

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **ALCO HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

Website: <http://www.alco.com.hk>

(Stock Code: 328)

### **DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY**

On 4th September 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$111,300,000.

As the relevant percentage ratio in respect of the Acquisition under Chapter 14 of the Listing Rules is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

#### **INTRODUCTION**

On 4th September 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$111,300,000.

#### **THE PRELIMINARY AGREEMENT**

Date of entering: 4th September 2017

Vendor: Jaco Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is an Independent Third Party.

Purchaser: Windom Limited, an indirect wholly-owned subsidiary of the Company.

Summary of terms: Pursuant to the terms of the Preliminary Agreement, the Purchaser will acquire the Property from the Vendor at a consideration of HK\$111,300,000. An initial deposit of HK\$5,565,000 in cash was paid by the Purchaser upon signing of the Preliminary Agreement and a further deposit of HK\$11,130,000 in cash will be payable by the Purchaser upon signing of the formal agreement on or before 18th September 2017. The balance of the Consideration, being HK\$94,605,000, will be paid in cash upon Completion, which is scheduled to take place on or before 31st October 2017.

The Property will be delivered with vacant possession upon Completion.

## **INFORMATION ON THE PROPERTY**

The Property is the whole 11th floor together with parking space numbers P224, P225, P226, P227, P228, P348 and P349 of Metropole Square, 2 On Yiu Street, Shatin, New Territories, Hong Kong. Metropole Square was completed in about 1997 and refurbished in about 2014. Saleable area of the whole 11th floor of Metropole Square is approximately 12,249 square feet.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group is currently leasing properties for its own use. The Group intends to relocate its office to the Property in 2018 with the benefit of saving rental expenses.

The Consideration was arrived at after arm's length negotiation between the Purchaser and the Vendor and by reference to the market value of similar properties in similar locations.

The Acquisition will be funded through internal resources and bank financing.

The Board are of the view that the terms of acquisition in the Preliminary Agreement including the consideration are in normal commercial terms, and are fair and reasonable and in the interests of the Group and shareholders of the Company as a whole.

## **INFORMATION ABOUT THE PARTIES OF THE ACQUISITION**

### **The Company**

The Company is incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange. Its principal activity is investment holding.

### **The Purchaser**

The Purchaser is a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. Its principal activity is property holding.

### **The Vendor**

The Vendor is a company incorporated in Hong Kong. Its principal activity is property investment.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the relevant percentage ratio in respect of the Acquisition under Chapter 14 of the Listing Rules is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following terms have the same meanings as set out below:

“Acquisition”	acquisition of the Property by the Purchaser pursuant to the terms of the Preliminary Agreement;
“Board”	the Board of Directors;
“Company”	Alco Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange;
“Completion”	completion of the Acquisition;
“Consideration”	HK\$111,300,000;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Independent Third Party(ies)”	party(ies) who are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	the whole 11th floor together with parking space numbers P224, P225, P226, P227, P228, P348 and P349 of Metropole Square, 2 On Yiu Street, Shatin, New Territories, Hong Kong;
“Preliminary Agreement”	the preliminary agreements for sale and purchase entered into on 4th September 2017 for the Acquisition;
“Purchaser”	Windom Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Vendor”	Jaco Limited. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Vendor is an Independent Third Party.

By Order of the Board  
**Alco Holdings Limited**  
**LEUNG Wai Sing, Wilson**  
*Executive Director and Chief Executive Officer*

Hong Kong, 4th September 2017

*As at the date of this announcement, the executive directors of the Company are Mr. LEUNG Kai Ching, Kimen, Mr. LEUNG Wai Sing, Wilson, Mr. KUOK Kun Man, Mr. LEUNG, Jimmy and Mr. LIU Lup Man. The independent non-executive directors are Mr. LI Wah Ming, Mr. LEE Tak Chi and Mr. CHEUNG, Johnson.*