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TSIT WING INTERNATIONAL HOLDINGS LIMITED

捷榮國際控股有限公司*

(Incorporated under the laws of Bermuda with limited liability)

(Stock Code: 2119)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 28 April 2022 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property at the Consideration of HK\$43,017,350.00.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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* *For identification purpose only*

THE ACQUISITION

The Agreement

Date: 28 April 2022 (after trading hours)

- Parties: (i) The Purchaser: Tsit Wing (Hong Kong) Company Limited
(ii) The Vendor: Mingson Industries Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate owners are third parties independent of the Company and its connected persons.

Property to be acquired

Flats G, H & I, 3/F, Block 1, Kwai Tak Industrial Centre, 15–33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong.

Consideration and payment terms

Pursuant to the Agreement, the Consideration for the Acquisition is HK\$43,017,350.00 and shall be payable in cash by the Purchaser to the Vendor in the following manner:

- (i) a deposit of HK\$2,150,867.50 shall be paid by the Purchaser to the Vendor upon the Parties executing the Agreement;
- (ii) a sum of HK\$2,150,867.50 shall be paid by the Purchaser to the Vendor on or before 20 May 2022;
- (iii) a remaining balance of HK\$38,715,615.00 shall be paid by the Purchaser to the Vendor on or before 28 June 2022 upon the Completion.

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor on normal commercial terms with reference to the prevailing market value of comparable properties in nearby locations. The Consideration will be funded by internal resources of the Company.

Completion

Completion shall take place on or before 28 June 2022.

INFORMATION ON THE COMPANY AND THE PURCHASER

The principal activity of the Company is investment holding. The Company, through its subsidiaries, primarily engages in (i) processing and distribution of coffee, tea and related complementary products; (ii) processing and distribution of frozen food; and (iii) sale and rental of coffee and tea machines. The Purchaser is an indirect wholly-owned subsidiary of the Company. The principal activity of the Purchaser is investment holding.

INFORMATION ON THE VENDOR

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Vendor is a company incorporated in Hong Kong with limited liability and is ultimately owned as to 50% by each of Mr. Lee Tak Lun, Andrew and Mr. Lee Hoi Nin, Anthony. It principally engages in importing, wholesaling and distribution of frozen food.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Property is currently rented and has been used by one of an indirect wholly-owned subsidiaries of the Company in the course of its ordinary business. The lease of the subject Property will expire at the end of April 2022. The Group has been evaluating its operations through the allocation among its owned and leased properties and the Board considers it is an appropriate window to purchase property under the prevailing market. The Directors consider that the proposed Acquisition enables the Group to further integrate its warehouse and logistics management so as to create synergies and enhance operations efficiency.

The Board considers that the Acquisition and the terms of the Agreement, including the Consideration, are on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Company's Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition” the acquisition of the Property by the Purchaser from the Vendor pursuant to the Agreement

“Agreement”	the provisional sales and purchase agreement dated 28 April 2022 entered into after trading hours between the Vendor and the Purchaser in respect of the Acquisition
“Board”	the board of Directors
“Company”	Tsit Wing International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2119)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Acquisition, being HK\$43,017,350.00
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the Purchaser and the Vendor
“Property”	Flats G, H & I, 3/F, Block 1, Kwai Tak Industrial Centre, 15–33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong
“Purchaser”	Tsit Wing (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Mingson Industries Limited, a company incorporated in Hong Kong with limited liability

By Order of the Board
Tsit Wing International Holdings Limited
Mr. Wong Tat Tong
Chairman and Executive Director

Hong Kong, 28 April 2022

As at the date of this announcement, the Board comprises six Directors. The executive Directors are Mr. Wong Tat Tong, Ms. Fan Yee Man and Mr. Kam Chun Pong Bernard. The independent non-executive Directors are Mr. Tang Kwai Chang, Mr. Wong Man Fai and Mr. Lok Kung Chin Hardy.