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EMINENCE ENTERPRISE LIMITED

高山企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 616)

DISCLOSEABLE TRANSACTION DISPOSAL OF SECURITIES IN VICTORY CITY INTERNATIONAL HOLDINGS LIMITED

The Group first made a disposal of 1,454,000 VCIH Shares at an average price of approximately HK\$0.2146 per VCIH Share and yielded an aggregate gross sale proceeds of HK\$312,000.00 (excluding transaction costs) on 24 October 2017.

On 31 August 2018, the Group continued to make disposal of VCIH Shares comprising 11,000,000 of VCIH Shares at an average price of approximately HK\$0.1450 per VCIH Share and yielded an aggregate gross sale proceeds of HK\$1,595,000.00 (excluding transaction costs).

As one or more of the applicable percentage ratios in respect of the disposal on 31 August 2018 (standing alone and when aggregated with the disposal on 24 October 2017) exceeds 5% but are less than 25%, the Disposals constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under the Listing Rules.

THE DISPOSALS

The Group first made a disposal of 1,454,000 VCIH Shares at an average price of approximately HK\$0.2146 per VCIH Share and yielded an aggregate gross sale proceeds of HK\$312,000.00 (excluding transaction costs) on 24 October 2017.

On 31 August 2018, the Group continued to make disposal of VCIH Shares comprising 11,000,000 of VCIH Shares at an average price of approximately HK\$0.1450 per VCIH Share and yielded an aggregate gross sale proceeds of HK\$1,595,000.00 (excluding transaction costs).

As one or more of the applicable percentage ratios in respect of the disposal on 31 August 2018 (standing alone and when aggregated with the disposal on 24 October 2017) exceeds 5% but are less than 25%, the Disposals constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the Disposals were made on the market, the Company is not aware of the identities of the purchasers of the VCIH Shares. To the best of the knowledge, information and belief of the Directors, the purchasers of the VCIH Shares and/or their ultimate beneficial owners are Independent Third Parties.

Assets disposed

On 24 October 2017, the group disposed of 1,454,000 VCIH Shares, representing approximately 0.0289% of the issued share capital of VCIH. On 31 August 2018, the Group disposed of 11,000,000 VCIH Shares, representing approximately 0.2186% of the issued share capital of VCIH and in aggregate disposed of 12,454,000 VCIH Shares, representing approximately 0.2475% of the issued share capital of VCIH (based on the 5,031,744,205 VCIH Shares as at 31 July 2018 according to publicly available information).

Consideration

The aggregate gross sale proceeds of the Disposals is HK\$1,907,000.00 (excluding transaction costs) was receivable in cash on settlement. The price for the Disposals represented the market price of the VCIH Shares at the time of the Disposals.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group's principal businesses are property investment, property development, securities investment and loan financing.

The purpose of the Disposals is to obtain a balanced securities investment portfolio. As a result of the Disposals, the Group is expected to recognize a loss of approximately HK\$10,830,000.00 (excluding transaction costs), which is calculated on the basis of the difference between the total acquisition costs and the aggregate gross sale proceeds (excluding transaction costs). The Group intends to use the proceeds of the Disposals for general working capital.

The Disposals were made at market price and the Directors are of the view that the Disposals would enhance the liquidity of the Company and was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON VCIH

According to publicly available information, VCIH is a company incorporated in Bermuda and the shares of which are listed and traded on the Stock Exchange (Stock Code: 539). The business of VCIH is principally engaged in the production and sale of knitted fabric and dyed yarn and garment products.

The following information is extracted from the annual report 2018 and interim results announcement of VCIH:

	For the year ended 31 March	
	2018	2017
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
Revenue	4,960,298	4,939,904
Profit before taxation	348,579	137,732
Net profit after taxation		
Attributable to shareholders		
of VCIH	330,131	135,526
Total assets	13,345,296	11,925,166

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the disposal on 31 August 2018 (standing alone and when aggregated with the disposal on 24 October 2017) exceeds 5% but are less than 25%, the Disposals constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Company”	Eminence Enterprise Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 616);
“Director(s)”	director(s) of the Company;
“discloseable transaction”	as defined in the Listing Rules;
“Disposals”	the disposals by the Group for 1,454,000 and 11,000,000 VCIH Shares on 24 October 2017 and 31 August 2018 respectively and yielded an aggregate gross sale proceeds of HK\$1,907,000.00 (excluding transaction costs);
“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 PRC;
“Independent Third Parties”	third parties independent of the Company and not connected persons of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“percentage ratios”	as defined in the Listing Rules;
“PRC”	the People’s Republic of China;
“Shareholder(s)”	holder(s) of shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“VCIH”	Victory City International Holdings Limited, a company incorporated in Bermuda and the shares of which are listed and traded on the Stock Exchange (Stock Code: 539);
“VCIH Shares”	the ordinary share(s) of HK\$0.01 each in the share capital of VCIH; and
“%”	per cent.

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

Hong Kong, 3 September 2018

As at the date hereof, the board of directors of the Company comprises Mr. Kwong Jimmy Cheung Tim and Ms. Lui Yuk Chu as executive directors; Mr. Kan Ka Hon, Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly as independent non-executive directors.