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KINGBO STRIKE LIMITED

工蓋有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1421)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTIES

ACQUISITION OF PROPERTIES

The Board announces that on 16 June 2017 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor, pursuant to which the Purchaser will acquire from the Vendor the Properties for a purchase price of HK\$30,000,000. The Purchase Price was determined after arm's length negotiation between the parties to the Provisional Agreement and was based on normal commercial terms.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that on 16 June 2017 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor in relation to the acquisition of the Properties for a purchase price of HK\$30,000,000.

* *For identification purposes only*

THE PROVISIONAL AGREEMENT AND THE ACQUISITION

The Provisional Agreement

Date: 16 June 2017

Parties: (i) Purchaser: Max Lucky Corporation Limited, which is an indirect wholly-owned subsidiary of the Company

(ii) Vendor: Liu Shengli

The Purchaser is an investment holding company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is a third party independent of the Company and its connected persons (as defined under the Listing Rules)

Sale and Purchase

Pursuant to the Provisional Agreement, the Vendor will sell the Properties to the Purchaser (or its nominee). The Vendor and the Purchaser will enter into the Formal Agreement within 90 days after the signing of the Provisional Agreement.

The Purchaser (or its nominee) will purchase the Properties with vacant possession.

The Properties

The Properties are (i) a five-storey building (with commercial unit on the first floor, office and residential unit on the second to fifth floor) situated at 台灣新竹縣竹北市縣政二路南段117號 (No. 117, south section, Xian Zheng Er road, Zhubei City, Hsinchu County, Taiwan*) with a total gross floor area of 346.42 square metres; and (ii) a five-storey building (with commercial unit on the first floor, office and residential unit on the second to fifth floor) situated at 台灣新竹縣竹北市縣政二路南段119號 (No. 119, south section, Xian Zheng Er road, Zhubei City, Hsinchu County, Taiwan*) with a total gross floor area of 310.02 square metres. The Property is currently owned by the Vendor and will be sold with vacant possession.

Purchase Price

The Purchase Price for the Properties is HK\$30,000,000 payable in cash and was determined after arm's length negotiation between the parties to the Provisional Agreement by reference to the market price of similar properties in nearby buildings in Taiwan.

On the basis of the above factors and considering the benefits of the Acquisition as set out in the section headed "Reasons for and benefits of the Acquisition" in the announcement, the Directors consider that the Purchase Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Terms of Payment

- (a) an initial deposit of HK\$10,000,000 has been paid by the Purchaser to the Vendor upon signing of the Provisional Agreement; and
- (b) the remaining balance of the Purchase Price in the amount of HK\$20,000,000 will be payable by the Purchaser to the Vendor in accordance with the terms of the Formal Agreement.

The Company intends to fund the Purchase Price by internal resources of the Group, bank borrowings or fund raising exercises if appropriate.

If the Purchaser fails to enter into the Formal Agreement, the deposit will be forfeited by the Vendor as an indemnity. If the Vendor fails to enter into the Formal Agreement, the double amount of the deposit shall be repaid by the Vendor to the Purchaser as an indemnity.

Completion

Completion will take place upon the signing of the Formal Agreement.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in the provision of electrical engineering services in Singapore and the construction, operation and sale of solar power station projects in the PRC.

The Properties will be used by the Group for investment purposes and the Group may benefit from any long term capital gain if the Properties appreciate in value in the future. The Acquisition represents an attractive investment opportunity for the Group and gives room for development of the Group's operations in Taiwan. Should the Group develop its business in Taiwan, the Properties may be used by the Group as its office premises in Taiwan and will enable the Group to save rental expenses.

On the above basis, the Directors consider that the terms of the Provisional Agreement and the Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Further announcement will be made by the Company upon the entering into of the Formal Agreement in accordance with the Listing Rules.

DEFINITIONS

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

“Acquisition”	acquisition of the Properties by the Purchaser from the Vendor pursuant to the terms and conditions of the Provisional Agreement and the Formal Agreement
“Board”	board of Directors
“Company”	Kingbo Strike Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Provisional Agreement and the Formal Agreement
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser (or its nominee) within 90 days after the signing of the Provisional Agreement in relation to the sale and purchase of the Properties
“Group”	the Company and its subsidiaries
“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
“PRC”	the People’s Republic of China
“Properties”	a five-storey building (with commercial unit on the first floor, office and residential unit on the second to fifth floor) situated at 台灣新竹縣竹北市縣政二路南段117號 (No. 117, south section, Xian Zheng Er road, Zhubei City, Hsinchu County, Taiwan*) with a total gross floor area of 346.42 square metres and a five-storey building (with commercial unit on the first floor, office and residential unit on the second to fifth floor) situated at 台灣新竹縣竹北市縣政二路南段119號 (No. 119, south section, Xian Zheng Er road, Zhubei City, Hsinchu County, Taiwan*) with a total gross floor area of 310.02 square metres
“Provisional Agreement”	provisional sale and purchase agreement dated 16 June 2017 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Properties

“Purchase Price”	purchase price in the amount of HK\$30,000,000 for the Acquisition
“Purchaser”	Max Lucky Corporation Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Liu Shengli
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Kingbo Strike Limited
Liu Yancheng
Chairman

Hong Kong, 16 June 2017

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Liu Yancheng (*Chairman*)
Mr. Liu Xinsheng
Mr. Peng Rongwu

Independent Non-executive Directors

Mr. Leung Po Hon
Dr. Luo Xiaodong
Mr. Ng Wai Hung

Non-executive Director

Mr. Tam Tak Wah