

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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 15 October 2018, Eav Development (a wholly-owned subsidiary of the Company) as buyer entered into the SP Contract with the Seller agreeing to purchase the Property from the Seller. The Purchase Price for the Property is approximately £3,600,000 (approximately HK\$36,990,000) payable in cash.

The Property is a 2-storey residential development at 91 Holland Park, London W11 3RG, 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 which is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

#### **1. BACKGROUND**

The Board is pleased to announce that on 15 October 2018, Eav Development (a wholly-owned subsidiary of the Company) as buyer entered into the SP Contract with the Seller agreeing to purchase the Property from the Seller. The material terms of the SP Contract are set out below.

## **2. SP CONTRACT**

### **Date:**

15 October 2018

### **Parties:**

- (1) Eav Development (a wholly-owned subsidiary of the Company) as buyer; and
- (2) the Seller, which is the owner of the Property. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) are third party 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 approximately £3,600,000 (approximately HK\$36,990,000) payable in cash. A Deposit of £360,000 (approximately HK\$3,699,000) has been paid on the date of the SP Contract. The remaining balance of £3,240,000 (approximately HK\$33,291,000) 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 Company is expecting to complete the Acquisition by or around the end of this year.

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

The Property is a 2-storey residential development at 91 Holland Park, London W11 3RG, United Kingdom. The total floor area of the Property is approximately 190 sq m. Vacant possession of the Property will be delivered on the completion of the Acquisition. It is located in Royal Borough of Kensington & Chelsea and is one of the London's premier residential locations.

The Property is acquired for investment purposes. The Group intends to redevelop the Property into a new 2-storey residential development. The information available from the Seller shows that planning consent for approximately 241 sq m internal area and approximately 106 sq m external space has been obtained.

The Company believes that the Acquisition offers an opportunity to the Group to start to engage in a small scale residential development project with a view to capturing potential increase in the capital value of the Property. In addition, 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 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), property leasing and investment.

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;
“connected person”	has the meaning ascribed to it under the Listing Rules;

“Deposit”	the deposit in the sum of £360,000 (approximately HK\$3,699,000) has been 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”	2-storey residential development at 91 Holland Park, London W11 3RG, United Kingdom;
“Purchase Price”	the sum of £3,600,000 (approximately HK\$36,990,000), being the consideration for the Property;
“Seller”	Holland Park Estates Limited, a company registered in Guernsey with limited liability by shares. Based on the public filings of the Seller available to the Company as at the date of this announcement, the Seller is classified as a “Financial Product Companies – Licensed Resident Agent” and its economic activity type is “asset, property, investment, intellectual property and other holding companies”;
“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 15 October 2018 and entered into between Eav Development as buyer and the Seller 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, 15 October 2018

*As at the date of this announcement, the Board comprises Mr. Eav Yin (Chairman), Ms. Eav Guech Rosanna, Mr. Duong Ming Chi, Henry and Mr. Eav Feng Ming, Jonathan 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\$10.275 is used solely for illustration of foreign currency amount.*