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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 GRANT OF LOANS

BACKGROUND

The Company announces that on 16 January 2020, the Lender (a wholly-owned subsidiary of the Company) entered into the Loan Agreement 1 with the Borrower, pursuant to which the Lender granted to the Borrower Loan 1 for a period of five (5) months from 17 January 2020 to 16 June 2020. The interest rate of Loan 1 under the Loan Agreement 1 is 6% per annum.

On 11 March 2020, the Lender entered into the Loan Agreement 2 with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower Loan 2 for a period of three (3) months from the drawdown date until 12 June 2020. The interest rate of Loan 2 under the Loan Agreement 2 is 8% per annum.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Loans exceed 5% but are less than 25%, the grant of the Loans constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

The Company announces that on 16 January 2020, the Lender (a wholly-owned subsidiary of the Company) entered into the Loan Agreement 1 with the Borrower, pursuant to which the Lender granted to the Borrower Loan 1 for a period of five (5) months from 17 January 2020 to 16 June 2020. The interest rate of Loan 1 under the Loan Agreement 1 is 6% per annum.

On 11 March 2020, the Lender entered into the Loan Agreement 2 with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower Loan 2 for a period of three (3) months from the drawdown date until 12 June 2020. The interest rate of Loan 2 under the Loan Agreement 2 is 8% per annum.

Summarized below are the principal terms of the Loan Agreements:

THE LOAN AGREEMENT 1

- Date : 16 January 2020
- Parties : (i) City China International Limited, as lender, is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong); and
- (ii) Victor Or, as borrower, an individual and an Independent Third Party
- Principal amount of Loan 1 : HK\$4,000,000 (Hong Kong Dollars Four Million)
- Interest rate : 6% per annum
- Maturity date : 16 June 2020, being five (5) months from 17 January 2020
- Repayment schedule : Loan 1, together with the accrued interest of HK\$100,000, is repayable in one lump sum on the maturity date
- Security : 1 post-dated cheque

THE LOAN AGREEMENT 2

- Date : 11 March 2020
- Parties : (i) City China International Limited, as lender, is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong); and
- (ii) Victor Or, as borrower, an individual and an Independent Third Party
- Principal amount of Loan 2 : HK\$30,000,000 (Hong Kong Dollars Thirty Million)
- Interest rate : 8% per annum
- Drawdown date : 13 March 2020
- Maturity date : 12 June 2020, being three (3) months from the drawdown date
- Repayment schedule : Loan 2, together with the accrued interest of HK\$600,000, is repayable in one lump sum on the maturity date
- Security : 1 post-dated cheque

INFORMATION ON THE LENDER AND THE GROUP

The Lender, a wholly-owned subsidiary of the Company, is a company incorporated in Hong Kong with limited liability and a licensed money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Lender is principally engaged in the business of money lending and the granting of the loans is a transaction carried out as part of the ordinary and usual course of business of the Group.

The Company is an investment holding company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 616). The Group is principally engaged in property investment, property development, securities investment and loan financing business.

INFORMATION ON THE BORROWER

The Borrower is an individual.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Borrower is an Independent Third Party.

REASONS FOR AND THE BENEFITS OF THE TRANSACTIONS

The reason for granting the Loans is to enable the resources of the Company not immediately required for its operations to be used in the Loans offering a return higher than that available from bank deposits or similar investments so as to benefit from the interests payable on the Loans.

The funding of the Loans is from the internal resources of the Company. The terms of the Loan Agreements were arrived at after arm's length negotiations between the Borrower and the Lender and granting of the Loans is in the ordinary course of the Group's loan financing business.

The Company has obtained relevant documents from the Borrower to assess his financial status and his repayment capability for which the Company is satisfied and believe that the Borrower has the repayment capability to repay the Loans.

Having considered the above assessment and the terms of the Loan Agreements, including the interest rates and repayment schedule, the Directors consider the Loan Agreements are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Loans exceed 5% but are less than 25%, the grant of the Loans constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Borrower”	Victor Or, an individual and an Independent Third Party
“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)
“Directors”	the directors of the Company
“discloseable transaction”	as defined in the Listing Rules
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	person which, to the best knowledge and belief of the Directors having made all reasonable enquiries, is a third party independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Lender”	City China International Limited is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan 1”	a loan in the principal amount of HK\$4,000,000 granted by the Lender to the Borrower subject to and upon the terms of the Loan Agreement 1
“Loan 2”	a loan in the principal amount of HK\$30,000,000 granted by the Lender to the Borrower subject to and upon the terms of the Loan Agreement 2
“Loans”	Loan 1 and Loan 2
“Loan Agreement 1”	a loan agreement entered into between the Borrower and the Lender dated 16 January 2020
“Loan Agreement 2”	a loan agreement entered into between the Borrower and the Lender dated 11 March 2020
“Loan Agreements”	the Loan Agreement 1 and the Loan Agreement 2

“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 11 March 2020

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; and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Wu Koon Yin Welly as independent non-executive directors.