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REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1631)

MAJOR TRANSACTION IN RELATION TO LEASE AGREEMENTS

THE LEASE AGREEMENTS

The Board announces that on 28 March 2024 (after trading hours), REF Financial Press, a wholly-owned subsidiary of the Company, as lessee, entered into the Lease Agreements in respect of the lease of Premises 1 and Premises 2 with Lessor 1 and Lessor 2 respectively, both Independent Third Parties, as lessors for a period commencing from 1 April 2024 to 31 March 2027 (both days inclusive).

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16, as a result of the entering into of the Lease Agreements, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transactions contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Leases shall amount to in aggregate approximately HK\$42.4 million.

Lessor 1 and Lessor 2 are ultimately beneficially owned by the same shareholder and as such, the Leases will be aggregated for the purposes of calculating the relevant percentage ratios (as defined in the Listing Rules). As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease Agreements based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 25% but less than 100%, the entering into of the Lease Agreements constitutes a major transaction of the Company and is accordingly subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company has obtained a written approval from its controlling Shareholder holding more than 50% of the voting rights as at the date of this announcement, on the entering into of the Lease Agreements and the transactions contemplated thereunder in lieu of holding a general meeting of the Company.

THE LEASE AGREEMENTS

The Board announces that on 28 March 2024 (after trading hours), REF Financial Press, a wholly-owned subsidiary of the Company, as lessee, entered into the Lease Agreements in respect of the lease of Premises 1 and Premises 2 with Lessor 1 and Lessor 2 respectively, as lessors, for a period commencing from 1 April 2024 to 31 March 2027 (both days inclusive).

Lease Agreement 1

The principal terms of the Lease Agreement 1 are set out below:

Lessee:	REF Financial Press, a wholly-owned subsidiary of the Company
Lessor 1:	The Center (59) Limited, an Independent Third Party To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Lessor 1 is ultimately owned by Mrs. Chu Yuet Wah and Lessor 1 and its ultimate beneficial owner are Independent Third Parties
Premises:	All those office nos. 5906–5912 on 59th Floor of The Center, 99 Queen's Road Central, Hong Kong
Term of lease:	1 April 2024 to 31 March 2027
Total rent payable:	The total rent payable under Lease Agreement 1, exclusive of air conditioning, management charges, government rent and rates and other outgoing charges, is HK\$923,580 per month
Security Deposit:	HK\$3,390,232.20
Rent-free period:	2 months from 1 April 2024
Right-of-use asset value:	A total of approximately HK\$29.1 million covering whole of lease term

The terms of the Lease Agreement 1 were determined after arm's length negotiations between Lessor 1 and the Lessee and with reference to the prevailing market rental for properties of similar type, age and location.

Lease Agreement 2

The principal terms of the Lease Agreement 2 are set out below:

Lessee:	REF Financial Press, a wholly-owned subsidiary of the Company
Lessor 2:	The Center (61) Limited, an Independent Third Party

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Lessor 2 is ultimately owned by Mrs. Chu Yuet Wah and Lessor 2 and its ultimate beneficial owner are Independent Third Parties

Premises:	All those office nos. 6107–6109 on 61st Floor of The Center, 99 Queen's Road Central, Hong Kong
Term of lease:	1 April 2024 to 31 March 2027
Total rent payable:	The total rent payable under Lease Agreement 2, exclusive of air conditioning, management charges, government rent and rates and other outgoing charges, is HK\$420,147 per month
Security Deposit:	HK\$1,542,266.28
Rent-free period:	2 months from 1 April 2024
Right-of-use asset value:	A total of approximately HK\$13.3 million covering whole of lease term

The terms of the Lease Agreement 2 were determined after arm's length negotiations between Lessor 2 and the Lessee and with reference to the prevailing market rental for properties of similar type, age and location.

The rent under the Lease Agreements are expected to be funded through the internal resources of the Group.

Lease Agreement 1 and Lease Agreement 2 are inter-conditional.

INFORMATION OF THE PARTIES

The Company and the Group

The Company is an investment holding company. The Group principally engages in the provision of financial printing services for the financial sector in Hong Kong.

Lessor 1 and Lessor 2

Lessor 1 and Lessor 2 are primarily engaged in property investment.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Lessor 1 and Lessor 2 are ultimately owned by Mrs. Chu Yuet Wah, an Independent Third Party.

REASONS AND BENEFITS OF THE LEASE AGREEMENTS

The Group is principally engaged in the provision of financial printing services for the financial sector in Hong Kong. As such, the premises where the Group carries on its business is of material importance. The current lease for the Premises is expected to expire on 31 March 2024. The Company considers continue renting a world class building premises with comprehensive security, information technological capabilities, in close proximity to its customer base and on competitive rental terms, is conducive to the Company's business. In addition, the Company will save time and costs from relocating to new premises and reinstatement of existing premises. The Directors consider that the terms of the Lease Agreements are fair and reasonable and in the interest of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16, as a result of the entering into the Lease Agreements, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transactions contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Leases shall amount to approximately in aggregate HK\$42.4 million.

Lessor 1 and Lessor 2 are ultimately beneficially owned by the same shareholder and as such, the Leases will be aggregated for the purpose of calculating the relevant percentage ratio. As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease Agreements based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 25% but less than 100%, the entering into the Lease Agreements constitutes a major transaction of the Company and is accordingly subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution(s) for approving the Lease Agreements and the transactions contemplated thereunder if the Company was required to convene a general meeting for the approval of the Lease Agreements and the transactions contemplated thereunder. The Company has obtained a written approval from Mr. Lau Man Tak, being the controlling Shareholder holding 192,000,000 shares of the Company, representing approximately 75% of the issued shares of the Company as at the date of this announcement, for the Lease Agreements and the transactions contemplated thereunder in lieu of holding a general meeting of the Company under Rule 14.44 of the Listing Rules. Accordingly, no general meeting of the Company shall be convened to approve the Lease Agreements and the transactions contemplated thereunder.

GENERAL

A circular containing, among other things, further information of the Lease Agreements and the transactions contemplated thereunder, will be despatched to the Shareholders on or before 23 April 2024.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	REF Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands and the shares of which are listed on of the Stock Exchange (Stock code: 1631)
“connected person”	has the meaning ascribed to it under Listing Rules
“Directors”	the directors of the Company
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, is/are not connected persons of the Company and is/are third party independent of the Company and its connected persons in accordance with the Listing Rules
“Lease Agreement 1”	an agreement entered into between the Lessee and Lessor 1 on 28 March 2024 (after trading hours) for the lease of Premises 1
“Lease Agreement 2”	an agreement entered into between the Lessee and Lessor 2 on 28 March 2024 (after trading hours) for the lease of Premises 2
“Lease Agreements”	collectively the Lease Agreement 1 and the Lease Agreement 2 and the lease thereto shall be the “Lease” and collectively the “Leases”
“Lessee” or “REF Financial Press”	REF Financial Press Limited, a wholly-owned subsidiary of the Company

“Lessor 1”	The Center (59) Limited, a company incorporated in the British Virgin Islands and owned by an Independent Third Party
“Lessor 2”	The Center (61) Limited, a company incorporated in the British Virgin Islands and owned by an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Premises”	collectively Premises 1 and Premises 2
“Premises 1”	all those office nos. 5906–5912 on 59th Floor of The Center, 99 Queen’s Road Central, Hong Kong
“Premises 2”	all those office nos. 6107–6109 on 61st Floor of The Center, 99 Queen’s Road Central, Hong Kong
“Shareholder(s)”	holder(s) of the ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
REF Holdings Limited
Lau Man Tak
Chairman

Hong Kong, 28 March 2024

As at the date of this announcement, the Board of the Company comprises Ms. Fan Jia Yin as executive director; Mr. Lau Man Tak (Chairman) as non-executive director; and Mr. Lee Hon Man Eric, Mr. Leung Chi Hung and Mr. Wong Kun Kau as independent non-executive directors.