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## **Hang Chi Holdings Limited**

**恒智控股有限公司**

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

**(Stock Code: 8405)**

### **VOLUNTARY ANNOUNCEMENT IN RELATION TO THE POTENTIAL ACQUISITION OF A PROPERTY**

The Board wishes to announce that, on 14 October 2022 (after trading hours), the Vendor and the Purchaser (an indirect wholly-owned subsidiary of the Company), among other parties, entered into the Provisional Agreement, pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the Property at the Consideration of HK\$16,474,500 (before the Purchaser's costs and expenses). The principal terms of the Provisional Agreement are summarized below.

#### **PROVISIONAL AGREEMENT**

##### **Date**

14 October 2022

##### **Parties**

- (1) Vendor
- (2) Purchaser
- (3) A third party property agent

##### **Property to be acquired**

Pursuant to the Provisional Agreement, the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the Property which consists of Unit 1107 on 11/F of Tower III Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

## **Consideration**

The total Consideration is HK\$16,474,500 which shall be payable by the Purchaser to the Vendor in the following manner:

- (a) an initial deposit of HK\$823,725 shall be paid by the Purchaser upon signing of the Provisional Agreement;
- (b) a further deposit of HK\$823,725 shall be paid by the Purchaser on or before 7 November 2022; and
- (c) the balance of the Consideration in the sum of HK\$14,827,050 shall be paid upon completion of the Potential Acquisition.

## **Signing of the Formal Agreement for Sale and Purchase**

If the terms of the formal agreement for sale and purchase are not agreed and the formal agreement for sale and purchase is not signed on or before 7 November 2022, both the Vendor and the Purchaser agree to terminate the Provisional Agreement. Any part of the deposit(s) paid by the Purchaser shall be forfeited by the Vendor, and neither party shall claim for further damages nor enforce specific performance of the Provisional Agreement.

## **Compensation to Agent**

If either the Vendor or the Purchaser fails to complete the sale or purchase, the defaulting party shall compensate immediately the agent HK\$329,490 as liquidated damages.

## **INFORMATION ABOUT THE GROUP AND THE PURCHASER**

The Group is an established operator of elderly residential care homes in Hong Kong providing comprehensive residential care home services to the elderly residents.

The Purchaser is incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. Its principal activities are investment holding and provision of management services.

## **INFORMATION ABOUT THE VENDOR**

The Vendor is a company incorporated in Hong Kong. To the best knowledge, information and belief of the Directors, having made all reasonable enquires, the ultimate owner of the Vendor is Huang Zhiyong (黃志勇).

To the best knowledge, information and belief of the Directors, having made all reasonable enquires, the Vendor and its ultimate owner are third parties independent of and not connected with the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF ENTERING INTO PROVISIONAL AGREEMENT**

The Group intends to use the Property as office. Instead of paying the high rent, the Directors consider that the Potential Acquisition will be more cost-effective in the long run and is in line with the Group's development needs.

The Directors are of the view that the terms of the Provisional Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER GEM LISTING RULES**

As the Provisional Agreement may or may not lead to the entering into of the formal agreement for sale and purchase, the Potential Acquisition may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

If the Vendor and the Purchaser agree to enter into the formal agreement for sale and purchase of the Property and the Potential Acquisition materializes, the Potential Acquisition will constitute a discloseable transaction of the Company pursuant to the GEM Listing Rules and the Company will make further announcement(s) in respect of the Potential Acquisition. The Company will comply with the relevant requirements of the GEM Listing Rules if and when the formal agreement in relation to the acquisition of the Property is signed.

## **DEFINITIONS**

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

|                       |  |
|-----------------------|--|
| “Board”               | the board of Directors   |
| “Company”             | Hang Chi Holdings Limited (恒智控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange (stock code: 8405) |
| “connected person(s)” | has the same meaning ascribed to it under the GEM Listing Rules  |
| “Consideration”       | the purchase price payable by the Purchaser to the Vendor in respect of the acquisition of the Property, being HK\$16,474,500  |
| “Director(s)”         | the director(s) of the Company   |

|                         |   |
|-------------------------|---|
| “GEM”                   | 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  |
| “Group”                 | the Company and its subsidiaries  |
| “HK\$”                  | Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong   |
| “Hong Kong”             | the Hong Kong Special Administrative Region of the People’s Republic of China   |
| “Potential Acquisition” | the potential acquisition of the Property by the Purchaser pursuant to the terms and conditions of the formal agreement for sale and purchase if the formal agreement for sale and purchase is entered into pursuant to the Provisional Agreement |
| “Property”              | Unit 1107 on 11/F of Tower III Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong  |
| “Provisional Agreement” | the provisional agreement for sale and purchase dated 14 October 2022 entered into between the Vendor and the Purchaser (among other parties) in relation to the acquisition of the Property  |
| “Purchaser”             | Shui On Nursing Home Holdings Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company   |
| “Stock Exchange”        | The Stock Exchange of Hong Kong Limited   |
| “Vendor”                | Telecom World Limited, a company incorporated in Hong Kong  |
| “%”                     | per cent  |

By order of the Board  
**Hang Chi Holdings Limited**  
恒智控股有限公司  
**Yik Tak Chi**  
*Chairman and Executive Director*

Hong Kong, 14 October 2022

*As at the date of this announcement, the executive Directors are Mr. YIK Tak Chi, Mr. LUI Chi Tat, Mr. CHUNG Kin Man and Ms. CHUNG Wai Man, the non-executive Director is Mr. LAU Joseph Wan Pui and the independent non-executive Directors are Mr. WONG Wai Ho, Mr. LAU Tai Chim and Mr. CHAN Ching Sum Sam.*

*This announcement, for which all 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 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 GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will also be published on the Company’s website at [www.shuionnc.com](http://www.shuionnc.com).*