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CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED

基石科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

CONNECTED TRANSACTION

THE SALE AND PURCHASE AGREEMENT

On 27 December 2024 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Company agrees to sell and the Purchaser agrees to purchase EV Chargers in accordance with the terms and conditions of the Sale and Purchase Agreement.

GEM LISTING RULES IMPLICATIONS

As the Purchaser is a company indirect non-wholly owned as to approximately 59.3% by Gaw Capital, which is a Substantial Shareholder of the Company upon exercising conversion of the Convertible Notes, the Sale and Purchase Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As all of the applicable percentage ratios are less than 25% and the total consideration is less than HK\$10,000,000, the Sale and Purchase Agreement is only subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 20.74(2) (b) of the GEM Listing Rules.

On 27 December 2024 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Company agrees to sell and the Purchaser agrees to purchase EV Chargers in accordance with the terms and conditions of the Sale and Purchase Agreement.

Principal terms of the Sale and Purchase Agreement are set out below:

THE SALE AND PURCHASE AGREEMENT

Date : 27 December 2024 (after trading hours)

Parties : (1) the Company; and

(2) the Purchaser

The Purchaser was incorporated in Thailand with limited liability, and principally engaged in EV charging operations in Thailand. The Purchaser is also a company indirect non-wholly owned as to approximately 59.3% by Gaw Capital, which is a Substantial Shareholder of the Company upon exercising conversion of the Convertible Notes. Accordingly, the Purchaser is a connected person of the Company pursuant to Chapter 20 of the GEM Listing Rules.

Consideration

Pursuant to the Sale and Purchase Agreement, the Company agrees to sell and the Purchaser agrees to purchase EV Chargers at Consideration.

The Consideration shall be payable to the Company within 10 Business Days upon signing of the Sale and Purchase Agreement.

Completion

Completion shall take place upon the full settlement of the Consideration in respect of EV Chargers to the Company.

INFORMATION ON THE PARTIES

The Group

The Company is an investment holding company and its subsidiaries are principally engaged in the electric vehicle charging business in Hong Kong.

The Purchaser

The Purchaser is a company incorporated under the laws of Thailand, and principally engaged in EV charging operations in Thailand. As at the date of this announcement, the Purchaser is indirectly owned as to 35.6% by the Company, indirectly owned as to 59.3% by Gaw Capital and as to 5.1% by other investors.

REASONS FOR ENTERING INTO THE SALE AND PURCHASE AGREEMENT

On 26 January 2023, an addendum to the memorandum of understanding on cooperation in the development of EV charging stations and EV pavilions in Bangchak gas stations was entered into between EV Verse, the Purchaser and the Company whereas the Purchaser is able to build and operate EV charging sites at the gas stations of Bangchak in Thailand. The Purchaser shall plan, install, build-out and operate over 600 EV charging stations in Thailand across the target sites assessed by Spark.

The Purchaser being an associate of the Company and with high demand of EV Chargers, the Directors hold a positive prospect for the future of the Purchaser and the EV charging market in Thailand. The Directors are of the view that the entering into the Sale and Purchase Agreement will ensure high quality development of EV Chargers for the Purchaser, expand the Company's footprint into Thailand and thereby promoting the Company's capabilities outside of Hong Kong and maintain a good relationship with the Purchaser for future collaboration.

The Directors consider that the terms and conditions of the Sale and Purchase Agreement was entered into on normal commercial terms and the terms therein are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATION

As the Purchaser is a company indirect non-wholly owned as to approximately 59.3% by Gaw Capital, which is a Substantial Shareholder of the Company upon exercising conversion of the Convertible Notes, the Sale and Purchase Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As all of the applicable percentage ratios are less than 25% and the total consideration is less than HK\$10,000,000, the Sale and Purchase Agreement is only subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 20.74(2) (b) of the GEM Listing Rules.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Bangchak”	Bangchak Corporation Public Company Limited
“Board”	the board of Directors

“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“Company”	Cornerstone Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM (stock code: 8391)
“Completion”	completion of the Sale and Purchase of EV Chargers in accordance with the terms and conditions of the Sale and Purchase Agreement
“Consideration”	the total consideration in the sum of USD 1,266,222.14 (approximately to HK\$9.8 million), to be settled by Purchaser to the Company
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Convertible Notes”	convertible notes issued and to be issued by the Company in accordance with the terms of the convertible notes subscription agreement dated 20 September 2024
“Director(s)”	director(s) of the Company
“EV”	electric vehicle
“EV Chargers”	74 electric vehicle charging equipments to be purchased and sold pursuant to the Sale and Purchase Agreement
“EV Verse”	EV Verse Company Limited, a company incorporated and existing under the laws of Thailand
“Gaw Capital”	Gaw Capital Partners
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Party(ies)”	each of the Company or Spark, or both

“Purchaser”	Spark EV Company Limited, a company incorporated under the laws of Thailand and an associate of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 27 December 2024 entered into between the Company and the Purchaser
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

For the purpose of this announcement and for illustrative purpose only, conversions of US\$ to HK\$ are based on the exchange rate of US\$1.00 = HK\$7.78. No representation is made that any amounts in HK\$ or US\$ can be or could have been converted at the relevant dates at the above rate or at any other rates or at all.

By Order of the Board
Cornerstone Technologies Holdings Limited
LIANG Zihao
Co-Chairman and Executive Director

Hong Kong, 27 December 2024

As at the date of this announcement, the executive Directors are Mr. LIANG Zihao, Mr. WU Jianwei, Mr. LI Man Keung Edwin, Mr. YIP Shiu Hong, Mr. HO Karl, Mr. PAN Wenyuan and Ms. WU Yanyan, the non-executive Director is Mr. KOH Herbin Puay Teck and the independent non-executive Directors are Ms. IP Ka Lai, Ms. SO Sze Wan Lisa, Mr. TAM Ka Hei Raymond and Ms. YEUNG Pik Wah.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days after the date of publication and on the Company’s website at www.cstl.com.hk.