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TLMC

Tak Lee Machinery Holdings Limited
德利機械控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8142)

**PROPOSED TRANSFER OF LISTING
FROM GEM TO THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

Joint Sponsors



This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions.

The Board is pleased to announce that the Company has submitted a formal application to the Stock Exchange on 31 October 2019 for the Proposed Transfer of Listing pursuant to Chapter 9A and Appendix 28 to the Main Board Listing Rules and the relevant provisions of the GEM Listing Rules.

The Board considers that the listing of the Shares on the Main Board will enhance the profile of the Group and strengthen the recognition of the Group among both institutional and retail investors. The Board also believes that the Main Board trading platform will lead to larger investor base and greater trading liquidity of the Shares and enhance the competitiveness of the Group in the industry, and that the listing of the Shares on the Main Board will be beneficial to the Group's future growth and business development as well as its financial flexibility. The Proposed Transfer of Listing will not involve the issue of any new shares by the Company.

Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the conditions of the Proposed Transfer of Listing set out in this announcement being fulfilled. There is no assurance that approval will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions.

The Board is pleased to announce that the Company has submitted a formal application to the Stock Exchange on 31 October 2019 for the Proposed Transfer of Listing pursuant to Chapter 9A and Appendix 28 to the Main Board Listing Rules and the relevant provisions of the GEM Listing Rules.

REASONS FOR THE PROPOSED TRANSFER OF LISTING

The Company has been listed and traded on GEM since 27 July 2017. The Company is an investment holding company. The Group is principally engaged in the provision of (i) sales of heavy equipment and spare parts, (ii) the leasing of heavy equipment, and (iii) the provision of maintenance and ancillary services in Hong Kong. As at the date of this announcement, the Board has no immediate plans to change the nature of the principal business activities of the Group following the Proposed Transfer of Listing. The Proposed Transfer of Listing will not involve the issue of any new shares by the Company.

The Directors consider that the Proposed Transfer of Listing will enhance the profile of the Group and strengthen the recognition of the Group in the industry and among both institutional and retail investors, which would result in a larger investor base and greater trading liquidity of the Shares and enhance the competitiveness of the Group in the industry. Considering the aforesaid, the Directors are of the view that the listing of the Shares on the Main Board will be beneficial to the future growth, business development and financial flexibility of the Group.

NO CHANGE IN CONTROLLING SHAREHOLDING

Since the time of the Listing and up to the date of this announcement, Generous Way owned 750,000,000 Shares, being 75% of the entire issued share capital of the Company. Generous Way was in turn owned by each of Mr. Chow and Ms. Cheng as to 50%. As Mr. Chow and Ms. Cheng are spouses, by virtue of the SFO, each of Mr. Chow and Ms. Cheng is deemed, or taken to be, interested in the Shares held by Generous Way. Hence, each of Mr. Chow, Ms. Cheng and Generous Way is a Controlling Shareholder.

The Company confirms that there has been no change in control of the Company since the Listing and up to the date of this announcement.

LISTING RULES IMPLICATIONS

Given that the Company has not experienced any change in principal business and Controlling Shareholders since the Listing, pursuant to Rule 9A.01A of the Main Board Listing Rules and the transitional arrangements set out in Appendix 28 to the Main Board Listing Rules, the Company is qualified as an Eligible Issuer and is not required to publish a listing document.

CONDITIONS OF THE PROPOSED TRANSFER OF LISTING

The Proposed Transfer of Listing is conditional upon, among other things:

- 1) the Company's fulfilment of all the applicable listing requirements on the Main Board as stipulated in the Main Board Listing Rules;
- 2) the Listing Committee granting approval for the listing of, and permission to deal in on the Main Board (i) all Shares in issue; and (ii) new shares which may fall to be issued pursuant to the exercise of share options that may be granted under the Share Option Scheme; and
- 3) all other relevant approvals or consents required in connection with the implementation of the Proposed Transfer of Listing having been obtained, and the fulfilment of all conditions which may be attached to such approvals or consents, if any.

GENERAL

The Company has appointed First Shanghai Capital Limited and Southwest Securities (HK) Capital Limited as its joint sponsors in accordance with the Main Board Listing Rules in relation to the Proposed Transfer of Listing.

The Board would like to emphasise that the definitive timetable for the Proposed Transfer of Listing has not yet been finalised. There is no assurance that the Company will proceed with the Proposed Transfer of Listing. Further announcement(s) will be made by the Company to keep the Shareholders and potential investors of the Company informed of the progress of the Proposed Transfer of Listing as and when appropriate.

Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the conditions of the Proposed Transfer of Listing set out in this announcement being fulfilled. There is no assurance that the approval will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

“Board”	the board of directors of the Company
“Company”	Tak Lee Machinery Holdings Limited (德利機械控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange (stock code: 8142)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules and, in the case of the Company, means Mr. Chow, Ms. Cheng and Generous Way
“Directors”	the director(s) of the Company
“Eligible Issuer”	has the meaning ascribed to it under Chapter 9A of the Main Board Listing Rules
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Generous Way”	Generous Way Limited, a company incorporated in the BVI with limited liability on 28 September 2015, which is beneficially owned as to 50% by Mr. Chow and 50% by Ms. Cheng
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Inside Information Provisions”	the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the SFO
“Listing”	the listing of the Shares on GEM on 27 July 2017
“Listing Committee”	the listing committee of the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time

“Mr. Chow”	Mr. Chow Luen Fat (周聯發), a Controlling Shareholder, an executive Director and the spouse of Ms. Cheng
“Ms. Cheng”	Ms. Cheng Ju Wen (鄭如雯), a Controlling Shareholder, a non-executive Director and the spouse of Mr. Chow
“Proposed Transfer of Listing”	the proposed transfer of (i) all the Shares in issue; and (ii) the new shares which may fall to be issued upon the exercise of share options that may be granted under the Share Option Scheme from GEM to the Main Board pursuant to Chapter 9A and Appendix 28 to the Main Board Listing Rules and the relevant provisions of the GEM Listing Rules
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with a nominal or par value of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 30 June 2017
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Tak Lee Machinery Holdings Limited
Chow Luen Fat
Chairman and Chief Executive officer

Hong Kong, 31 October 2019

As at the date of this announcement, the executive Directors are Mr. Chow Luen Fat (chairman and chief executive officer), Ms. Liu Shuk Yee and Ms. Ng Wai Ying; the non-executive Director is Ms. Cheng Ju Wen; and the independent non-executive Directors are Sir Kwok Siu Man KR, Dr. Wong Man Hin Raymond and Mr. Law Tze Lun.

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 Listed Company Information” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication. This announcement will also be published on the Company’s website at www.tlmc-hk.com.