

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 637)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

On 29 January 2021 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property at the consideration of HK\$42,000,000. The Property shall be purchased by the Purchaser on an “as is” basis and subject to tenancy.

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% while all applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under the Listing Rules.

The Board is pleased to announce that, on 29 January 2021 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property at the consideration of HK\$42,000,000. The Property shall be purchased by the Purchaser on an “as is” basis and subject to tenancy.

PROVISIONAL AGREEMENT

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

- Date:** 29 January 2021
- Parties:** (1) the Purchaser
- (2) the Vendor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Property to be acquired: Ground floor, Nos. 282 and 284 and the first floor, Nos. 282 and 282A Lai Chi Kok Road, Sham Shui Po, Kowloon.

Existing tenancy: The Purchaser agreed to purchase the said premises subject to an existing tenancy with the expiry date on 31 August 2022, tenant of which is an independent third party.

Rights to renewal of the tenancy: The tenant is entitled to renew existing tenancy for a further three years from 1 September 2022 to 31 August 2025 (both dates inclusive)

Formal agreement: Pursuant to the Provisional Agreement, the Purchaser shall enter into the Formal Agreement with the Vendor for the acquisition of the Property on or before 18 February 2021.

Consideration: The Consideration for the sale and purchase of the Property shall be HK\$42,000,000 payable in cash by the Purchaser to the Vendor in the following manner:

- (i) an initial deposit of HK\$2,000,000, being approximately 5% of the Consideration has been paid on signing of the Provisional Agreement;

- (ii) a further deposit of HK\$2,200,000, being approximately 5% of the Consideration shall be paid on or before 18 February 2021;
- (iii) a sum of HK\$37,800,000, being the balance of the Consideration shall be paid upon Completion.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to the market value of similar properties in the same district.

CONDITION PRECEDENT

Completion is conditional upon and subject to the Vendor giving and proving a good title to the Property in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance (Chapter 219 of the Laws of Hong Kong) at the Vendor's own costs and expenses.

COMPLETION

Completion shall take place on or before 7 May 2021.

SOURCE OF FINANCING

The Purchaser intends to settle the Consideration by internal resources of the Group.

REASONS AND BENEFITS FOR THE ACQUISITION

The Property will be held by the Group as an investment producing rental income. In view of the above, the Directors, including the independent non-executive Directors, are of the view that the terms of the Provisional Agreement (including the Consideration) are fair and reasonable and the entering into of the Provisional Agreement and the Acquisition are in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interest in the Provisional Agreement and the Acquisition and therefore, none of them has abstained from voting on the Board resolution(s) which approved the Provisional Agreement and the Acquisition.

INFORMATION ON THE GROUP AND PURCHASER

The Group principally engages in the business of processing, sourcing and distribution of nonferrous metals, primarily zinc alloy and zinc, nickel and nickel-related products, aluminium alloy and aluminium, stainless steel and other electroplating chemicals. The Group also provides related value-added and ancillary services from procurement of raw metal materials to after-sales services.

The Purchaser is an investment holding company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company.

INFORMATION ON THE VENDOR

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an electronic products trading company incorporated in Hong Kong with limited liability and the legal and beneficial owner of the Property.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% while all applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITION

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

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the terms of the Provisional Agreement
“Board”	the board of Directors

“Company”	Lee Kee Holdings Limited, a company incorporated in the Cayman Islands whose shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition
“Consideration”	the sum of HK\$42,000,000, being the purchase price of the Property
“Directors”	the directors of the Company
“Formal Agreement”	the formal sale and purchase agreement in relation to the sale and purchase of the Property to be entered into between the Purchaser and the Vendor on or before 18 February 2021
“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 Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Ground floor, Nos. 282 and 284 and the first floor, Nos. 282 and 282A Lai Chi Kok Road, Sham Shui Po, Kowloon
“Provisional Agreement”	the provisional sale and purchase agreement in relation to the sale and purchase of the Property entered into between the Purchaser and the Vendor on 29 January 2021

“Purchaser”	Horizon Commodities and Futures Company Limited, a company incorporated in Hong Kong, an indirect wholly-owned subsidiary of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Winmax International Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent

By Order of the Board
CHAN Pak Chung
Chairman

Hong Kong, 29 January 2021

As at the date of this announcement, the Directors of the Company are Mr. CHAN Pak Chung, Ms. CHAN Yuen Shan Clara, Mr. CHAN Ka Chun Patrick, Ms. OKUSAKO CHAN Pui Shan Lillian, Mr. CHUNG Wai Kwok Jimmy, Mr. HO Kwai Ching Mark* and Mr. TAI Lun Paul*.*

* *Independent non-executive Directors*