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EMINENCE ENTERPRISE LIMITED

高山企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 616)

MAJOR TRANSACTION ACQUISITION OF PROPERTIES

The Board is pleased to announce that on 28 March 2017, our Group, through the Purchaser has entered into the Provisional Agreements with the Vendors, pursuant to which the Purchaser has agreed to acquire the Properties from the Vendors for an aggregate cash consideration of HK\$226,052,500.

As one of applicable percentage ratios (as defined in the Listing Rules) of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction under Rule 14.06(3) of the Listing Rules, and is therefore subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, should the Acquisition be put forward for Shareholders' approval at a general meeting of our Company, no Shareholder is required to abstain from voting on the resolution for the approval of the Acquisition at a general meeting.

A circular containing, amongst others, further details of the Acquisition, together with the notice of special general meeting will be despatched to the Shareholders in accordance with the requirements of the Listing Rules on or before 24 April 2017.

The Board is pleased to announce that on 28 March 2017, Wealth Plan, as the Purchaser, has entered into the Provisional Agreements with the Vendors, pursuant to which the Purchaser has agreed to acquire from the Vendors the Properties for an aggregate cash consideration of HK\$226,052,500.

THE PROVISIONAL AGREEMENTS

The Purchaser of all the Provisional Agreements is Wealth Plan and all are dated 28 March 2017. Other than the Vendors and the Properties, the Provisional Agreements share the same principal terms. Each of the Provisional Agreements is inter-conditional. Set out below are further details.

	Vendor(s)	Subject Property of the Building
PA1	Sunkinds Industrial Limited	Portion A of carpark, ground floor
PA2	Tang Kin Ngar	Portion B of carpark, ground floor
PA3	Sunkinds Industrial Limited	Flats A and B, 1/F
PA4	Cheung Yau Choi	Flat A, 2/F
PA5	Tse Siu Man	Flat B, 2/F
PA6	Duet Limited	Flat A, 3/F
PA7	Lee Tien Tsin	Flat B, 3/F
PA8	Tse Man Yau, Chan Hut Yin, Tse Pui San and Tse Kwok Yau Stephen	Flats A and B, 4/F and flat roof
PA9	Lee Hin Woon and Lau Ah Na	Flat A, 5/F
PA10	Fung Ting	Flat B, 5/F
PA11	JsoTex & Company Limited	Flats A and B, 6/F
PA12	Ng Yu Tuen and Wong Mariana Yuen Ping	Flat A, 7/F
PA13	Wang Bin	Flat B, 7/F
PA14	Hon Man Wah	Flat A, 8/F
PA15	Pong Yip Hing	Flat B, 8/F
PA16	Leung Patty Yee Kay	Flat A, 9/F and roof
PA17	Leung Chi Hong	Flat B, 9/F and roof

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors and/or ultimate beneficial owners are Independent Third Parties. Prior to the Provisional Agreements, there were no arrangements between the Company and the Vendors in relation to the Provisional Agreements.

The Subjects of the Acquisition

The Properties are located in Hong Kong Lai Chi Kok District, being Wing Cheong Industrial Building, a 47 years' age of 10-storey industrial building, comprising 24 industrial units and 2 car park units with a site area of approximately 5,483 square feet.

The Properties shall be sold to the Purchaser at "is basis".

11 of the Properties are subject to the tenancy agreements that by the terms may still be in force at the latest time for completion of the formal sale and purchase agreements. Such tenancies will be expired between April 2017 and April 2020.

Condition Precedent

Completion of the Agreement is conditional upon the fulfillment of the following conditions on or prior to the Completion Date:

1. the Provisional Agreements and the transactions contemplated herein duly approved by the shareholders' meeting of the Company in accordance with the Listing Rules; and
2. the warranties provided by the respective Vendors under the Provisional Agreements remain true and accurate in all respects.

Consideration

The Consideration of HK\$226,052,500 was determined after arm's length negotiations between the Purchaser and the Vendors. When determining the Consideration, the management of the Company has taken into account the location of the Properties, market prices of properties of similar sizes and usage, the potential of redevelopment and as well as the preliminary value of the Properties as indicated by an independent valuer. The management of the Company believes that the above provides a reasonable basis in its assessment value of the Properties.

Payment Method

The Consideration shall be paid in cash as follows:

1. an aggregate initial deposit in the sum of HK\$11,302,625 has been paid to the Vendors on the signing date of the Provisional Agreements;
2. an aggregate further deposit in the sum of HK\$11,302,625 shall be paid to the Vendors on 18 April 2017;
3. an aggregate further deposit in the sum of HK\$22,605,250 shall be paid to the Vendors upon the signing of the formal agreement on or before 2 May 2017; and
4. an aggregate balance of deposit in the sum of HK\$180,842,000 shall be paid to the Vendors upon the Completion on or before 28 June 2017.

The Acquisition will be funded by internal resources of the Group and/or bank facilities and/or equity issuances.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group's principal businesses are property investment, property development, securities investment and money lending business. The Group currently holds various commercial, industrial and residential properties in Hong Kong, Singapore and the PRC.

Upon Completion of the Acquisition, the Group shall have 86.36% of the undivided shares of the Building (as contemplated by section 3(1) of the Land (Compulsory Sale for Redevelopment Ordinance, Cap 545). The Group intends to acquire the Remaining Units so as to be the owner of the whole Building and may contemplate to redevelop into a high rise composite commercial / residential building if and when the Directors consider the market sentiment to be appropriate. The Company will make further announcement(s) to inform the Shareholders when any purchase of the Remaining Units are transacted.

The Directors, including the independent non-executive Directors, are of the view that the terms of the Provisional Agreements are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined in the Listing Rules) of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction under Rule 14.06(3) of the Listing Rules, and is therefore subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

GENERAL

The special general meeting will be convened and held to consider and, if thought fit, approve the Acquisition and the transactions contemplated thereunder. A circular containing, among other things, further details of the Acquisition; together with a notice convening the special general meeting is expected to be despatched to the Shareholders on or before 24 April 2017.

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Properties by Purchaser subject to the terms and conditions of the Provisional Agreements
“associates”	the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Building”	the building is known as Wing Cheong Factory Building which is situated at No. 121 King Lam Street, Kowloon, Hong Kong with a total of 24 units and 2 car park units
“Company”	Eminence Enterprise Limited (高山企業有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the Properties
“Completion Date”	the date fixed for completion of the Acquisition, which is expected to be on 28 June 2017 or such other dates the parties may agree in writing
“Consideration”	the aggregate consideration for the Acquisition, being HK\$226,052,500
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and of connected persons (as defined in the Listing Rules) of the Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	the meaning ascribed thereto in Chapter 14 of the Listing Rules
“PRC”	the People’s Republic of China
“Properties”	18 units of the Building and 2 car park units which are: <ol style="list-style-type: none"> (1) Flat A, 1/F (2) Flat B, 1/F (3) Flat A, 2/F (4) Flat B, 2/F (5) Flat A, 3/F (6) Flat B, 3/F (7) Flat A, 4/F and flat roof (8) Flat B, 4/F and flat roof (9) Flat A, 5/F (10) Flat B, 5/F (11) Flat A, 6/F and flat roof (12) Flat B, 6/F and flat roof (13) Flat A, 7/F (14) Flat B, 7/F (15) Flat A, 8/F (16) Flat B, 8/F (17) Flat A, 9/F and flat roof (18) Flat B, 9/F and flat roof (19) Portion A of carpark, ground floor (20) Portion B of carpark, ground floor
“Provisional Agreements”	17 provisional agreements dated 28 March 2017 entered into between the Purchaser and the Sellers for the sale and purchase of the Properties, they are PA1, PA2, PA3, PA4, PA5, PA6, PA7, PA8, PA9, PA10, PA11, PA12, PA13, PA14, PA15, PA16 and PA17
“Remaining Units”	6 units of the Building which are: <ol style="list-style-type: none"> (1) Flat A, ground floor (2) Flat B, ground floor (3) Flat C, ground floor (4) Flat D, ground floor (5) Flat E, ground floor (6) Flat F, ground floor

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor(s)”	vendors of the Properties: (1) Sunkinds Industrial Limited (2) Tang Kin Ngar (3) Cheung Yau Choi (4) Tse Siu Man (5) Duet Limited (6) Lee Tien Tsin (7) Tse Man Yau, Chan Hut Yin, Tse Pui San and Tse Kwok Yau Stephen (8) Lee Hin Woon and Lau Ah Na (9) Fung Ting (10) Jsotex & Company Limited (11) Ng Yu Tuen and Wong Mariana Yuen Ping (12) Wang Bin (13) Hon Man Wah (14) Pong Yip Hing (15) Leung Patty Yee Kay (16) Leung Chi Hong
“Wealth Plan”	Wealth Plan Development Limited, a company incorporated in the British Virgin Islands and is a direct wholly-owned subsidiary of the Company

By Order of the Board
EMINENCE ENTERPRISE LIMITED
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 29 March 2017

As at the date hereof, the Board comprises Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy as executive directors, Mr. Tse Wing Chiu Ricky and Mr. Lai Law Kau as non-executive directors; and Mr. Kan Ka Hon, Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly as independent non-executive directors.

If there is any inconsistency between the Chinese and English versions of this announcement, the English version shall prevail.