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shishi

shi shi services limited

時時服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8181)

DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF THE PROPERTY

THE DISPOSAL

On 25 April 2024, the Vendor, an indirect wholly-owned subsidiary of the Company and the Purchaser entered into the Provisional Agreement in respect of the sale and purchase of the Property for the Consideration of HK\$8,200,000 in cash.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to (i) the prevailing market price of comparable properties in the vicinity of the Property; and (ii) the location and quality of the Property.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal is greater than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 25 April 2024, the Vendor, an indirect wholly-owned subsidiary of the Company and the Purchaser entered into the Provisional Agreement in respect of the sale and purchase of the Property for the Consideration of HK\$8,200,000 in cash.

THE PROVISIONAL AGREEMENT

The principal terms of the Provisional Agreement are summarised as follows:

- Date** : 25 April 2024
- Vendor** : More Rise Investment Limited, an indirect wholly-owned subsidiary of the Company
- Purchaser** : Ms. TUNG Kai Yung, an Independent Third Party
- Location of the Property** : Factory Unit A, 13th Floor, Tak Wing Industrial Building, 3 Tsun Wen Road, Tuen Mun, New Territories, Hong Kong
- Usage** : Non-residential
- Consideration and payment terms** : The Consideration of HK\$8,200,000 shall be paid by the Purchaser to the Vendor in the following manner:
- (i) an initial deposit of HK\$410,000 shall be paid by the Purchaser to the Vendor upon signing of the Provisional Agreement;
 - (ii) a further deposit of HK\$410,000 shall be paid by the Purchaser to the Vendor within 14 days from the date of the Provisional Agreement (that is, on or before 9 May 2024); and
 - (iii) the balance of Consideration of HK\$7,380,000 shall be payable by the Purchaser to the Vendor on the completion date.
- Possession** : The Property is subject to an existing tenancy agreement with an Independent Third Party for a period of three (3) years from 8 December 2022 to 7 December 2025 for a monthly rent of HK\$32,000
- Completion date** : 4 July 2024

Formal sale and purchase agreement in respect of the Property is expected to be signed by the Vendor and the Purchaser within 14 days from the date of the Provisional Agreement (that is, on or before 9 May 2024).

BASIS OF DETERMINATION OF CONSIDERATION

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to the followings:

- (i) the prevailing market price of comparable properties in the vicinity of the Property; and
- (ii) the location and quality of the Property.

The Directors are of the view that the Disposal is in the interests of the Company and its Shareholders as a whole and the terms (including the Consideration) are fair and reasonable.

INFORMATION OF THE PROPERTY

The Property is subject to an existing tenancy agreement. The Net Rental Income generated from the existing tenancy agreement for the two financial years immediately preceding completion of the Disposal and the estimated Net Rental Income to be generated from the existing tenancy agreement for the one financial year immediately following completion of the Disposal are as follows:

	For the year ended or ending 31 March		
	2023	2024	2025*
Net Rental Income	HK\$56,533	HK\$384,000	HK\$384,000

* *Estimated figures under the terms and provisions pursuant to the existing tenancy agreement.*

GENERAL INFORMATION OF THE PARTIES

The Group

The Company was incorporated in the Cayman Islands with limited liability, and the Shares of which are listed on the GEM of the Stock Exchange. The Group is principally engaged in the provision of property management and related services in Hong Kong and the PRC, property investment and money lending business.

Vendor

The Vendor is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. The principal activity of the Vendor is investment holding and leasing of the Property.

Purchaser

So far as is known to the Directors, the Purchaser is a resident in Hong Kong.

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

FINANCIAL EFFECT OF THE DISPOSAL

As at 31 March 2024, the unaudited net book value of the Property was approximately HK\$846,112. Based on the consideration of HK\$8,200,000, the Group is expected to recognise a net gain (after deducting relevant legal costs, commission and expenses) of approximately HK\$7,346,388 from the Disposal, which is subject to final audit to be performed by the auditors of the Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Property was acquired by the Group and is currently leased to an Independent Third Party. The Disposal represents the Group's commitment to its non-core asset disposal plan so as to enable the Group to reallocate more financial resources on capital structure enhancement and/or for general corporate purpose of the Group.

The gross proceeds and net proceeds from the Disposal amount to approximately HK\$8,200,000 and HK\$8,192,500, respectively. The net proceeds from the Disposal are intended to be applied towards repayment of bank loans and/or as general working capital of the Group.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal is greater than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the following meanings in this announcement:

“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Shi Shi Services Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the issued ordinary shares of which are listed on GEM (stock code: 8181)

“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the consideration of HK\$8,200,000 payable by the Purchaser to the Vendor in relation to Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property from the Vendor to the Purchaser
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“More Rise” or the “Vendor”	More Rise Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Net Rental Income”	the rental income derived from the existing tenancy agreement in respect of the Property
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	Factory Unit A, 13th Floor, Tak Wing Industrial Building, 3 Tsun Wen Road, Tuen Mun, New Territories, Hong Kong owned by More Rise as at the date of this announcement
“Provisional Agreement”	a provisional agreement dated 25 April 2024 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent.

By Order of the Board
Shi Shi Services Limited
HUANG Liming
Chairman and Executive Director

Hong Kong, 29 April 2024

As at the date of this announcement, the executive Directors are Mr. Huang Liming (Chairman), Mr. Lee Chin Ching, Cyrinx and Mr. Ho Ying Choi and the independent non-executive Directors are Mr. Lin Dongming, Mr. Lam Kai Yeung and Mr. Lo Chi Ho, Richard.

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 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 on the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at <http://www.shishiservices.com.hk>. In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.