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ABLE ENGINEERING HOLDINGS LIMITED

安保工程控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1627)

**(1) CONTINUING CONNECTED TRANSACTION
IN RELATION TO
THE ENTERING INTO FRAMEWORK CONTRACTING
AGREEMENT;
AND
(2) CONTINUING CONNECTED TRANSACTION
IN RELATION TO
THE ENTERING INTO FRAMEWORK SUBCONTRACTING
AGREEMENT**

**Independent Financial Advisor to the Independent Board Committee and
the Independent Shareholders**

AmCap

Ample Capital Limited

豐盛融資有限公司

THE FRAMEWORK CONTRACTING AGREEMENT

The Board is pleased to announce that on 29 August 2024 (after trading hours), the Company (for and on behalf of itself and any of its subsidiaries) (as the contractor) and WHSE (as the subcontractor) entered into the Framework Contracting Agreement, pursuant to which the Company or any of its subsidiaries may engage WHSE as subcontractor from time to time in respect of the provision of contracting services in relation to the manufacture and procurement of modular products and prefabrication items for construction projects in Hong Kong. The Framework Contracting Agreement is conditional upon, and shall not become effective or binding upon the parties unless and until, the passing of all resolutions by the Shareholders at the EGM on or before the Long Stop Date approving the transactions contemplated under the Framework Contracting Agreement.

THE FRAMEWORK SUBCONTRACTING AGREEMENT

The Board is pleased to announce that on 29 August 2024 (after trading hours), WHSE (as the contractor) and the Company (for and on behalf of itself and any of its subsidiaries) (as the subcontractor) entered into the Framework Subcontracting Agreement, pursuant to which WHSE may engage the Company or any of its subsidiaries as subcontractor from time to time in respect of the provision of contracting services in relation to the manufacture and procurement of modular products and prefabrication items for construction projects in Hong Kong. The Framework Subcontracting Agreement is conditional upon, and shall not become effective or binding upon the parties unless and until, the passing of all resolutions by the Shareholders at the EGM on or before the Long Stop Date approving the transactions contemplated under the Framework Subcontracting Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement (prior to the Acquisition), the entire issued shares of WHSE are wholly owned by Mr. LEUNG. On 29 August 2024, Mr. LEUNG and Bright Realm, a company owned indirectly as to 100% by Mr. NGAI, a controlling Shareholder of the Company, entered into the Sale and Purchase Agreement, pursuant to which, Mr. LEUNG agreed to sell as beneficial owner, and Bright Realm agreed to purchase, conditionally, 90% of the issued shares of WHSE. Upon completion of the Acquisition, WHSE will be owned as to 10% by Mr. LEUNG and 90% by Bright Realm, and accordingly, being an associate of Mr. NGAI who is a connected person of the Company, become a connected person of the Company under Chapter 14A of the Listing Rules.

As the respective applicable percentage ratios (as defined under the Listing Rules) in respect of (i) the largest proposed annual caps in respect of the subcontracting fees payable from the Group to WHSE under the Framework Contracting Agreement; and (ii) the largest proposed annual caps in respect of the subcontracting fees payable from WHSE to the Group under the Framework Subcontracting Agreement, are more than 5% and more than HK\$10 million, the entering of each of the Framework Contracting Agreement and the Framework Subcontracting Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the independent Shareholders on the terms of Framework Agreements and the transactions contemplated thereunder. None of the members of the Independent Board Committee has any interest or involvement in the transactions contemplated under the Framework Agreements.

Ample Capital has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the independent Shareholders in respect of the Framework Agreements and the transactions contemplated thereunder and as to voting.

The EGM will be convened and held for the independent Shareholders to consider and, if thought fit, approve the Framework Agreements and the transactions contemplated thereunder. In view of Mr. NGAI's indirect interests in WHSE upon completion of the Acquisition, Mr. NGAI and his associates (including Golden Lux Holdings Limited) will abstain from voting at the EGM. Save for the aforementioned and to the best knowledge, information and belief of the Directors, no other Shareholder has a material interest in each of the Framework Contracting Agreement and the Framework Subcontracting Agreement and the transactions contemplated thereunder, and is required to abstain from voting on the resolution of the Company in approving each of the Framework Contracting Agreement and the Framework Subcontracting Agreement and the transaction contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Framework Agreements; (ii) recommendation of the Independent Board Committee; (iii) letter of advice from the Independent Financial Adviser; (iv) other information as required to be disclosed under the Listing Rules; and (v) a notice of the EGM and a form of proxy is expected to be despatched by the Company to the Shareholders on or before 20 September 2024.

The Framework Agreements are conditional and may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

THE FRAMEWORK CONTRACTING AGREEMENT

The Board is pleased to announce that on 29 August 2024 (after trading hours), the Company (for and on behalf of itself and any of its subsidiaries) (as the contractor) and WHSE (as the subcontractor) entered into the Framework Contracting Agreement, pursuant to which the Company or any of its subsidiaries may engage WHSE as subcontractor from time to time in respect of the provision of contracting services in relation to the manufacture and procurement of modular products and prefabrication items for construction projects in Hong Kong.

Summarised below are the principal terms of the Framework Contracting Agreement:

Date: 29 August 2024

Parties: the Company (for and on behalf of itself and any of its subsidiaries) (as the contractor); and

WHSE (as the subcontractor)

Under the Framework Contracting Agreement, members of the Group may invite WHSE for quotations for the provision of the relevant subcontracting services. The Group will generally select the most suitable subcontractor(s) from the approved list of subcontractors based on their relevant skill sets, qualifications and experience, subject to their availability and fee quotations. The Group and its members are not bound to engage WHSE for quotations submitted by it and may engage other subcontractors.

In the event that any member of the Group accepts the quotations provided by WHSE, such member shall acknowledge its acceptance of the quotations from WHSE by written confirmation. WHSE shall carry out the works and the Group shall pay the subcontracting fees to WHSE in accordance with the relevant quotations accepted (the “**Contracting Accepted Projects**”).

Term

Subject to the fulfilment of the condition precedent set out below, the term of the Framework Contracting Agreement shall commence on the date the Framework Contracting Agreement becomes unconditional to 31 March 2027, unless terminated earlier in accordance with the terms of the Framework Contracting Agreement.

Condition

The Framework Contracting Agreement and the obligations of the parties thereunder shall not become effective or binding upon the parties unless and until, and in any event on or before the Long Stop Date, the passing of all resolutions by the independent Shareholders (who are entitled to vote and not required to abstain from voting under the Listing Rules) at the EGM to approve the entering into the Framework Contracting Agreement by the Company (for and on its own behalf and any of its subsidiaries) and the performance of the transactions contemplated thereunder in accordance with the relevant provisions in the Listing Rules, the articles of association of the Company and the applicable laws and regulations in Hong Kong and other applicable jurisdictions. Such condition shall not be waived by any party.

If such condition is not fulfilled on or before the Long Stop Date, the Framework Contracting Agreement shall be of no effect without the necessity for either party thereunder giving any notice to that effect and there shall be no claim under or in accordance with the Framework Contracting Agreement by either party thereunder against the other.

Pricing Policy

Under the Framework Contracting Agreement, the subcontracting fees payable by the Group to WHSE shall be arrived at after arm's length negotiations on normal commercial terms and will be determined, on a project-by-project basis, by reference to, among other things, the following factors:

- (a) the prevailing market prices of materials and relevant costs of subcontracting services at the time of tendering for the Contracting Accepted Projects based on the competitive quotations from suppliers and/or subcontractors of the Group;
- (b) the scale, complexity and specifications of the Contracting Accepted Projects, nature and amount of works to be performed, the capacity of WHSE, the estimated time required to complete the works and other technical project requirements of the Contracting Accepted Projects;
- (c) the historical fees received from independent third party subcontractors for similar scope of services performed for similar projects;
- (d) the fee level in the market and competitive conditions at the contract negotiation stage;
- (e) the terms (including payment terms and terms of services) previously entered into with independent third party subcontractors for similar scope of services performed for similar projects; and
- (f) the level of risks involved in the Contracting Accepted Projects and the subcontracting services.

The relevant member of the Group and WHSE shall separately negotiate the terms of each Contracting Accepted Projects on arm's length basis and enter into separate agreements in respect of each Contracting Accepted Projects, terms and conditions of which shall not be less favourable to the Group than those entered into with independent third party subcontractors for similar scope of services performed for similar projects.

The Group expects to pay any subcontracting fees incurred by the Group's internal resources.

Annual Caps

The annual caps for the transactions contemplated under the Framework Contracting Agreement for the relevant periods are as follows:

	For the year ending 31 March 2025	For the year ending 31 March 2026	For the year ending 31 March 2027
Annual caps (HK\$)	498,000,000	766,000,000	633,000,000
	(taking into account the fees already incurred during this period as of the date of this announcement)		

In arriving at the above annual caps, the Company has considered:

- (a) the historical project size of the Group required for independent third party subcontractor in providing relevant services for the past two (2) financial years;
- (b) the historical transaction amount between the Group (as contractor) and WHSE (as subcontractor) for the past five (5) financial years which approximately amounted to HK\$502,846,000;
- (c) the estimated amount of final subcontracting fees to be payable by the Group under the Contracting Accepted Projects for the relevant periods taking into account the existing subcontracting arrangements entered into by the Group with other third parties;
- (d) the estimated demand from the Group for subcontracting services to be provided by WHSE for the relevant periods taking into account the existing contracts, potential contracts and submitted tenders of the Group;
- (e) a buffer on the estimated demand for subcontracting services to be provided by WHSE; and
- (f) the economic growth rate.

THE FRAMEWORK SUBCONTRACTING AGREEMENT

The Board is pleased to announce that on 29 August 2024 (after trading hours), WHSE (as the contractor) and the Company (for and on behalf of itself and any of its subsidiaries) (as the subcontractor) entered into the Framework Subcontracting Agreement, pursuant to which WHSE may engage the Company or any of its subsidiaries as subcontractor from time to time in respect of the provision of contracting services in relation to the manufacture and procurement of modular products and prefabrication items for construction projects in Hong Kong.

Summarised below are the principal terms of the Framework Subcontracting Agreement:

Date: 29 August 2024

Parties: WHSE (as the contractor); and
the Company (for and on behalf of itself and any of its subsidiaries) (as the subcontractor)

Under the Framework Subcontracting Agreement, WHSE may invite the Company or any members of the Group for quotations for the provision of the relevant subcontracting services. WHSE will generally select the most suitable subcontractor(s) from its approved list of subcontractors based on their relevant skill sets, qualifications and experience, subject to their availability and fee quotations. WHSE is not bound to engage the Group for quotations submitted by the Group and may engage other subcontractors.

In the event that WHSE accepts the quotations provided by the Company or any members of the Group, WHSE shall acknowledge its acceptance of the quotations from such member by written confirmation. The relevant member of the Group shall carry out the works and WHSE shall pay the subcontracting fees to the relevant member of the Group in accordance with the relevant quotations accepted (the “**Subcontracting Accepted Projects**”).

Term

Subject to the fulfilment of the condition precedent set out below, the term of the Framework Subcontracting Agreement shall commence on the date the Framework Subcontracting Agreement becomes unconditional to 31 March 2027, unless terminated earlier in accordance with the terms of the Framework Subcontracting Agreement.

Condition

The Framework Subcontracting Agreement and the obligations of the parties thereunder shall not become effective or binding upon the parties unless and until, and in any event on or before the Long Stop Date, the passing of all resolutions by the independent Shareholders (who are entitled to vote and not required to abstain from voting under the Listing Rules) at the EGM to approve the entering into the Framework Subcontracting Agreement by the Company (for and on its own behalf and any of its subsidiaries) and the performance of the transactions contemplated thereunder in accordance with the relevant provisions in the Listing Rules, the articles of association of the Company and the applicable laws and regulations in Hong Kong and other applicable jurisdictions. Such condition shall not be waived by any party.

If such condition is not fulfilled on or before the Long Stop Date, the Framework Subcontracting Agreement shall be of no effect without the necessity for either party thereunder giving any notice to that effect and there shall be no claim under or in accordance with the Framework Subcontracting Agreement by either party thereunder against the other.

Pricing Policy

Under the Framework Subcontracting Agreement, the subcontracting fees payable by WHSE to the Group shall be arrived at after arm's length negotiations on normal commercial terms and will be determined, on a project-by-project basis, by reference to, among other things, the following factors:

- (a) the prevailing market prices of materials and relevant costs of subcontracting services at the time of tendering for the Subcontracting Accepted Projects based on the competitive quotations from suppliers and/or subcontractors of WHSE;
- (b) the scale, complexity and specifications of the Subcontracting Accepted Projects, nature and amount of works to be performed, the capacity of the relevant member of the Group, the estimated time required to complete the works and other technical project requirements of the Subcontracting Accepted Projects;
- (c) the historical fees received from independent third party subcontractors for similar scope of services performed for similar projects;
- (d) the fee level in the market and competitive conditions at the contract negotiation stage;
- (e) the terms (including payment terms and terms of services) previously entered into with independent third party subcontractors for similar scope of services performed for similar projects; and
- (f) the level of risks involved in the Subcontracting Accepted Projects and the subcontracting services.

WHSE and the relevant member of the Group shall separately negotiate the terms of each Subcontracting Accepted Projects on arm's length basis and enter into separate agreements in respect of each Subcontracting Accepted Projects.

Annual Caps

The annual caps for the transactions contemplated under the Framework Subcontracting Agreement for the relevant periods are as follows:

	For the year ending 31 March 2025	For the year ending 31 March 2026	For the year ending 31 March 2027
Annual caps (HK\$)	123,000,000	202,000,000	245,000,000
	(taking into account the fees already incurred during this period as of the date of this announcement)		

In arriving at the above annual caps, the Company has considered:

- (a) the historical project size of the Group in providing relevant services for the past one (1) financial year;
- (b) the historical transaction amount between WHSE (as contractor) and the Group (as subcontractor) for the past one (1) financial year which approximately amounted to HK\$65,953,000;
- (c) the estimated amount of final subcontracting fees to be received by the Group under the Subcontracting Accepted Projects for the relevant periods taking into account the existing subcontracting arrangements entered into by the Group with other third parties;
- (d) the estimated demand from WHSE for subcontracting services to be provided by the Group for the relevant periods taking into account the existing contracts, potential contracts and submitted tenders of WHSE;
- (e) a buffer on the estimated demand for subcontracting services to be provided by the Group; and
- (f) the economic growth rate.

HISTORICAL TRANSACTION AMOUNTS

The table below sets out the approximated historical transaction amounts of (i) the service fees payable by the Group to WHSE for WHSE’s provision of subcontracting services, and (ii) the service fees payable by WHSE to the Group for the Group’s provision of subcontracting services, for the past three (3) financial years ending 31 March 2022, 31 March 2023 and 31 March 2024:

	For the year ended 31 March 2022 (HK\$)	For the year ended 31 March 2023 (HK\$)	For the year ended 31 March 2024 (HK\$)
Service fees payable by the Group to WHSE for WHSE’s subcontracting services	98,124,000	112,572,000	164,619,000
Service fees payable by WHSE to the Group for the Group’s subcontracting services	–	–	65,953,000

REASONS AND BENEFITS OF THE ENTERING INTO OF THE FRAMEWORK AGREEMENTS

After the Group’s acquisition of Gain Capital Limited which involved a newly set up prefabrication factory (the “**Factory**”) in May 2022, the Factory has recently commenced production during the financial year ended 31 March 2024. The Factory supplied the free-standing integrated modules to the projects of the Group and other contractors in order to meeting the demand for modular integrated construction.

According to the 2024-25 Budget, the Hong Kong Government will make available land for the production of no less than 80,000 private housing units in the coming five years and has identified sufficient land for meeting the supply target of 308,000 public housing units over the next ten years (from 2024/25 to 2033/34). Among which, as at the end of 2023, construction of about 105,000 units under the Hong Kong Housing Authority has commenced with satisfactory progress.

In light of the above development, the Board is optimistic about the medium to long-term outlook for the construction industry in Hong Kong. In anticipation of the expected increasing demand for civil engineering work, there will likely be a growing need for prefabricated components.

By leveraging the operations of the Factory, the Group has significantly enhanced its manufacturing capabilities for such prefabricated components. This expansion serves not only internal needs but also positions the Group to broaden its business scope in this field, thereby optimising the Factory's value and capitalising on the anticipated business prospects arising from the evolving landscape of the building industry in Hong Kong. In addition, such vertical integration strategy is expected to maximise the profit margin and Shareholders' return, particularly with assurance of product quality, product availability, better cost management and increased capacity by shortening the construction time for the Group's projects.

Additionally, the Group's collaboration with WHSE, a company principally engaged in, among other things, production and supply of precast concrete elements, allows the Group to benefit by cross-referring opportunities with WHSE and expand its customer base without diversifying much of its resources in developing the business in this aspect. The Framework Agreements also serve to regulate the transactions contemplated thereunder in compliance with the Listing Rules.

The Directors (excluding the independent non-executive Directors whose views will be contained in the circular to be issued by the Company after considering the advice from the Independent Financial Adviser) are of the view that the entering into each of the Framework Contracting Agreement and the Framework Subcontracting Agreement is in the interests of the Group, and the terms of each of the Framework Contracting Agreement (including but not limited to the proposed annual caps in respect of the subcontracting fees payable to WHSE) and the Framework Subcontracting Agreement (including but not limited to the proposed annual caps in respect of the subcontracting fees payable to the Group) are on normal commercial terms, which are fair and reasonable and in the interests of the Shareholders as a whole.

INTERNAL CONTROL MEASURES

To ensure that (i) the subcontracting fees charged by WHSE pursuant to the Framework Contracting Agreement and (ii) the subcontracting fees charged by the Group pursuant to the Framework Subcontracting Agreement will be fair and reasonable and on normal commercial terms and that they will not be less favourable than those available from independent third parties, the Group has adopted the following internal control measures:

- (a) the procurement department of the Group will conduct regular checks to review quotations or tenders from independent third parties and assess the prevailing service fees under ordinary course of business for providing similar services to ensure the service fees charged under the Framework Contracting Agreement and the Framework Subcontracting Agreement are fair and reasonable;
- (b) the independent non-executive Directors will conduct a quarterly review of the implementation and enforcement of the transactions contemplated under the Framework Agreements;

- (c) the Group's external auditors will conduct annual review on the pricing and the annual caps of the transactions contemplated under the Framework Agreements to ensure that such transactions will not exceed the respective annual caps;
- (d) in the event that any of (i) the subcontracting fees charged or to be charged by WHSE pursuant to the Framework Contracting Agreement and (ii) the subcontracting fees charged by the Group pursuant to the Framework Subcontracting Agreement is expected to reach the respective annual cap, the procurement department will follow up forthwith by reporting and proposing a response to the management of the Company, and in case that an amendment to such annual cap is required, report particulars to the Board and hold a Board meeting for considering the matters thereabout to ensure compliance with the requirements under the Listing Rules; and
- (e) compliance trainings for the Directors, supervisors, senior management and staff from the relevant departments of the Company and its subsidiaries will be conducted annually, primarily focusing on the rules relating to connected transactions and continuing connected transactions under Chapter 14A of the Listing Rules, and any updates or rule amendments of the Listing Rules during the relevant year.

INFORMATION OF THE GROUP

The Group is principally engaged in building construction, repair, maintenance, alteration and addition works and sales of prefabricated construction units in Hong Kong.

INFORMATION OF WHSE

WHSE is a company incorporated in Hong Kong with limited liability. It is principally engaged in manufacture, design and trading of professional products related to precast concrete elements in Hong Kong. As at the date of this announcement, the entire issued shares of WHSE are wholly owned by Mr. LEUNG, and upon the completion of the Acquisition, it will be owned as to 10% by Mr. LEUNG and 90% by Bright Realm.

LISTING RULES IMPLICATION

As at the date of this announcement (prior to the Acquisition), the entire issued shares of WHSE are wholly owned by Mr. LEUNG. On 29 August 2024, Mr. LEUNG and Bright Realm, a company owned indirectly as to 100% by Mr. NGAI, a controlling Shareholder of the Company, entered into the Sale and Purchase Agreement, pursuant to which, Mr. LEUNG agreed to sell as beneficial owner, and Bright Realm agreed to purchase, conditionally, 90% of the issued shares of WHSE. Upon completion of the Acquisition, WHSE will be owned as to 10% by Mr. LEUNG and 90% by Bright Realm, and accordingly, being an associate of Mr. NGAI who is a connected person of the Company, become a connected person of the Company under Chapter 14A of the Listing Rules.

As the respective applicable percentage ratios (as defined under the Listing Rules) in respect of (1) the largest proposed annual caps in respect of the subcontracting fees payable from the Group to WHSE under the Framework Contracting Agreement; and (2) the largest proposed annual caps in respect of the subcontracting fees payable from WHSE to the Group under the Framework Subcontracting Agreement, are more than 5% and more than HK\$10 million, the entering of each of the Framework Contracting Agreement and the Framework Subcontracting Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the independent Shareholders on the terms of Framework Agreements and the transactions contemplated thereunder. None of the members of the Independent Board Committee has any interest or involvement in the transactions contemplated under the Framework Agreements.

Ample Capital has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the independent Shareholders in respect of the Framework Agreements and the transaction contemplated thereunder and as to voting.

The EGM will be convened and held for the independent Shareholders to consider and, if thought fit, approve the Framework Agreements and the transactions contemplated thereunder. In view of Mr. NGAI's indirect interest in WHSE upon completion of the Acquisition, Mr. NGAI and his associates (including Golden Lux Holdings Limited) will abstain from voting at the EGM. Save for the aforementioned and to the best knowledge, information and belief of the Directors, no other Shareholder has a material interest in each of the Framework Contracting Agreement and the Framework Subcontracting Agreement and the transactions contemplated thereunder, and is required to abstain from voting on the resolution of the Company in approving each of the Framework Contracting Agreement and the Framework Subcontracting Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Framework Agreements; (ii) recommendation of the Independent Board Committee; (iii) letter of advice from the Independent Financial Adviser; (iv) other information as required to be disclosed under the Listing Rules; and (v) a notice of the EGM and a form of proxy is expected to be despatched by the Company to the Shareholders on or before 20 September 2024.

The Framework Agreements are conditional and may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Acquisition”	the conditional acquisition of 90% issued shares of WHSE by Bright Realm pursuant to the Sale and Purchase Agreement;
“Board”	the board of Directors;
“Bright Realm”	Bright Realm Limited, a company incorporated in Hong Kong with limited liability and is owned indirectly as to 100% by Mr. NGAI;
“Company”	Able Engineering Holdings Limited (安保工程控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1627);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules;
“Directors”	director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider and, if thought fit, approve the Framework Agreements and the transactions contemplated thereunder;
“Framework Agreements”	the Framework Contracting Agreement and the Framework Subcontracting Agreement;
“Framework Contracting Agreement”	the framework contracting agreement dated 29 August 2024 entered into between the Company (for and on its own behalf and any of its subsidiaries) (as the contractor) and WHSE (as the subcontractor) in relation to the provision of subcontracting services by WHSE to the Group;

“Framework Subcontracting Agreement”	the framework subcontracting agreement dated 29 August 2024 entered into between WHSE (as the contractor) and the Company (for and on its own behalf and any of its subsidiaries) (as the subcontractor) in relation to the provision of subcontracting services by the Group to WHSE;
“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;
“Independent Board Committee”	an independent committee of the Board established which comprises all the independent non-executive Directors to advise the independent Shareholders on the fairness and reasonableness of the terms of the Framework Agreements, and to advise the independent Shareholders how to vote at the EGM;
“Independent Financial Advisor” or “Ample Capital”	Ample Capital Limited (豐盛融資有限公司), a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and independent Shareholders in respect of the Framework Agreements and the transactions contemplated thereunder;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	31 December 2024 or such other date as the parties of the Framework Agreements may agree;
“Mr. LEUNG”	Mr. LEUNG Shek On, the ultimate beneficial owner of WHSE as at the date of this announcement;
“Mr. NGAI”	Mr. NGAI Chun Hung, a controlling shareholder of the Company;

“ Sale and Purchase Agreement ”	the sale and purchase agreement entered into between Bright Realm and Mr. LEUNG in relation to the Acquisition dated 29 August 2024;
“ Share(s) ”	the ordinary share(s) of the Company;
“ Shareholder(s) ”	holders of the Shares;
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited;
“ subsidiary ”	has the meaning ascribed to it under the Listing Rules;
“ WHSE ”	Wing Hong Shun Enterprises Limited (榮康順企業有限公司), a company incorporated in Hong Kong with limited liability, owned as to 100% by Mr. LEUNG as at the date of this announcement and shall be owned as to 10% by Mr. LEUNG and 90% by Bright Realm upon completion of the Acquisition;
“ % ”	per cent.

By Order of the Board
ABLE ENGINEERING HOLDINGS LIMITED
YAU Kwok Fai
Chairman

Hong Kong, 29 August 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors

Mr. YAU Kwok Fai (*Chairman*)

Mr. LEE Hang Wing James (*Chief Executive Officer*)

Mr. LAU Chi Fai Daniel

Independent non-executive Directors

Prof. KO Jan Ming

Dr. LEE Man Piu Albert

Dr. LI Yok Sheung

Ms. MAK Suk Hing

Mr. MONG Chan