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Tailam Tech Construction Holdings Limited

泰林科建控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6193)

**CONNECTED TRANSACTION
IN RELATION TO
THE ACQUISITION OF A PROPERTY**

THE ACQUISITION

On 2 March 2021 (after trading hours of the Stock Exchange), the Vendors and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendors agreed to sell and the Purchaser agreed to purchase the Property in Hong Kong at the Consideration of HK\$9,500,000.

IMPLICATIONS UNDER THE LISTING RULES

The Vendors, Ms. Wong Chiu Ling and Mr. So Cheuk Ming are spouse to each other. Ms. Wong Chiu Ling is a family member of Ms. Wong (the chairperson of the Board, an executive Director, the chief executive officer and the controlling Shareholder), Mr. Wong (an executive Director) and Mr. Wong Leung Yau (a non-executive Director). As such, Ms. Wong Chiu Ling is an associate of Ms. Wong, Mr. Wong and Mr. Wong Leung Yau and therefore a connected person of the Company under Rule 14A.12(2)(a) of the Listing Rules, and Mr. So Cheuk Ming is a deemed connected person of the Company under Rule 14A.21 of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceed 0.1% but are less than 5%, the Acquisition is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

On 2 March 2021 (after trading hours of the Stock Exchange), the Vendors and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendors agreed to sell and the Purchaser agreed to purchase the Property in Hong Kong at the consideration of HK\$9,500,000. The principal terms of the Sale and Purchase Agreement are set out as follows:

Date: 2 March 2021

Parties: (i) the Vendors; and
(ii) the Purchaser.

Property: Unit 2812, 28/F., Metropole Square, 2 On Yiu Street, Shatin, N.T., Hong Kong

Use: Office use

Gross floor area: Approximately 1,088 sq.ft.

Consideration: HK\$9,500,000, payable by the Purchaser in the following manners:

- (i) an initial deposit of HK\$950,000 has been paid upon signing of the Sale and Purchase Agreement; and
- (ii) the balance of the Consideration of HK\$8,550,000 shall be paid upon the Completion.

The Consideration is determined by the parties to the Sale and Purchase Agreement through arms' length negotiation, taking into account the appraised value of the Property in the amount of HK\$9,500,000 as of 6 January 2021 conducted by an independent valuer, which took into account the market value of comparable properties of similar character and location.

COMPLETION OF THE ACQUISITION

Completion shall take place on or before 9 April 2021 or such later date to be mutually agreed by the Vendors and the Purchaser in writing.

SOURCE OF FINANCING

The Purchaser intends to settle the Consideration by way of internal resources of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group currently rents its office in Hong Kong. Upon completion of the Acquisition, the Group will have a permanent office in Hong Kong. The Property is located in prime location, fully furnished and the settings are fit for our purposes without the need to spend extra time and costs in renovation. In addition, following the acquisition of the Property, the Company will be able to save rental expenses.

Ms. Wong, Mr. Wong and Mr. Wong Leung Yau are considered to have a material interest in the Acquisition and therefore have abstained from voting on the resolutions in relation to the Sale and Purchase Agreement proposed to the Board. Save as disclosed above, none of the Directors who attended the Board meeting has a material interest nor is required to abstain from voting in respect of the relevant Board resolutions.

All the executive Directors, the non-executive Director, the independent non-executive Directors (in respect of Ms. Wong, Mr. Wong and Mr. Wong Leung Yau, they have expressed their views although they have abstained from voting) are of the view that the Acquisition is in the ordinary and usual course of business of the Group, and on normal commercial terms, and that the terms of the Sale and Purchase Agreement (including the Consideration) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

The Company is an investment holding company and its subsidiaries are principally engaged in manufacturing and sale of pre-stressed concrete piles and commercial concrete in the People's Republic of China.

The Purchaser is an indirect wholly-owned subsidiary of the Company. Its principal activities are investment holding.

The Vendors, Mr. So Cheuk Ming and Ms. Wong Chiu Ling are spouse to each other, and Ms. Wong Chiu Ling is a family member of Ms. Wong (the chairperson of the Board, an executive Director, the chief executive officer and the controlling Shareholder), Mr. Wong (an executive Director) and Mr. Wong Leung Yau (a non-executive Director).

IMPLICATIONS UNDER THE LISTING RULES

The Vendors, Ms. Wong Chiu Ling and Mr. So Cheuk Ming are spouse to each other. Ms. Wong Chiu Ling is a family member of Ms. Wong (the chairperson of the Board, an executive Director, the chief executive officer and the controlling Shareholder), Mr. Wong (an executive Director) and Mr. Wong Leung Yau (a non-executive Director). As such, Ms. Wong Chiu Ling is an associate of Ms. Wong, Mr. Wong and Mr. Wong Leung Yau and therefore a connected person of the Company under Rule 14A.12(2)(a) of the Listing Rules, and Mr. So Cheuk Ming is a deemed connected person of the Company under Rule 14A.21 of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceed 0.1% but are less than 5%, the Acquisition is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the Sale and Purchase Agreement
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Tailam Tech Construction 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: 6193)
“Completion”	completion of the Acquisition
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of HK\$9,500,000 payable by the Purchaser to the Vendors pursuant to the Sale and Purchase Agreement
“Director(s)”	the director(s) 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 People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Ms. Wong”	Ms. Wong Han Yu Alice, the chairperson of the Board, an executive Director, the chief executive officer and the controlling Shareholder of the Company, she is the daughter of Mr. Wong Leung Yau, eldest sister of Ms. Wong Chiu Ling and Mr. Wong, sister-in-law of Mr. So Cheuk Ming
“Mr. Wong”	Mr. Wong Chiu Wai, an executive Director of the Company, he is the son of Mr. Wong Leung Yau, younger brother of Ms. Wong and Ms. Wong Chiu Ling, brother-in-law of Mr. So Cheuk Ming
“Mr. Wong Leung Yau”	Mr. Wong Leung Yau, a non-executive Director and a Shareholder of the Company, he is the father of Ms. Wong, Ms. Wong Chiu Ling and Mr. Wong, father-in-law of Mr. So Cheuk Ming
“Property”	an office unit located at Unit 2812, 28/F., Metropole Square, 2 On Yiu Street, Shatin, N.T., Hong Kong
“Purchaser”	TLP Investment Limited, a company incorporated in Hong Kong with limited liability on 21 January 2021 and an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 2 March 2021 entered into between the Purchaser and the Vendors in respect of the Acquisition
“Shareholder(s)”	the holder(s) of the Share(s)
“Shares”	the ordinary shares of the Company
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendors”

- (i) Ms. Wong Chiu Ling, the spouse of Mr. So Cheuk Ming, a daughter of Mr. Wong Leung Yau, the younger sister of Ms. Wong, an elder sister of Mr. Wong; and
- (ii) Mr. So Cheuk Ming, the spouse of Ms. Wong Chiu Ling, and a son-in-law of Mr. Wong Leung Yau, a brother-in-law of Ms. Wong and Mr. Wong.

Ms. Wong Chiu Ling and Mr. So Cheuk Ming are the joint owners of the Property

“%”

per cent

By order of the Board
Tailam Tech Construction Holdings Limited
Wong Han Yu Alice
*Chairperson, Executive Director and
Chief Executive Officer*

Hong Kong, 2 March 2021

As at the date of this announcement, the executive Directors are Ms. Wong Han Yu Alice (the chairperson and chief executive officer), Mr. Wong Chiu Wai and Ms. Jiang Yin Juan; the non-executive Director is Mr. Wong Leung Yau; and the independent non-executive Directors are Ms. Wong Siu Yin Rosella, Mr. Lai Chun Yu and Mr. Cui Yu Shu.