors are Mr. Chan Kay Cheung, Mr. Lau Ping Cheung, Kaizer and Mr. Wong Hak Wood, Louis.

** For identification purpose only*

Website: www.socam.com