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# KB

**KINGBOARD HOLDINGS LIMITED**

**建滔集團有限公司**

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

**(Stock Code: 148)**

## **CONNECTED TRANSACTIONS**

### **SALE OF PROPERTIES**

On 23 November 2019, the Vendor entered into a preliminary sale and purchase agreement with each of the Purchasers for the sale of a total of two apartments and 10 houses, respectively, under The Cavaridge Project. As each of the Purchasers is a connected person of the Company, each of the Sales constitutes a connected transaction of the Company.

As one or more of the applicable percentage ratios in respect of each of the Sales is more than 0.1% but less than 5%, each of the Sales is subject to the reporting and announcement requirements but is exempted from independent Shareholders' approval requirement under the Listing Rules.

### **SALE OF PROPERTIES**

On 23 November 2019, the Vendor entered into a preliminary sale and purchase agreement with each of the Purchasers for the sale of a total of two apartments and 10 houses, respectively, under The Cavaridge Project. There are a total of 12 preliminary sale and purchase agreements for the Sales and they are not inter-conditional. The major terms of the Sales under each of such preliminary sale and purchase agreements are set out below:

Date	:	23 November 2019
Subject Matter	:	As the case may be, the sale of apartment or house under The Cavaridge Project, further details of which are set out in the paragraph headed "The Properties" in this announcement

Payment Terms : For the sale of apartments under The Cavaridge Project, the purchase price is payable in the following manner:

- (a) an initial deposit of 5% was payable upon the signing of the relevant preliminary sale and purchase agreement; and
- (b) the balance is payable within five business days after the signing of the relevant preliminary sale and purchase agreement.

For the sale of houses under The Cavaridge Project, the purchase price is payable in the following manner:

- (a) an initial deposit of 5% was payable upon the signing of the relevant preliminary sale and purchase agreement;
- (b) a further deposit of 55% of the purchase price is payable within five business days after the signing of the relevant preliminary sale and purchase agreement; and
- (c) the balance is payable upon completion, which shall take place around late March 2020, subject to adjustment.

Formal Agreement : The Vendor is expected to enter into a formal sale and purchase agreement with each of the Purchasers within five business days after the signing of the relevant preliminary sale and purchase agreement.

Completion : Completion shall take place around late March 2020, subject to adjustment.

## THE PROPERTIES

The following table sets out the properties to be sold under the Sales and their respective Purchasers:

Name	Major connected relationship with the Company (note 1)	Saleable size (sq.ft.)	Consideration (HK\$)
<b>Apartments:</b>			
1. Ms. Ho Kin Yan	Daughter of Mr. Ho Yin Sang, an executive Director	2,784	55,750,000 (note 2)
2. Ms. Chang Pui Lam	Daughter of Mr. Chang Wing Yiu, an executive Director	2,984	59,755,000 (note 2)
<b>Houses:</b>			
3. Mr. Cheung Kwok Wing	Executive Director	5,376	134,831,000
4. Mr. Cheung Cho Yee, Jason	Son of Mr. Cheung Kwok Wing, an executive Director	5,976	149,879,000
5. Mr. Cheung Ka Shing	Executive Director and son of Mr. Cheung Kwok Wing, an executive Director	4,317	108,271,000
6. Ms. Cheung Ho Ling	Daughter of Mr. Cheung Kwong Kwan, an executive Director	4,068	102,026,000
7. Mr. Cheung Kwun Yat	Son of Mr. Cheung Kwong Kwan, an executive Director	4,039	101,299,000
8. Mr. Cheung Kwok Keung	Brother of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director	4,315	108,221,000
9. Ms. Cheung Chun Ming, Emily (note 3)	Niece of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director	2,710	67,968,000
10. Mr. Cheung Ka Ho	Son of Mr. Cheung Kwok Wing and brother of Mr. Cheung Ka Shing, each an executive Director	4,326	108,497,000

<b>Name</b>	<b>Major connected relationship with the Company (note 1)</b>	<b>Saleable size (sq.ft.)</b>	<b>Consideration (HK\$)</b>
11. Ms. Liu Mei Juan (note 4)	Sister-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director	4,777	119,808,000
12. Ms. Cheung Nga Ting, Sandra (note 5)	Niece of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director	4,103	102,904,000

*Notes:*

1. There are other family relationships mainly by virtue of (a) Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director, are siblings; (b) Mr. Ho Yin Sang and Mr. Chang Wing Yiu, each an executive Director, are brothers-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director; (c) Mr. Cheung Kwong Kwan, an executive Director, is a cousin of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, each an executive Director; and (d) Mr. Cheung Kwok Keung, Mr. Cheung Kwok Wa and Mr. Cheung Kwok Ping, each an executive director of Kingboard Laminates, are siblings of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie, brothers-in-law of Mr. Ho Yin Sang and Mr. Chang Wing Yiu and cousins of Mr. Cheung Kwong Kwan, each an executive Director.
2. The sale of the apartment also includes two car parking spaces.
3. Ms. Cheung Chun Ming, Emily is the daughter of Mr. Cheung Kwok Keung.
4. Ms. Liu Mei Juan is the spouse of Mr. Cheung Kwok Wa.
5. Ms. Cheung Nga Ting, Sandra is the daughter of Mr. Cheung Kwok Ping.

The purchase price for each of the Sales was agreed after arm's length negotiations with each of the respective Purchasers with reference to, among other things, the current market value of comparable properties and prevailing market conditions.

## **INFORMATION OF THE CAVARIDGE PROJECT**

The Cavaridge Project is a luxury residential property development located in Kau To, Shatin, New Territories consisting of 48 apartments and 56 houses. The project has launched its sales in November 2019.

The Cavaridge Project is a property project developed by the Group and is recorded as properties held for development in the financial statements of the Group.

## **REASONS FOR AND BENEFITS OF THE SALES**

Upon completion of the Sales, the Group is expected to record from the Sales a gain of approximately HK\$414,000,000 (before tax and subject to audit) included in the gross profit. The expected gain is calculated based on the aggregate purchase price under the Sales after deducting the estimated development cost and estimated selling expenses of The Cavaridge Project attributable to the properties to be sold under the Sales. The net sales proceeds from the Sales will be recorded as profit of the Group. The Group currently intends to use the net sales proceeds as general working capital.

The Cavaridge Project offers apartments and houses for sale, and the Sales took place as revenue and in the ordinary course of business of the Group.

The Directors, including the independent non-executive Directors, consider that the terms of the Sales are fair and reasonable and are on normal commercial terms and in the ordinary and usual course of business of the Group and that the Sales are in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE GROUP AND THE VENDOR**

The Group is an investment holding company and the principal activities of its subsidiaries are the manufacture and sales of laminates, printed circuit boards, chemicals, magnetic products, property development and investments and investment business.

The Vendor, being a 68% non-wholly owned subsidiary of the Company, is principally engaged in property development in Hong Kong.

## **IMPLICATIONS UNDER THE LISTING RULES**

By virtue of the relationships as set out in the paragraph headed “The Properties” in this announcement, each of the Purchasers is a connected person of the Company. Hence, each of the Sales constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of each of the Sales is more than 0.1% but less than 5%, each of the Sales is subject to the reporting and announcement requirements but is exempted from independent Shareholders’ approval requirement under the Listing Rules.

Each of Mr. Cheung Kwok Wing, Mr. Chang Wing Yiu, Mr. Cheung Kwong Kwan, Mr. Ho Yin Sang, Ms. Cheung Wai Lin, Stephanie and Mr. Cheung Ka Shing is considered to have material interests in the Sales because he/she is a Purchaser or an associate of the Purchaser(s). As such, they have abstained from voting on the relevant Board resolutions to approve the Sales. Save as disclosed, none of the Directors has a material interests in the Sales, and none of them is required to abstain from voting on the relevant Board resolution(s).

## DEFINITIONS

In this announcement, unless otherwise indicated or the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Kingboard Holdings Limited (stock code: 148), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“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 People’s Republic of China
“Kingboard Laminates”	Kingboard Laminates Holdings Limited (stock code: 1888), a company incorporated in the Cayman Islands with limited liability and a non-wholly owned subsidiary of the Company, the shares of which are listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchasers”	the respective purchasers of the Sales, further details of whom are set out in the paragraph headed “The Properties” in this announcement
“Sale(s)”	the sale of apartment or house, as the case may be, under The Cavaridge Project by the Vendor to each of the Purchasers, respectively
“Share(s)”	the ordinary share(s) of nominal value of HK\$0.10 each in the issued share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“The Cavaridge Project”	the luxury residential property development located at 38 Lai Ping Road, Kau To, Shatin, New Territories, Hong Kong
“Vendor”	Golden Concept Development Limited, a 68% non-wholly owned subsidiary of the Company
“%”	per cent

*In this announcement, the terms “associate”, “connected person”, “connected transaction” and “subsidiary” have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.*

By Order of the Board  
**Kingboard Holdings Limited**  
**Lo Ka Leong**  
*Company Secretary*

Hong Kong, 24 November 2019

*As at the date of this announcement, the board of directors of Company consists of Messrs. Cheung Kwok Wing, Chang Wing Yiu, Cheung Kwong Kwan, Ho Yin Sang, Cheung Wai Lin, Stephanie, Cheung Ka Shing and Chen Maosheng, being the executive directors, and Messrs. Cheung Ming Man, Chong Kin Ki, Leung Tai Chiu and Chan Wing Kee, being the independent non-executive directors.*