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# HKC (HOLDINGS) LIMITED

## 香港建設(控股)有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 190)**

*(website: [www.hkcholdings.com](http://www.hkcholdings.com))*

### **DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITIONS OF LISTED SECURITIES**

#### **THE ACQUISITIONS**

The Board wishes to announce that during the period from 1 November 2019 to 15 July 2020 (both dates inclusive), the Group acquired on the open market a total of 2,463,500 CK Asset Shares at an aggregate consideration of approximately HK\$119.5 million (exclusive of transaction costs) at an average price of approximately HK\$48.53 per CK Asset Share.

As the Acquisitions were made through the open market, the Company is not aware of the identities of the sellers of the CK Asset Shares. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of CK Asset Shares and their respective ultimate beneficial owners are Independent Third Parties.

#### **IMPLICATIONS UNDER THE LISTING RULES**

Each of the acquisition of the CK Asset Shares by the Group, on a standalone basis, does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

One or more than one of the applicable percentage ratios for the Acquisitions, when aggregated as a whole, is more than 5% and below 25%. As such, the Acquisitions, when aggregated as a whole, constitute a discloseable transaction of the Company, and are therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

#### **THE ACQUISITIONS**

The Board wishes to announce that during the period from 1 November 2019 to 15 July 2020 (both dates inclusive), the Group acquired on the open market a total of 2,463,500 CK Asset Shares at an aggregate consideration of approximately HK\$119.5 million (exclusive of transaction costs) at an average price of approximately HK\$48.53 per CK Asset Share.

As the Acquisitions were made through the open market, the Company is not aware of the identities of the sellers of the CK Asset Shares. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of the CK Asset Shares and their respective ultimate beneficial owners are Independent Third Parties.

## **ASSETS ACQUIRED**

Immediately before the Acquisitions, the Group did not hold any CK Asset Shares. Immediately upon settlement of the acquisition of the CK Asset Shares on 15 July 2020, the Group will hold an aggregate of 2,463,500 CK Asset Shares, representing approximately 0.067% of the issued share capital of CK Asset as at the date of this announcement.

## **CONSIDERATION**

The aggregate consideration for the Acquisitions was approximately HK\$119.5 million, representing an average price of approximately HK\$48.53 per CK Asset Share. As the Acquisitions were conducted on the open market, the price of each trade represented the then market price of the CK Asset Shares at the relevant time of the Acquisitions.

The consideration of the Acquisitions has been funded by the Group's internal resources.

## **COMPLETION**

Settlement for the 63,000 CK Asset Shares acquired by the Group on 15 July 2020 will take place on the second trading day after the orders regarding such acquisition have been made.

## **INFORMATION ON CK ASSET**

CK Asset is a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1113). The principal activities of CK Asset and its subsidiaries are property development and investment, hotel and serviced suite operation, property and project management, aircraft leasing, pub operation and investment in infrastructure and utility asset operation.

Set out below is a summary of certain audited consolidated financial information of CK Asset for the two years ended 31 December 2019 as extracted from the annual report of CK Asset for the year ended 31 December 2019:

	<i><b>For the year ended 31 December 2019</b></i> <i>HK\$ (in millions)</i> (audited)	<i><b>For the year ended 31 December 2018</b></i> <i>HK\$ (in millions)</i> (audited)
Revenue	82,382	50,368
Profit before taxation	37,510	49,175
Profit after taxation	30,046	41,634

Based on the annual report of CK Asset for the year ended 31 December 2019, the audited net asset value of CK Asset as at 31 December 2019 was approximately HK\$361,232 million.

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

The Group is principally engaged in the business of property development and investment and renewable energy investment and operation. Having considered (i) the then financial performance and prospects of CK Asset, (ii) the low interest rate environment in Hong Kong and (iii) the financial position of the Group, the Company considered that the Acquisitions presented a good

opportunity for the Group to utilize its available funds for a return, and the CK Asset Shares acquired by the Group under the Acquisitions will be held by the Group for long-term investment purpose.

As the Acquisitions were made at market price and on the open market of the Stock Exchange, the Directors considered that the terms of the Acquisitions are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

Each of the acquisition of the CK Asset Shares by the Group, on a standalone basis, does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

One or more than one of the applicable percentage ratios for the Acquisitions, when aggregated as a whole, is more than 5% and below 25%. As such, the Acquisitions, when aggregated as a whole, constitute a discloseable transaction of the Company, and are therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

- “Acquisitions” : the acquisitions of a total of 2,463,500 CK Asset Shares at an aggregate consideration of approximately HK\$119.5 million during the period from 1 November 2019 to 15 July 2020 (both dates inclusive)
- “Board” : the board of Directors
- “Company” : HKC (Holdings) Limited, a Bermuda company whose shares are listed on the Main Board of the Stock Exchange (stock code: 190)
- “connected person(s)” : has the meaning ascribed to it under the Listing Rules
- “Directors” : the directors of the Company
- “Group” : the Company and its subsidiaries
- “Hong Kong” : The Hong Kong Special Administrative Region of the People’s Republic of China
- “Independent Third Party(ies)” : any person(s) or company(ies) and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is not connected persons of the Company and is third party independent of the Company and its connected persons in accordance with the Listing Rules
- “Listing Rules” : the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

- “CK Asset” : CK Asset Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1113)
- “CK Asset Share(s)” : Ordinary share(s) of CK Asset
- “Stock Exchange” : The Stock Exchange of Hong Kong Limited
- “%” : per cent.

By order of the Board  
**HKC (HOLDINGS) LIMITED**  
**OEI Kang, Eric**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 July 2020

*As at the date of this announcement, the Board comprises seven Directors, of which Mr. OEI Kang, Eric, Mr. LEE Shiu Yee, Daniel, Mr. WONG Jake Leong, Sammy and Mr. LEUNG Wing Sum, Samuel are Executive Directors; and Mr. CHENG Yuk Wo, Mr. Albert Thomas DA ROSA, Junior and Mr. VOON Hian-fook, David are Independent Non-executive Directors.*

\* For identification purposes only