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力勁科技集團有限公司

L.K. Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 558)

**INSIDE INFORMATION
MEMORANDUM OF UNDERSTANDING
IN RELATION TO A POSSIBLE DISPOSAL**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that after trading hours on 28 December 2020, L.K. Machinery entered into the MOU in relation to the Possible Disposal.

The MOU, save for provisions relating to exclusivity period, termination, costs and fees, confidentiality and certain miscellaneous provisions, is non-legally binding in nature. As such, the Possible Disposal may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by L.K. Technology Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “**SFO**”) (Chapter 571 of the Laws of Hong Kong).

THE MOU

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that after trading hours on 28 December 2020, L.K. Machinery (Shenzhen) Co., Ltd.* (力勁機械(深圳)有限公司) (“**L.K. Machinery**”, a wholly-owned subsidiary of the Company) and a potential purchaser who is a third party independent

of the Company and its connected persons (as defined in the Listing Rules) (the “**Potential Purchaser**”), entered into a memorandum of understanding (the “**MOU**”) in relation to the proposed disposal by L.K. Machinery of the land use rights of and the factories and other structures erected on the two plots of land for industrial use located at the South of Jihe Expressway, Longhua Street, Longhua District, Shenzhen, Guangdong, China (中國廣東省深圳市龍華區龍華街道機荷高速公路南側) (the “**Possible Disposal**”). The two plots of land have a total site area of approximately 56,343.71 square metres, and the factories and other structures erected thereon have a total gross floor area of approximately 53,203.77 square metres.

EARNEST MONEY AND EXCLUSIVITY PERIOD

Pursuant to the MOU, the Potential Purchaser has paid a refundable earnest money of RMB10,000,000 to L.K. Machinery.

The Potential Purchaser shall be entitled to an exclusivity period of 20 days upon payment of earnest money for due diligence process. The exclusivity period can be further extended by mutual agreement.

The earnest money will be refunded to the Potential Purchaser without interest if the MOU is terminated and no formal sale and purchase agreement in relation to the Possible Disposal is entered into by the parties.

GENERAL

The Possible Disposal, if materialised, may constitute a notifiable transaction for the Company under the Listing Rules. The Company will make further announcement(s) as and when appropriate and comply with all other applicable requirements under the Listing Rules in this regard.

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By order of the Board
L.K. Technology Holdings Limited
Wong Kin Ming
Company Secretary

Hong Kong, 28 December 2020

As at the date of this announcement, the executive Directors are Ms. Chong Siw Yin, Mr. Liu Zhuo Ming and Mr. Tse Siu Sze; and the independent non-executive Directors are Dr. Low Seow Chay, Dr. Lui Ming Wah, SBS, JP, and Mr. Tsang Yiu Keung, Paul.

** for identification purpose only*