利記控股有限公司
LEE KEE HOLDINGS LIMITED
SINCE 1947

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 637)

DISCLOSEABLE TRANSACTION
RESUMPTION OF LAND

On 29th July 2025, Genesis Alloys, a wholly-owned subsidiary of the Company, entered into the Resumption Compensation Agreement with Xiepu Town Housing Demolition Affairs Company for the Resumption of Land, pursuant to which Genesis Alloys shall receive an aggregate sum of RMB12,594,318 (equivalent to approximately HK$13,853,750) as the Resumption Compensation and RMB401,250 (equivalent to approximately HK$441,375) as the Relocation Bonus.

As the highest applicable percentage ratio in respect of the transaction contemplated under the Resumption Compensation Agreement exceeds 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the Resumption Compensation Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

In view of the construction needs of the Zhenpu Road Phase III Project, the Land held by Genesis Alloys, a wholly-owned subsidiary of the Company, is within the announced area for resumption by the People's Government of Zhenhai District, Ningbo City, the PRC.

On 29th July 2025, Genesis Alloys entered into the Resumption Compensation Agreement with Xiepu Town Housing Demolition Affairs Company for the Resumption of Land, pursuant to which Genesis Alloys shall receive an aggregate sum of RMB12,594,318 (equivalent to approximately HK$13,853,750) as the Resumption Compensation and RMB401,250 (equivalent to approximately HK$441,375) as the Relocation Bonus.

THE RESUMPTION COMPENSATION AGREEMENT

The principal terms of the Resumption Compensation Agreement are as set out below:

Date: 29th July 2025

Parties:

(1) Genesis Alloys; and

(2) Xiepu Town Housing Demolition Affairs Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Xiepu Town Housing Demolition Affairs Company and its ultimate beneficial owners are third parties independent of the Company and its connected persons. For details of its ultimate beneficial owner, please refer to the section headed "General Information of the Parties – Information on Xiepu Town Housing Demolition Affairs Company" in this announcement.

Location of the Land: Land parcels situated at Wangfang Road, Xiepu Town, Zhenhai District, Ningbo City, the PRC under the state-owned land use rights certificate "Zhen Guo Yong (2001) Zi Di No. 0500062"** (鎮國用(2001)字第0500062號) with a site area of 3,221 sq.m. as mutually agreed

Site area: 3,221 sq.m.

Resumption Compensation and Relocation Bonus: Pursuant to the Resumption Compensation Agreement, the Resumption Compensation payable by Xiepu Town Housing Demolition Affairs Company to Genesis Alloys is RMB12,594,318 (equivalent to approximately HK$13,853,750). Genesis Alloys shall also receive a relocation bonus (the "**Relocation Bonus**") amounting to RMB401,250 (equivalent to approximately HK$441,375).

The Resumption Compensation was agreed between Genesis Alloys and Xiepu Town Housing Demolition Affairs Company after arm's length negotiation with reference to the Measures for the Expropriation and Compensation of Houses on State-owned Land in Ningbo City" (Order No. 248 of the Municipal Government)** (《寧波市國有土地上房屋徵收與補償辦法》(市政府令219號》(市政府令248號)), the Regulations on Compensation, Subsidies and Rewards for the Expropriation of Houses on State-owned Land in the Zhenhai District of Ningbo (Zhenhai Government Document No. 31 [2024])** (《寧波市鎮海區國有土地上房屋徵收補償、補助、獎勵規定》(鎮政發[2024] 31號)), and the appraised value of the valuation report on the Land and building of an independent valuer appointed, and includes all compensation payable for the resumption of land, relocation and temporary resettlement, facilities and equipment and suspension of production and business.

Payment of Resumption Compensation and Relocation Bonus:

The payment of the Resumption Compensation shall be settled as follows:

(i) 40% of the Resumption Compensation, amounting to RMB5,037,728 (equivalent to approximately HK$5,541,501), shall be payable within 60 days from the date of the Resumption Compensation Agreement; and

(ii) the remaining 60% of the Resumption Compensation, amounting to RMB7,556,590 (equivalent to approximately HK$8,312,249) shall be payable within 30 days upon vacation and delivery of the Land.

The Relocation Bonus shall be payable within 30 days upon vacation and delivery of the Land.

Vacation timeline of Land:

The Land shall be vacated by 9th January 2026.

Ownership of the Remaining Land:	Genesis Alloys' existing rights to the Remaining Land shall not be affected by the Resumption of the Land and Genesis Alloys shall have the right to continue its operations and production on the Remaining Land.
Adjustments of boundaries:	After the completion of the Resumption, the boundaries of the Remaining Land will generally not be adjusted and any necessary adjustments due to any special circumstances shall be subject to further negotiations between the parties to the Resumption Compensation Agreement.
Operational support:	During the construction of the Zhenpu Road Phase III Project, Genesis Alloys shall be entitled to continue its normal operations on the Remaining Land, including access to transportation, water, electricity, gas and telecommunications and assistance shall be provided to Genesis Alloys in resolving any disruptions, such as water or road outages.
Relocation of facilities:	Necessary facilities will be relocated to the Remaining land, and new facilities similar in function and size to those removed can be built within designated boundaries, while additional facilities and previously unregistered ones will not be permitted.
Land use rights of the Remaining Land:	The Remaining Land shall not be subject to the Resumption and will continue to be held by Genesis Alloys.

REASONS AND BENEFITS FOR ENTERING INTO THE RESUMPTION COMPENSATION AGREEMENT

The Resumption of Land pursuant to the Resumption Compensation Agreement is primarily for the construction needs of Zhenpu Road Phase III Project as part of the future development of Xiepu Town, Zhenhai District, Ningbo City, the PRC.

In light of the Resumption, Genesis Alloys has made appropriate arrangements for the subsequent transitional matters and will continue to engage in its operations and production on the Remaining Land. It is anticipated that the Resumption will not materially adversely affect business operations of Genesis Alloys and the Group. The proceeds of Resumption Compensation are intended to be used as relocation of facilities and general working capital of Genesis Alloys.

FINANCIAL EFFECTS OF THE RESUMPTION OF LAND

Based on the unaudited financial statements of Genesis Alloys as at 31 March 2025, the net book value of the asset subject to the Resumption is approximately RMB1,794,311 (equivalent to approximately HK$1,973,742). In view of the Resumption Compensation of RMB12,594,318 (equivalent to approximately HK$13,853,750) and the Relocation Bonus of RMB401,250 (equivalent to approximately HK$441,375), the Group is expected to record an estimated net gain before tax from the Resumption of Land of approximately RMB11,201,257 (equivalent to approximately HK$12,321,383).

Such estimated net gain has not taken into account of any costs and expenses incurred related to the Resumption and relocation, including but not limited to relocation costs, building demolition costs, losses from production and business interruptions, temporary resettlement costs, and other relocation costs and expenses incurred in the early stage of relocation. The actual gain from the Resumption to be recorded by the Group is subject to audit and may differ from the amounts as stated above.

Taking the above into consideration, the Directors (including the independent non-executive Directors) consider that the terms of the Resumption Compensation Agreement are fair and reasonable and are on normal commercial terms. Accordingly, the Resumption is in the interests of the Company and its Shareholders as a whole and will not have any material adverse effect on the business of the Group.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the transaction contemplated under the Resumption Compensation Agreement exceeds 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the Resumption Compensation Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION OF THE PARTIES

Information on the Company

The principal activity of the Company is investment holding. The Group is principally engaged in the trading of zinc, zinc alloy, nickel, nickel-related products, aluminium, aluminium alloy, stainless steel and other electroplating chemical products, provision of metal testing and consultancy services, as well as alloy production in Hong Kong and the PRC.

Information on Genesis Alloys

Genesis Alloys is a company incorporated in the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in the manufacturing and trading of zinc alloy products in the PRC.

Information on Xiepu Town People's Government

Xiepu Town People's Government is the administrative body responsible for governing Xiepu Town, located in the Zhenhai District of Ningbo, the PRC.

Information on Xiepu Town Housing Demolition Affairs Company

Xiepu Town Housing Demolition Affairs Company is incorporated in the PRC and is principally engaged in services relating to housing relocation and demolition policy consultation. It is wholly-owned by Xiepu Industrial Economy Development Company, which is in turn wholly-owned by Ningbo Zhenhai Siyuan Agricultural Company. Ningbo Zhenhai Siyuan Agricultural Company is wholly-owned by Public Assets Management Service Center of the Zhenhai District of Ningbo** (寧波市鎮海區國有資產管理服務中心), which is established by the People's Government of Zhenhai District, Ningbo City, the PRC** (寧波市鎮海區人民政府).

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise;

"associate(s)"	has the meaning given to it under the Listing Rules
"Board"	board of Directors
"Company"	Lee Kee Holdings Limited, 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: 637)
"connected person(s)"	has the meaning given to it under the Listing Rules
"Director(s)"	the directors of the Company
"Genesis Alloys"	Genesis Alloys (Ningbo) Limited, a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
"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 PRC
"Land"	land parcels situated at Wangfang Road, Xiepu Town, Zhenhai District, Ningbo City, the PRC under the state-owned land use rights certificate "Zhen Guo Yong (2001) Zi Di No. 0500062"** (鎮國用(2001)字第0500062號) with a site area of approximately 3,221 sq.m. as mutually agreed
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Ningbo Zhenhai Siyuan Agricultural Company"	Ningbo Zhenhai Siyuan Agricultural Comprehensive Service Co., Ltd** (寧波市鎮海四源農業綜合服務有限公司), a company incorporated in the PRC with limited liability
"percentage ratio(s)"	has the meaning given to it under the Listing Rules
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Remaining Land"	land parcels situated at Wangfang Road, Xiepu Town, Zhenhai District, Ningbo City, the PRC under the state-owned land use rights certificate "Zhen Guo Yong (2001) Zi Di No. 0500062"** (鎮國用(2001)字第0500062號), with a site area of approximately 7,179 sq.m. after the Resumption
"Resumption"	the resumption of Land by Xiepu Town Housing Demolition Affairs Company
"Resumption Compensation"	the sum of RMB12,594,318 (equivalent to approximately HK$13,853,750) payable to Genesis Alloys as monetary compensation for the resumption of Land by Xiepu Town Housing Demolition Affairs Company
"Resumption Compensation Agreement"	the resumption compensation agreement dated 29th July 2025 and entered into between Genesis Alloys and Xiepu Town Housing Demolition Affairs Company in respect of the resumption of Land as supplemented by the Supplemental Agreeeent

"RMB"	Renminbi, the lawful currency of the PRC
"Shareholders"	the shareholders of the Company
"sq.m."	square metre
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplemental Agreement"	the agreement dated 29th July 2025 and entered into among Genesis Alloys, Xiepu Town Housing Demolition Affairs Company and Xiepu Town People's Government to supplement the terms of the Resumption Compensation Agreement
"Xiepu Industrial Economy Development Company"	Ningbo Xiepu Industrial Economy Development Co., Ltd** (寧波市澥浦工業經濟開發有限公司), a company incorporated in the PRC with limited liability
"Xiepu Town Housing Demolition Affairs Company"	Ningbo Zhenhai District Xiepu Town Housing Demolition Affairs Co., Ltd** (寧波市鎮海區澥浦鎮房屋拆遷事務所有限公司), a company incorporated in the PRC with limited liability
"Xiepu Town People's Government"	The People's Government of Xiepu Town, Zhenhai District, Ningbo City** (寧波市鎮海區澥浦鎮人民政府)
"Zhenpu Road Phase III Project"	a development project initiated by the People's Government of Zhenhai District, Ningbo City, the PRC** (寧波市鎮海區人民政府)
"%"	per cent

By Order of the Board
CHAN Pak Chung
Chairman

Hong Kong, 29th July, 2025

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. HO Kwai Ching Mark, Mr. TAI Lun Paul* and Mr. WONG Kam Fai William*.*

* *Independent Non-Executive Directors*
** *For identification purpose only*