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**TANG MING HEI**

**HING MING HOLDINGS LIMITED**

**興銘控股有限公司**

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

**(Stock Code: 8425)**

**JOINT ANNOUNCEMENT**

- (1) THE SALE AND PURCHASE OF THE SALE SHARES IN  
HING MING HOLDINGS LIMITED;**
- (2) MANDATORY UNCONDITIONAL CASH OFFER BY  
LEGO SECURITIES LIMITED FOR AND ON BEHALF OF  
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF  
HING MING HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY  
OWNED AND/OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND  
PARTIES ACTING IN CONCERT WITH HIM);**
- (3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;  
AND**
- (4) RESUMPTION OF TRADING**

*Financial adviser to the Offeror*



*Independent Financial Adviser to the Independent Board Committee*



## **THE ACQUISITION**

The Company was informed by the Offeror that on 9 July 2024, the Offeror (as purchaser) entered into bought and sold notes with the Selling Shareholder (as vendor) for the acquisition of an aggregate of 80,000,000 Shares from the Selling Shareholder at a total Consideration of HK\$3,200,000 (equivalent to Consideration of HK\$0.04 per Share), representing approximately 21.28% of the issued share capital of the Company as at the date of this joint announcement. The total Consideration was fully satisfied on 10 July 2024 and completion of the Acquisition took place on the same day.

## **THE OFFER**

Immediately prior to completion of the Acquisition, none of the Offeror and the parties acting in concert with him held any Shares, save for the 120,000,000 Shares held by Hing Gut (which is legally and beneficially owned as to 90.0% by Mr. H.K. Tang and 10.0% by Ms. Au), representing approximately 31.91% of the total issued share capital of the Company.

Immediately following completion of the Acquisition and as at the date of this joint announcement, the Offeror and the parties acting in concert with him hold a total of 200,000,000 Shares (comprising 120,000,000 Shares held by Hing Gut and 80,000,000 Shares held by the Offeror), representing in aggregate approximately 53.19% of the entire issued share capital of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with him).

As at the date of this joint announcement, the Company has 376,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares.

## **PRINCIPAL TERMS OF THE OFFER**

### **The Offer**

Lego Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, will make the Offer on the following basis:

**For each Offer Share. . . . . HK\$0.04 in cash**

The Offer Price of HK\$0.04 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror for the 80,000,000 Sale Shares under the Acquisition.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with him in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

**The Offeror confirms that the Offer Price is final and will not be increased.**

Immediately following completion of the Acquisition and as at the date of this joint announcement, the Company has 376,000,000 Shares in issue, of which 200,000,000 Shares are held by the Offeror and parties acting in concert with him (representing approximately 53.19% of the total issued share capital of the Company). As at the date of this joint announcement, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

The principal terms of the Offer are set out in the section headed “Principal Terms of the Offer” of this joint announcement.

The Company confirms that as at the date of this joint announcement, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of this joint announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 of the Takeovers Code.

The Offer will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares.

The Offeror intends to maintain the listing of the Shares on GEM of the Stock Exchange following the close of the Offer and will take appropriate steps as soon as possible following the close of the Offer to ensure that a sufficient public float exists for the Shares. The steps that the Offeror may take include but not limited to (i) placing down or selling sufficient number of accepted Shares he acquired from the Offer to selected independent third parties or in the market; and/or (ii) issue of additional Shares by the Company for this purpose.

**Total consideration of the Offer**

As at the date of this joint announcement, the Company has 376,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.04 per Offer Share, the total issued share capital of the Company would be valued at HK\$15,040,000.

Upon completion of the Acquisition, save for (i) the 80,000,000 Shares held by the Offeror; and (ii) the 120,000,000 Shares held by Hing Gut (which is legally and beneficially owned as to 90.0% by Mr. H.K. Tang (an executive Director, the chairman of the Board, the chief executive officer of the Company and the father of the Offeror) and 10.0% by Ms. Au (a non-executive Director and the mother of the Offeror)), and assuming the Offer is accepted in full and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 176,000,000 Shares (representing approximately 46.81% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Offer and the maximum cash consideration payable by the Offeror under the Offer would be HK\$7,040,000 based on the Offer Price of HK\$0.04 per Offer Share.

### **Confirmation of financial resources available for the Offer**

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by his own financial resources. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$7,040,000 based on the Offer Price of HK\$0.04 per Offer Share assuming full acceptance of the Offer.

Lego Corporate Finance, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the maximum payment obligations upon full acceptance of the Offer.

### **GENERAL**

#### **Independent Board Committee and Independent Financial Adviser**

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer, or is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Kwan Woon Man Boris, Mr. Wu Kin San Alfred and Mr. Yeung Chi Fai, has been established to advise the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and to give a recommendation as to acceptance of the Offer. Ms. Au (a non-executive Director and the mother of the Offeror) and Mr. Au Lop Wah Edmond (a non-executive Director and a brother of Ms. Au) are parties acting in concert with the Offeror, and are therefore considered being not independent to be members of the Independent Board Committee and have declared their respective interest to the Board accordingly.

China Sunrise has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer and in particular as to whether the Offer is, or is not, fair and reasonable and as to their acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

## **Despatch of the Composite Document**

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document in connection with the Offer setting out, among other things, (i) details of the Offer (including the expected timetable and the terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer, together with the Form of Acceptance, will be despatched jointly by the Offeror and the Company to the Shareholders as soon as practicable and no later than 21 days after the date of this joint announcement unless the Executive grants a consent for extension. It is expected that the Composite Document will be despatched on or before 2 August 2024.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on GEM of the Stock Exchange has been suspended with effect from 1:00 p.m. on Tuesday, 9 July 2024 pending publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 15 July 2024.

## **WARNING**

**The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee and the letter of advice from the Independent Financial Adviser in respect of the Offer.**

**Shareholders and potential investors of the Company should exercise caution when dealing in the Shares. If the Shareholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisers.**

## **THE ACQUISITION**

The Company was informed by the Offeror that on 9 July 2024, the Offeror (as purchaser) entered into bought and sold notes with the Selling Shareholder (as vendor) for the acquisition of an aggregate of 80,000,000 Shares from the Selling Shareholder at a total Consideration of HK\$3,200,000 (equivalent to Consideration of HK\$0.04 per Share), representing approximately 21.28% of the issued share capital of the Company as at the date of this joint announcement. The total Consideration was fully satisfied on 10 July 2024 and completion of the Acquisition took place on the same day. The Consideration was determined after arm's length negotiations between the Selling Shareholder and the Offeror, taking into account, among others, (i) the business and the historical financial performance and financial position of the Group; and (ii) the Company's historical liquidity and share prices performance traded on the Stock Exchange.

## **MANDATORY UNCONDITIONAL CASH OFFER**

Immediately prior to completion of the Acquisition, none of the Offeror and the parties acting in concert with him held any Shares, save for the 120,000,000 Shares held by Hing Gut (which is legally and beneficially owned as to 90.0% by Mr. H.K. Tang and 10.0% by Ms. Au), representing approximately 31.91% of the total issued share capital of the Company.

Immediately following completion of the Acquisition and as at the date of this joint announcement, the Offeror and the parties acting in concert with him hold a total of 200,000,000 Shares (comprising 120,000,000 Shares held by Hing Gut and 80,000,000 Shares held by the Offeror), representing in aggregate approximately 53.19% of the entire issued share capital of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with him).

As at the date of this joint announcement, the Company has 376,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares.

## **PRINCIPAL TERMS OF THE OFFER**

### **The Offer**

Lego Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, will make the Offer on the following basis:

**For each Offer Share. . . . . HK\$0.04 in cash**

The Offer Price of HK\$0.04 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror for the 80,000,000 Sale Shares under the Acquisition.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with him in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

**The Offeror confirms that the Offer Price is final and will not be increased.**

Immediately following completion of the Acquisition and as at the date of this joint announcement, the Company has 376,000,000 Shares in issue, of which 200,000,000 Shares are held by the Offeror and parties acting in concert with him (representing approximately 53.19% of the total issued share capital of the Company). As at the date of this joint announcement, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

The Company confirms that as at the date of this joint announcement, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of this joint announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 of the Takeovers Code.

The Offer will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares.

**Comparison of value**

The Offer Price of HK\$0.04 per Offer Share represents:

- (i) a discount of approximately 28.57% to the closing price of HK\$0.056 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 27.54% to the average closing price of HK\$0.0552 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 25.93% to the average closing price of HK\$0.054 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;

- (iv) a discount of approximately 33.67% to the average closing price of approximately HK\$0.0603 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) a discount of approximately 87.13% to the audited consolidated net assets per Share of approximately HK\$0.3109 as at 31 March 2024, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$116,892,000 as at 31 March 2024 (the date on which the latest audited financial results of the Group were made up) and 376,000,000 Shares in issue as at the date of this joint announcement.

### **Highest and lowest Share prices**

During the six-month period immediately prior to the commencement of the offer period on 12 July 2024 (as defined under the Takeovers Code) and up to and including the date of this joint announcement, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.171 per Share during the period from 12 January 2024 to 17 January 2024 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.051 per Share on 14 June 2024, 26 June 2024 and 27 June 2024.

### **Total consideration of the Offer**

As at the date of this joint announcement, the Company has 376,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.04 per Offer Share, the total issued share capital of the Company would be valued at HK\$15,040,000.

Upon completion of the Acquisition, save for (i) the 80,000,000 Shares held by the Offeror; and (ii) the 120,000,000 Shares held by Hing Gut (which is legally and beneficially owned as to 90.0% by Mr. H.K. Tang (an executive Director, the chairman of the Board, the chief executive officer of the Company and the father of the Offeror) and 10.0% by Ms. Au (a non-executive Director and the mother of the Offeror)), and assuming the Offer is accepted in full and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 176,000,000 Shares (representing approximately 46.81% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Offer and the maximum cash consideration payable by the Offeror under the Offer would be HK\$7,040,000 based on the Offer Price of HK\$0.04 per Offer Share.

### **Confirmation of financial resources available for the Offer**

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by his own financial resources. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$7,040,000 based on the Offer Price of HK\$0.04 per Offer Share assuming full acceptance of the Offer.

Lego Corporate Finance, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the maximum payment obligations upon full acceptance of the Offer.



## **Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of the Composite Document. The Company confirms that as at the date of this joint announcement, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer.

The Offer will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares. Acceptance of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

## **Stamp duty**

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptance of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror to the Independent Shareholders who accept the Offer.

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

## **Payment**

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the date on which the duly completed acceptance of the Offer is received in accordance with Rule 20.1 of the Takeovers Code. Relevant document(s) evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or his agent) to render each such acceptance of the Offer complete and valid in accordance with Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest Hong Kong cent.

## **Taxation advice**

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with him, the Company, Lego Corporate Finance, Lego Securities, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisers or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

## **Availability of the Offer**

The Offeror intends to make the Offer available to all the Independent Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

In the event that the receipt of the Composite Document by overseas Shareholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such overseas Shareholders. The Offeror will apply for any waivers as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code as and when appropriate. As at the date of this joint announcement, the Company has one overseas Shareholder in Mainland China.

**Any acceptance by the Independent Shareholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Independent Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Such overseas Independent Shareholders should consult their respective professional advisers if in doubt.**

## **DEALING AND INTERESTS IN THE COMPANY'S SECURITIES**

Save for (i) an aggregate of 80,000,000 Shares held by the Offeror which were acquired from the Selling Shareholder through bought and sold notes dated 9 July 2024 at a consideration of HK\$0.04 per Share, completion of which took place on 10 July 2024; and (ii) the 120,000,000 Shares held by Hing Gut, none of the Offeror nor the parties acting in concert with him has dealt for value in nor owned any Shares, options, derivatives, warrants

or other securities convertible into Shares during the six month period immediately prior to the commencement of the offer period on 12 July 2024 (as defined under the Takeovers Code) and up to and including the date of this joint announcement.

## **OTHER ARRANGEMENTS OR AGREEMENTS**

As at the date of this joint announcement:

- (i) save for the 200,000,000 Shares that the Offeror and parties acting in concert with him are interested in, none of the Offeror and/or parties acting in concert with him holds, owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives in respect of such securities of the Company;
- (ii) there is no outstanding derivative in respect of the securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror and/or any person acting in concert with him;
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares and shares of Hing Gut and which might be material to the Offer;
- (iv) save for the Acquisition, there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which he may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (v) none of the Offeror and/or parties acting in concert with him has received any irrevocable commitment(s) to accept or reject the Offer;
- (vi) none of the Offeror and/or parties acting in concert with him has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (vii) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons;
- (viii) save for the Acquisition, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror and/or parties acting in concert with him on the one hand, and the Selling Shareholder and/or parties acting in concert with him on the other hand;
- (ix) save for the Acquisition, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) the Offeror and/or any party acting in concert with him or (2)(b) the Company, its subsidiaries or associated companies;

- (x) save for the Consideration paid by the Offeror to the Selling Shareholder pursuant to the Acquisition, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any parties acting in concert with him to the Selling Shareholder or any party acting in concert with him in connection with the sale and purchase of the Sale Shares;
- (xi) save for the Acquisition, there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any person acting in concert with him and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer; and
- (xii) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer.

**Independent Shareholders are reminded to read the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer and as to acceptance that will be included in the Composite Document before deciding whether or not to accept the Offer.**

#### SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before completion of the Acquisition; and (ii) immediately following completion of the Acquisition and as at the date of this joint announcement and before the Offer:

Shareholders	Immediately before completion of the Acquisition		Immediately following completion of the Acquisition and as at the date of this joint announcement and before the Offer	
	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>
<b>The Offeror and parties acting in concert with him</b>				
— The Offeror ( <i>Note 1</i> )	—	—	80,000,000	21.28
— Hing Gut ( <i>Note 2</i> )	<u>120,000,000</u>	<u>31.91</u>	<u>120,000,000</u>	<u>31.91</u>
<b>Sub-total</b>	<b><u>120,000,000</u></b>	<b><u>31.91</u></b>	<b><u>200,000,000</u></b>	<b><u>53.19</u></b>
<b>Selling Shareholder</b>				
— Mr. Lee ( <i>Note 3</i> )	<u>98,524,000</u>	<u>26.21</u>	<u>18,524,000</u>	<u>4.93</u>
Other public Shareholders	<u>157,476,000</u>	<u>41.88</u>	<u>157,476,000</u>	<u>41.88</u>
<b>Total</b>	<b><u>376,000,000</u></b>	<b><u>100.00</u></b>	<b><u>376,000,000</u></b>	<b><u>100.00</u></b>

*Notes:*

1. The Offeror is an executive Director.
2. Hing Gut is an investment holding company owned as to 90.0% by Mr. H.K. Tang (an executive Director, the chairman of the Board, the chief executive officer of the Company and the father of the Offeror) and 10.0% by Ms. Au (a non-executive Director and the mother of the Offeror). Under the SFO, Mr. H.K. Tang is deemed to be interested in the same number of Shares held by Hing Gut. Ms. Au is the spouse of Mr. H.K. Tang. Under the SFO, Ms. Au is deemed to be interested in the same number of Shares in which Mr. H.K. Tang is interested and is deemed to be interested. Hing Gut is a party acting in concert with the Offeror.
3. Based on publicly available information, upon completion of the Acquisition, Mr. Lee directly holds approximately 4.93% of the issued share capital of the Company. Mr. Lee is an Independent Third Party and the 18,524,000 Shares held by him are regarded as Shares held by public Shareholders.
4. Save for the Offeror (an executive Director) who holds 80,000,000 Shares immediately following completion of the Acquisition and as at the date of this joint announcement, none of the Directors hold any Shares immediately before and following completion of the Acquisition and as at the date of this joint announcement. As set out in Note 1 above, Mr. H.K. Tang (an executive Director) and Ms. Au (a non-executive Director) are deemed to be interested in the 120,000,000 Shares held by Hing Gut under the SFO.
5. Certain percentage figures included in this table have been subject to rounding adjustments. Figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

## **INFORMATION ON THE GROUP**

The Company is a company incorporated in the Cayman Islands on 8 April 2016 as an exempted company with limited liability. The Group is principally engaged in (i) providing rental services of construction equipment, mainly including tower cranes and generators; and (ii) trading of equipment and spare parts, in Hong Kong.

## **FINANCIAL INFORMATION OF THE GROUP**

Set out below is a summary of the financial information of the Group for each of the three financial years ended 31 March 2022, 2023 and 2024 as extracted from the annual reports of the Company for the years ended 31 March 2022, 2023 and 2024:

	<b>For the year ended 31 March</b>		
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	(Audited)	(Audited)	(Audited)
Revenue	75,441	98,235	107,813
Profit/(loss) and total comprehensive income/ (loss) for the year	(3,035)	2,369	(568)

As disclosed in the annual report of the Company for the year ended 31 March 2024, the audited consolidated net assets of the Company as at 31 March 2024 was approximately HK\$116.9 million.

## **INFORMATION ON THE OFFEROR**

Mr. Tang Ming Hei, being the Offeror, was appointed as a Director on 24 May 2016 and designated as an executive Director on 24 June 2016. He was also appointed as the compliance officer of the Company on 23 June 2016. He is responsible for advising on compliance matters of the Group.

Mr. Tang Ming Hei obtained a dual degree of Bachelors of Laws and Commerce from The University of Queensland, Australia in July 2012. In July 2013, he obtained the Graduate Diploma in Legal Practice from The Australian National University, Australia and obtained a degree of Master of Commerce in Financial Econometrics from the University of New South Wales, Australia. Mr. Tang Ming Hei was admitted as a Lawyer of the Supreme Court of New South Wales by The Supreme Court of New South Wales in July 2013. He was also admitted as an associate member of CPA Australia in June 2014.

Mr. Tang Ming Hei is the son of Mr. H.K. Tang and Ms. Au, an executive Director and a non-executive Director, respectively, and the nephew of Mr. Au Lop Wah Edmond, a non-executive Director.

Immediately before completion of the Acquisition, the Offeror did not hold any Shares. Immediately after completion of the Acquisition and as at the date of this joint announcement, none of the Offeror and the parties acting in concert with him hold any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for (i) the 80,000,000 Shares held by the Offeror; and (ii) the 120,000,000 Shares held by Hing Gut.

## **THE OFFEROR'S INTENTION ON THE GROUP**

The Offeror is the son of Mr. H.K. Tang (an executive Director, the chairman of the Board, the chief executive officer of the Company and a controlling shareholder of the Company) and Ms. Au (a non-executive Director and a controlling shareholder of the Company). Mr. H.K. Tang and Ms. Au, being co-founders of the Group responsible for strategic planning and/or the overall management and supervision of operations of the Group, have collectively contributed to the continued success of the Group with over 20 years of operating history.

The Offeror joined the Group as a compliance consultant in December 2015 and was subsequently appointed and designated as an executive Director in 2016. After over eight years of participation in the business and operation of the Group, the Offeror is optimistic about the future prospect of the Group and considers the Acquisition as a good management buy-out opportunity for him to invest in the Company. Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

As at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Offeror has no plan to terminate the employment of any other employees or other personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

The Offeror has no intention to change the composition of the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

## **PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY**

The Offeror intends to maintain the listing of the Shares on GEM of the Stock Exchange following the close of the Offer. Each of the Company, the Directors and the Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the issued share capital of the Company will continue to be held by the public at all material times.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to (i) placing down or selling sufficient number of accepted Shares he acquired from the Offer to selected independent third parties or in the market; and/or (ii) issue of additional Shares by the Company for this purpose.

Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer, or is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Kwan Woon Man Boris, Mr. Wu Kin San Alfred and Mr. Yeung Chi Fai, has been established to advise the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and to give a recommendation as to acceptance of the Offer. Ms. Au (a non-executive Director and the mother of the Offeror) and Mr. Au Lop Wah Edmond (a non-executive Director and a brother of Ms. Au) are parties acting in concert with the Offeror, and are therefore considered being not independent to be members of the Independent Board Committee and have declared their respective interest to the Board accordingly.

China Sunrise has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer and in particular as to whether the Offer is, or is not, fair and reasonable and as to their acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

### **DESPATCH OF COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document in connection with the Offer setting out, among other things, (i) details of the Offer (including the expected timetable and the terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer, together with the Form of Acceptance, will be despatched jointly by the Offeror and the Company to the Shareholders as soon as practicable and no later than 21 days after the date of this joint announcement unless the Executive grants a consent for extension. It is expected that the Composite Document will be despatched on or before 2 August 2024.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

### **DISCLOSURE OF DEALINGS**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (including persons who own or control 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.



In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

***“Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

**RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on GEM of the Stock Exchange has been suspended with effect from 1:00 p.m. on Tuesday, 9 July 2024 pending publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 15 July 2024.

**WARNING**

**The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee and the letter of advice from the Independent Financial Adviser in respect of the Offer.**

**Shareholders and potential investors of the Company should exercise caution when dealing in the Shares. If the Shareholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisers.**

## DEFINITIONS

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

“Acquisition”	the acquisition of an aggregate of 80,000,000 Sale Shares by the Offeror from the Selling Shareholder which was completed on 10 July 2024
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Company”	Hing Ming Holdings Limited (興銘控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8425)
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company in connection with the Offer in accordance with the Takeovers Code
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the purchase price for the Acquisition (being HK\$3,200,000 in aggregate and HK\$0.04 per Share)
“controlling shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Encumbrances”	any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or other security interests of any kind, including retention arrangements or other encumbrances and any agreement to create any of the foregoing
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries

“Hing Gut”	Hing Gut Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 90.0% by Mr. H.K. Tang and 10.0% by Ms. Au. Mr. H.K. Tang and Ms. Au are directors of Hing Gut
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board (comprising all of the three independent non-executive Directors, namely Mr. Kwan Woon Man Boris, Mr. Wu Kin San Alfred and Mr. Yeung Chi Fai) which has been established to advise the Independent Shareholders in connection with the Offer and as to the acceptance of the Offer
“Independent Financial Adviser” or “China Sunrise”	China Sunrise Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror and parties acting in concert with him (which include, among others, Mr. H.K. Tang, Ms. Au and Hing Gut)
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Last Trading Day”	9 July 2024, being the last trading day of the Shares on GEM of the Stock Exchange immediately prior to the suspension of trading in the Shares with effect from 1:00 p.m. on Tuesday, 9 July 2024, pending the publication of this joint announcement
“Lego Corporate Finance”	Lego Corporate Finance Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
“Lego Securities”	Lego Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Offeror

“Mr. H.K. Tang”	Mr. Tang Hing Keung, an executive Director, the chairman of the Board and the chief executive officer of the Company. Mr. H.K. Tang is the father of the Offeror and a party acting in concert with the Offeror
“Mr. Lee” or “Selling Shareholder”	Mr. Lee Yu Leung
“Ms. Au”	Ms. Au Fung Yee, a non-executive Director. Ms. Au is the mother of the Offeror and a party acting in concert with the Offeror
“Offer Price”	the price of HK\$0.04 per Offer Share at which the Offer will be made in cash
“Offer Share(s)”	all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with him
“Offeror”	Mr. Tang Ming Hei, an executive Director and the son of Mr. H.K. Tang and Ms. Au
“Offer”	the mandatory unconditional cash offer to be made by Lego Securities for and on behalf of the Offeror to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with him) pursuant to Rule 26.1 of the Takeovers Code
“Sale Share(s)”	the 80,000,000 Shares acquired by the Offeror from the Selling Shareholder pursuant to the Acquisition, representing approximately 21.28% of the total number of issued Shares as at the date of this joint announcement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules

“Takeovers Code” the Hong Kong Code on Takeovers and Mergers

“%” per cent

**TANG MING HEI**

By order of the Board  
**HING MING HOLDINGS LIMITED**  
興銘控股有限公司  
**Tang Hing Keung**  
Chairman, Executive Director and  
Chief Executive Officer

Hong Kong, 12 July 2024

*As at the date of this joint announcement, the executive Directors are Mr. Tang Hing Keung (Chairman and Chief Executive Officer) and Mr. Tang Ming Hei; the non-executive Directors are Ms. Au Fung Yee and Mr. Au Lop Wah Edmond; and the independent non-executive Directors are Mr. Kwan Woon Man Boris, Mr. Wu Kin San Alfred and Mr. Yeung Chi Fai.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror in his capacity as the Offeror), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror in his capacity as the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*

*The Offeror (being Mr. Tang Ming Hei) accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group and the Selling Shareholder), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*This joint announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the day of its publication. This joint announcement will also be published on the Company’s website at [www.hing-ming.com](http://www.hing-ming.com).*