

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.

I.CENTURY HOLDING LIMITED

愛世紀集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8507)

MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY AND RESUMPTION OF TRADING

THE DISPOSAL

The Board is pleased to announce that, on 21 July 2021 (after trading hours), the Vendor, being an indirect wholly-owned subsidiary of the Company, the Purchaser and the Property Agent entered into the Preliminary Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Property at the consideration of HK\$22,649,000.

LEASING OF PROPERTY FOLLOWING THE DISPOSAL

Upon the Completion, the Vendor and the Purchaser will enter into the Tenancy Agreement, whereby the Vendor will lease back the Property, together with the two units adjacent to the Property for the Group's use for a term of 18 months commencing from the date of Completion at a monthly fee of HK\$100,000 (rents and rates and management fees inclusive).

GEM LISTING RULE IMPLICATIONS

As the highest applicable percentage ratio (as defined under Chapter 19 of the GEM Listing Rules) in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, none of the Shareholders and their respective associates has any material interest in the Disposal and therefore, no Shareholder would be required to abstain from voting on the resolution in respect of the Disposal if the Company were to convene a general meeting for the approval of the Disposal. As at the date of this announcement, Giant Treasure is the controlling Shareholder and beneficially holds 280,000,000 Shares, representing 70.0% of the total issued share capital of the Company. Written approval of the Disposal has been obtained from Giant Treasure. Pursuant to Rule 19.44 of the GEM Listing Rules, such written approval may be accepted in lieu of holding a general meeting of the Company, and accordingly, no general meeting of the Company will be convened for the purpose of approving the Disposal.

In accordance with HKFRS 16, the Company will recognize right-of-use assets on its consolidated statement of financial position in connection with the transaction contemplated under the Tenancy Agreement. Accordingly, the entering into of the Tenancy Agreement will be regarded as an acquisition of asset under the definition of transaction set out in the GEM Listing Rule 19.04(1)(a). As all applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Tenancy Agreement are less than 5% for the Company, the transactions contemplated under the Tenancy Agreement are not subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

GENERAL

A circular containing, among other things, details of the Disposal, as required under the GEM Listing Rules, is expected to be despatched to the Shareholders in accordance with the requirements of the GEM Listing Rules on or before 13 August 2021, being 15 business days after publication of this announcement.

RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 22 July 2021 pending the release of this announcement. Application has been made by the Company for resumption of trading in its Shares on the Stock Exchange with effect from 9:00 a.m. on 26 July 2021.

INTRODUCTION

The Board is pleased to announce that, on 21 July 2021 (after trading hours), the Vendor, being an indirect wholly-owned subsidiary of the Company, the Purchaser and the Property Agent entered into the Preliminary Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Property at the consideration of HK\$22,649,000.

THE PRELIMINARY SALE AND PURCHASE AGREEMENT

The principal terms of the Preliminary Sale and Purchase Agreement are set out below:

Date: 21 July 2021

Parties: (i) Majestic City International Limited, as the Vendor;
(ii) Wayland Property Investments Limited, as the Purchaser;
(iii) Centaline Property Agency Limited, as Property Agent.

The subject matter

Pursuant to the Preliminary Sale and Purchase Agreement, the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Property, which is located at Factory No.12 and 13, 2/F, Elite Industrial Centre, No.883 Cheung Sha Wan Road, Kowloon, Hong Kong. The Property has an aggregate gross floor area of 2,970 square feet and is for non-residential use. Pursuant to the Preliminary Sale and Purchase Agreement, the Property will be sold on “as is” basis.

Consideration and payment terms

The purchase price of the Property shall be HK\$22,649,000, which shall be payable by the Purchaser to the Vendor in the manners as follows:

- (a) HK\$1,000,000 was paid by the Purchase upon the signing of the Preliminary Sale and Purchase Agreement as initial deposit;
- (b) a further deposit in the sum of HK\$1,264,900, shall be paid by the Purchaser to the Vendor on or before 20 August 2021;
- (c) the remaining balance of HK\$20,384,100, shall be paid by the Purchaser upon Completion on or before 8 October 2021.

Pursuant to the Preliminary Sale and Purchase Agreement, the Property Agent shall be entitled to receive a commission in the amount of HK\$200,000 from the Vendor no later than 8 October 2021.

The Consideration was determined after arm’s length negotiations between the parties with reference to the prevailing market value of comparable properties in the vicinity of the Property.

Formal agreement

Pursuant to the Preliminary Sale and Purchase Agreement, a formal agreement for the sale and purchase of the Property will be entered into on or before 20 August 2021.

Completion

Completion is expected to take place on or before 8 October 2021.

THE TENANCY AGREEMENT

Upon the Completion, the Vendor and the Purchaser will enter into the Tenancy Agreement, whereby the Vendor will lease back the Property, together with the two units adjacent to the Property for the Group's use for a term of 18 months commencing from the date of Completion at a monthly fee of HK\$100,000 (rent and rates and management fees inclusive). The two units adjacent to the Property are currently leased by the Group under the leasing agreements entered into between the Group and Turbo Profit Investment Limited and Joint Linker Investment Limited, respectively, who are the connected persons of the Group. The Property, together with the two units adjacent to the Property, will continue to serve as the Group's office premises.

INFORMATION ON THE GROUP AND THE VENDOR

The Company is an exempted company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in the provision of apparel supply chain management services.

The Vendor is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. The Vendor is principally engaged in providing apparel supply chain management services.

INFORMATION ON THE PURCHASER AND THE PROPERTY AGENT

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser is a company incorporated in Hong Kong on 18 October 2016 with limited liability and principally engaged in property investment and other investments. The Purchaser is ultimately owned as to 69% by Ko Yat Fung, 13% by Ko Wan Ping and 6% by each of Ko Wan Har, Ko Tsz Yeung Nelson and Ting Ho Hung, respectively.

The Property Agent is a company incorporated in Hong Kong with limited liability and operates property agencies in Hong Kong.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and the Property Agent and their respective ultimate beneficial owner(s) is an Independent Third Party.

FINANCIAL EFFECT OF THE DISPOSAL AND INTENDED USE OF PROCEEDS

Subject to further audit procedures to be performed by the auditors of the Company, a gain of approximately HK\$16.2 million is expected to be recognised by the Group, as the consideration of the Disposal under the Preliminary Sale and Purchase Agreement of HK\$22,649,000 is higher than the audited carrying amount of the Property as of 31 March 2021 of approximately HK\$6.49 million. The actual amount of gain or loss as a result of the Disposal to be recorded by the Group will be subject to the review and final audit of the Company.

It is estimated that the net proceeds from the Disposal would be approximately HK\$21.9 million after deducting related expenses associated with the Disposal including commission to the Property Agent and professional fees. The Company intended to use the net proceeds from the Disposal to repay bank overdrafts and for the Group's working capital purpose.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Board has been assessing the property market in Hong Kong and reviewing the Group's options over the Property as held by the Group. In view of the prospects of the property market and economy in Hong Kong and taking into consideration the current financial position of the Group, the Directors consider that the Disposal represent an opportunity for the Group to realise the appreciated value of the Property to repay bank overdrafts so as to reduce the gearing position of the Group and generate additional working capital to the Group and thus enhance the financial position of the Group. Having considered that the Property will continue to serve as the Group's office premises upon the Completion, the Directors are of the view that the Disposal will not have a material adverse effect on the Group's operation.

The Directors (including the independent non-executive Directors) consider that the terms of the Preliminary Sale and Purchase Agreement and the Tenancy Agreement are on normal commercial terms which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULE IMPLICATIONS

As the highest applicable percentage ratio (as defined under Chapter 19 of the GEM Listing Rules) in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, none of the Shareholders and their respective associates has any material interest in the Disposal and therefore, no Shareholder would be required to abstain from voting on the resolution in respect of the Disposal if the Company were to convene a general meeting for the approval of the Disposal. As at the date of this announcement, Giant Treasure is the controlling Shareholder and beneficially holds 280,000,000 Shares, representing 70.0% of the total issued share capital of the Company. Written approval of the Disposal has been obtained from Giant Treasure. Pursuant to Rule 19.44 of the GEM Listing Rules, such written approval may be accepted in lieu of holding a general meeting of the Company, and accordingly, no general meeting of the Company will be convened for the purpose of approving the Disposal.

In accordance with HKFRS 16, the Company will recognize right-of-use assets on its consolidated statement of financial position in connection with the transaction contemplated under the Tenancy Agreement. Accordingly, the entering into of the Tenancy Agreement will be regarded as an acquisition of asset under the definition of transaction set out in the GEM Listing Rule 19.04(1)(a). As all applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Tenancy Agreement are less than 5% for the Company, the transactions contemplated under the Tenancy Agreement are not subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

GENERAL

A circular containing, among other things, details of the Disposal, as required under the GEM Listing Rules, is expected to be despatched to the Shareholders in accordance with the requirements of the GEM Listing Rules on or before 13 August 2021, being 15 business days after publication of this announcement.

RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 22 July 2021 pending the release of this announcement. Application has been made by the Company for resumption of trading in its Shares on the Stock Exchange with effect from 9:00 a.m. on 26 July 2021.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Company”	i.century Holding Limited (stock code: 8507), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the Disposal pursuant to the Preliminary Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consideration”	the total consideration of HK\$22,649,000 payable by the Purchaser for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser pursuant to the Preliminary Sale and Purchase Agreement
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Giant Treasure”	Giant Treasure Development Limited, a company incorporated in the BVI on 18 November 2016 with limited liability and owned by Mr. Leung Kwok Hung Wilson and Ms. Tam Shuk Fan in equal shares
“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

“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined under the GEM Listing Rules)
“Property”	Factory No.12 and 13, 2/F, Elite Industrial Centre, No.883 Cheung Sha Wan Road, Kowloon, Hong Kong
“Property Agent”	Centaline Property Agency Limited
“Purchaser”	Wayland Property Investments Limited, a company incorporated in Hong Kong on 18 October 2016 with limited liability
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement to be entered into between the Group and the Purchaser in relation to the leasing of the Property and the two units adjacent to the Property for a term of 18 months commencing from the date of completion of the Disposal
“Vendor”	Majestic City International Limited, a company incorporated in Hong Kong on 18 August 2008 with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board
i.century Holding Limited
Leung Kwok Hung Wilson
*Chairman, Executive Director and
Chief Executive Officer*

Hong Kong, 23 July 2021

As at the date of this announcement, the executive Directors are Mr. Leung Kwok Hung Wilson (Chairman and Chief Executive Officer) and Ms. Tam Shuk Fan; and the independent non-executive Directors are Ms. Cheung Wai Man, Mr. Lau Yau Chuen Louis and Mr. Lee Kwun Ting.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.icenturyholding.com.