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ASIA COMMERCIAL HOLDINGS LIMITED

冠亞商業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 104)

DISCLOSEABLE TRANSACTION ACQUISITION OF A REAL PROPERTY

ACQUISITION OF THE PROPERTY

The Board is pleased to announce that on 1 June 2018, Eav Development (a wholly-owned subsidiary of the Company) as buyer entered into the SP Contract with the Sellers agreeing to purchase the Property from the Sellers. The Purchase Price for the Property is £3,000,000 (approximately HK\$31,230,000) payable in cash.

The Property is a residential apartment at Flat 5A, 107 Queen's Gate, London SW7 5AG, United Kingdom.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

1. BACKGROUND

The Board is pleased to announce that on 1 June 2018, Eav Development (a wholly-owned subsidiary of the Company) as buyer entered into the SP Contract with the Sellers agreeing to purchase the Property from the Sellers. The material terms of the SP Contract are set out below.

2. SP CONTRACT

Date:

1 June 2018

Parties:

- (1) Eav Development (a wholly-owned subsidiary of the Company) as buyer; and
- (2) The Sellers, who are two individuals. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the Sellers are third parties independent of the Company and its connected persons.

Property:

The subject matter of the Acquisition is the Property.

Purchase Price:

The Purchase Price for the Property is £3,000,000 (approximately HK\$31,230,000) payable in cash. A deposit of £300,000 (approximately HK\$3,123,000) has been paid on the date of the SP Contract. The remaining balance of £2,700,000 (approximately HK\$28,107,000) of the Purchase Price will be paid on completion of the Acquisition.

The Purchase Price was agreed between the parties after commercial negotiations at arm's length. The management of the Group agreed to the Purchase Price after its internal valuation based on comparison of the publicly available property transaction prices in or near the same locality and an assessment of the Property's area, the building's age, location and orientation, general construction quality, interior finishes and fittings and neighboring transportation and connectivity.

The Purchase Price is funded by the internal cash resources of the Group.

Completion:

The parties intend to complete the Acquisition on or before 15 June 2018.

3. INFORMATION ABOUT THE PROPERTY AND REASONS FOR, AND BENEFITS OF, THE ACQUISITION

The Property is a residential apartment at Flat 5A, 107 Queen's Gate, London SW7 5AG, United Kingdom. The total floor area of the Property is approximately 1,710 sq ft/158.86 sq metres. Vacant possession of the Property will be delivered on the completion of the Acquisition.

The Property is located at the southern end of Queen’s Gate, a wide tree lined street, allowing easy access to the shops, restaurants, transport facilities. Also within walking distance are Hyde Park and Kensington Gardens.

The Property is acquired for investment purposes. The addition of the Property to the Group’s investment properties portfolio will enhance the asset base of the Group and enable the Group to diversify its property investment geographically into the United Kingdom market. The Company believes that the Property will provide the Group with additional rental income stream and potential increase in capital value over time.

The Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. GENERAL AND LISTING RULES IMPLICATIONS

The Company is an investment holding company. Its subsidiaries are principally engaged in trading of watches (retail and wholesale) and property leasing.

As the highest applicable percentage ratio calculated in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company which is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

5. DEFINITIONS

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

“Acquisition”	the purchase of the Property in accordance with the SP Contract;
“Board”	the board of Directors;
“Company”	Asia Commercial Holdings Limited, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 104);
“Completion”	the completion of the sale and purchase of the Property under the SP Contract;
“Completion Date”	the date on which Completion shall take place in accordance with the SP Contract;
“connected person”	has the meaning ascribed to it under the Listing Rules;

“Deposit”	the deposit in the sum of £300,000 (approximately HK\$3,123,000) paid by Eav Development upon the signing of the SP Contract;
“Director(s)”	(a) director(s) of the Company;
“Eav Development”	The Eav’s Development Limited, a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“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;
“Main Board”	the Main Board of the Stock Exchange;
“percentage ratios”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules;
“Property”	Flat 5A, 107 Queen’s Gate, London SW7 5AG, United Kingdom;
“Purchase Price”	the sum of £3,000,000 (approximately HK\$31,230,000), being the consideration for the Property;
“Sellers”	two individuals acting as sellers of the Property;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s) from time to time;
“SP Contract”	the contract dated 1 June 2018 and entered into between Eav Development as buyer and the Sellers in respect of the Acquisition;
“sq m”	square metres;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“United Kingdom”	The United Kingdom of Great Britain and Northern Ireland;
“£”	Pound Sterling, the lawful currency of the United Kingdom;
“%”	per cent..

By Order of the Board
Asia Commercial Holdings Limited
Cheng Ka Chung
Company Secretary

Hong Kong, 4 June 2018

As at the date of this announcement, the Board comprises Mr. Eav Yin (Chairman), Ms. Eav Guech Rosanna and Mr. Duong Ming Chi, Henry as executive directors and Mr. Lai Si Ming, Ms. Wong Wing Yue, Rosaline and Mr. Lee Tat Cheung, Vincent as independent non-executive directors.

* *For identification purpose only*

Currency translation rate at £1=HK\$10.41 is used solely for illustration of foreign currency amount.