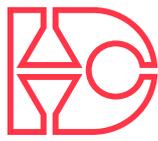


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興勝創建控股有限公司

HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 896)

DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY

THE DISPOSAL

The Board is pleased to announce that on 15 April 2024, the Vendor (an indirect wholly-owned subsidiary of the Company) and the Purchaser entered into the Provisional Agreement pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at the consideration of HK\$148,800,000 subject to the terms of the Provisional Agreement.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

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The Provisional Agreement

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

Date

15 April 2024

Parties

- (i) the Vendor, an indirect wholly-owned subsidiary of the Company, as the vendor
- (ii) the Purchaser, as the purchaser

To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner is a third party independent of and not connected with the Company and its connected persons.

Property

The Property comprises (i) Shop 1, Shop 2, Shop 3 and Shop 5 all on Ground Floor; and (ii) Shop 5 on First Floor, The Austine Place, No.38 Kwun Chung Street, Kowloon, Hong Kong. The Property is a commercial property with a total saleable area of approximately 7,856 square feet and is held as an investment property of the Group.

The Property is to be delivered on an “as-is” basis free from encumbrances and vacant possession of the Property will be delivered upon Completion.

Consideration

The Consideration payable under the Provisional Agreement is HK\$148,800,000, which has been and shall be paid by the Purchaser in the following manner:

- (i) a sum of HK\$7,440,000, being the initial deposit and part payment (the “**Initial Deposit**”), has been paid to the Vendor’s solicitors as stakeholders upon signing of the Provisional Agreement;
- (ii) a sum of HK\$10,440,000, being the further deposit and further part payment (the “**Further Deposit**”, together with the Initial Deposit, the “**Deposits**”), shall be paid to the Vendor’s solicitors as stakeholders on or before the Formal Agreement Date; and
- (iii) the balance of the Consideration, after deducting the Deposits, being a sum of HK\$130,920,000, shall be paid to the Vendor’s solicitors at Completion.

The Consideration was determined based on arm’s length negotiations between the Vendor and the Purchaser with reference to the prevailing market price of similar properties at similar locations as compared to the Property.

Completion

Completion shall take place on or before 25 July 2024.

If the Purchaser shall fail to complete the purchase in accordance with the terms of the Provisional Agreement, the Vendor may rescind the Provisional Agreement and the Deposits (if payment is made) shall be forfeited to the Vendor as liquidated damages, which shall not preclude the Vendor from taking other steps or remedies to enforce its rights under the Provisional Agreement.

Formal Agreement

The Vendor and the Purchaser shall enter into the Formal Agreement on or before the Formal Agreement Date.

Costs and Expenses

The Vendor and the Purchaser shall each pay its own legal costs. The ad valorem stamp duty payable on the sale and purchase of the Property shall be paid by the Purchaser.

INFORMATION OF THE GROUP

The Company is an investment holding company incorporated in the Cayman Islands, the securities of which are listed on the Stock Exchange. The principal business activities of the Group are construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sale of health products.

The Vendor is a company incorporated under the laws of Hong Kong with limited liability and is a property holding company with the sole purpose of holding the Property as of date of this announcement. It is an indirect wholly-owned subsidiary of the Company.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated under the laws of Hong Kong with limited liability and is principally engaged in investment holding. It is ultimately owned by Shun Hing Holdings Company Limited.

REASONS FOR THE DISPOSAL

The Directors undertake strategic reviews of the Group's assets from time to time with a view to maximising returns to the Shareholders. The Directors consider that the Disposal presents an opportunity for the Company to unlock the value of the Property in the current market environment.

The Directors (including the independent non-executive Directors) consider that the Disposal, the terms of the Provisional Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT ON THE GROUP AND USE OF PROCEEDS

The Property is vacant and there was no rental income generated from the Property for the financial years ended 31 March 2024 and 2023. As at 31 March 2024, the unaudited carrying value of the Property is HK\$148,800,000 and a loss on change in fair value of investment properties of HK\$31,500,000 was recognised in the financial year ended 31 March 2024.

Upon Completion, no change in fair value of investment properties before costs and expenses relating to the Disposal is expected in the financial year ending 31 March 2025, which is calculated by reference to the proceeds and the carrying value of the Property as at 31 March 2024. The actual result on the change in fair value of investment properties to be recorded by the Company is subject to audit and may be different from the estimated amount.

It is expected that the proceeds arising from the Disposal will be approximately HK\$148,800,000 (before deducting the relevant expenses and charges), of which approximately HK\$90,000,000 will be used for repayment of the bank loan secured by the Property and the remaining proceeds (after deducting the relevant expenses and charges) will be used as general working capital.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Hanison Construction Holdings Limited (stock code: 896), a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms of the Provisional Agreement
“connected persons”, “percentage ratio” and “subsidiary(ies)”	each has the meaning as ascribed to it under the Listing Rules
“Consideration”	the consideration in the amount of HK\$148,800,000 payable by the Purchaser in respect of the Disposal
“Deposits”	has the meaning as defined in the section headed “The Provisional Agreement – Consideration”
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser pursuant to the Provisional Agreement
“Formal Agreement”	the formal agreement in relation to the Disposal to be entered into among the Vendor and the Purchaser
“Formal Agreement Date”	26 April 2024
“Further Deposit”	has the meaning as defined in the section headed “The Provisional Agreement – Consideration”
“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

“Initial Deposit”	has the meaning as defined in the section headed “The Provisional Agreement – Consideration”
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Shop 1, Shop 2, Shop 3 and Shop 5 all on Ground Floor and Shop 5 on First Floor, The Austine Place, No.38 Kwun Chung Street, Kowloon, Hong Kong
“Provisional Agreement”	the provisional agreement dated 15 April 2024 entered into between, among others, the Vendor and the Purchaser in relation to the Disposal
“Purchaser”	Amazing Grace Kowloon Limited, a company incorporated under the laws of Hong Kong with limited liability
“Shareholders”	holders of the ordinary shares of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Sanney Limited (駿生有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board
Hanison Construction Holdings Limited
Wong Sue Toa, Stewart
Managing Director

Hong Kong, 15 April 2024

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

Non-executive Chairman

Mr. Cha Mou Daid, Johnson

Non-executive Director

Dr. Lam Chat Yu

Executive Directors

Mr. Wong Sue Toa, Stewart (*Managing Director*)

Mr. Tai Sai Ho (*General Manager*)

Mr. Chow Ka Fung

Independent Non-executive Directors

Mr. Chan Pak Joe

Dr. Lau Tze Yiu, Peter

Dr. Chan Fan Cheong, Tony