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WAI KEE HOLDINGS LIMITED BUILD KING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Incorporated in Bermuda with limited liability)

(Stock Code: 610)

(Stock Code: 00240)

**UPDATE ON
MAJOR TRANSACTION FOR WAI KEE AND BUILD KING
– TERMINATION OF ACQUISITIONS
DISCLOSEABLE TRANSACTION FOR WAI KEE AND BUILD KING
– UNWINDING AND DISPOSAL**

Reference is made to the joint announcement of Wai Kee Holdings Limited (“**Wai Kee**”) and Build King Holdings Limited (“**Build King**”, and together with its subsidiaries, the “**Build King Group**”) dated 28 April 2023, their respective circulars both dated 26 July 2023 (the “**Circulars**”) and their joint announcement dated 2 February 2024 (the “**Supplemental Announcement**”) in relation to, among others, the acquisition of entire equity interests in the Target Groups pursuant to the Sale and Purchase Agreements. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Circulars.

TERMINATION AND UNWINDING OF THE ACQUISITIONS

As disclosed in the Supplemental Announcement, since the submission of the LSPS Application, the Build King Group and its consultants have engaged in various meetings and discussions with the Land Sharing Office of the Development Bureau of the Government for the purpose of establishing the eligibility of the LSPS Application; and in the meantime, the Build King Group has also been carrying out a title review of the Sites and due diligence of the Target Groups being two of the conditions subsequent to the Acquisitions that may entitle the Purchaser to elect to terminate the Sale and Purchase Agreements (as amended and supplemented) (the “**Amended Sale and Purchase Agreements**”). As disclosed in the final results announcement dated 20 March 2024 and the 2023 annual report of each of Wai Kee and Build King, despite the Build King Group’s continued efforts, the Build King Group received a letter from the Land Sharing Office in March 2024 stating that it was not satisfied with the eligibility of the LSPS Application and would not process further the LSPS Application.

After due and careful consideration and assessment of the feasibility of addressing the concerns of Land Sharing Office and taking into account the unresolved title issues in respect of the Sites, the Build King Group has decided not to make any submission of revised or new LSPS Application before the LSPS deadline of 5 May 2024. As the primary purpose of the Acquisitions was to facilitate the LSPS Application and to enable the Build King Group to benefit from the potential development upside in respect of the Sites, the directors of Build King consider that it would be in the best interest of Build King and its shareholders as a whole to terminate the Amended Sale and Purchase Agreements so that the Acquisitions could be unwound and the Build King Group's obligations to pay further parts of the Consideration would be terminated, and that the Build King Group can direct its resources to other appropriate opportunities. The directors of Wai Kee also consider that such determination which would facilitate more effective deployment of resources of the Build King Group to be in the best interests of Wai Kee and its shareholders as a whole. On 30 April 2024, both of the Amended Sale and Purchase Agreements were terminated with immediate effect by a termination notice given by the Purchaser to Vendors A and Vendor B respectively, on the ground that the conditions subsequent relating to title review and due diligence had not been satisfied by the extended Long Stop Date.

Pursuant to the Amended Sale and Purchase Agreements, Vendors A and Vendor B shall respectively return or procure their solicitors to return to the Purchaser the First Payment paid by the Purchaser upon signing of the agreements (save for (i) in respect of the Agreement A, HK\$4,145,415.84 which has been released to the Vendors A in February 2024 out of the First Payment upon the delivery of specified foreign legal opinions; and (ii) in respect of the Agreement B, HK\$1,607,173 which was already refunded to the Purchaser in February 2024 out of the First Payment as disclosed in the Supplemental Announcement) (the "**Repayment**") within 7 working days after the date of termination.

Pursuant to the Amended Sale and Purchase Agreements, following the termination thereof, the Acquisitions shall be unwound (the "**Unwinding**") against the Repayment. Upon completion of the Unwinding, both Wai Kee and Build King will cease to have any interest in the Sites.

By Order of the Board
Wai Kee Holdings Limited
Anriena Chiu Wai Yee
Company Secretary

By Order of the Board
Build King Holdings Limited
Luk Chi Chung, Peter
Company Secretary

Hong Kong, 30 April 2024

As at the date of this joint announcement, the board of directors of Wai Kee comprises three executive directors, namely Mr. William Zen Wei Pao, Mr. Derek Zen Wei Peu and Miss Anriena Chiu Wai Yee, two non-executive directors, namely Mr. Brian Cheng Chi Ming and Mr. Ho Gilbert Chi Hang, and four independent non-executive directors, namely Dr. Steve Wong Che Ming, Mr. Samuel Wan Siu Kau, Mr. Francis Wong Man Chung and Ms. Tsang Wing Yee.

As at the date of this joint announcement, the board of directors of Build King comprises five executive directors, namely Mr. Zen Wei Peu, Derek, Mr. Chang Kam Chuen, Desmond, Mr. Lui Yau Chun, Paul, Mr. Tsui Wai Tim and Mr. Luk Chi Chung, Peter, two non-executive directors, namely Mr. David Howard Gem and Mr. Chan Chi Hung, Anthony, and four independent non-executive directors, namely Mr. Ho Tai Wai, David, Mrs. Ling Lee Ching Man, Eleanor, Mr. Lo Yiu Ching, Dantes and Ms. Ng Cheuk Hei, Shirley.