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**Travel Expert (Asia) Enterprises Limited**

**專業旅運（亞洲）企業有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1235)**

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL OF PROPERTY**

The Board is pleased to announce that on 16 June 2020, the Provisional Agreement was entered into between, among others, the Vendor and the Purchaser, which is a legal binding agreement, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at a consideration of HK\$28,000,000, subject to the terms and conditions of the Provisional Agreement.

**LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio for the Company in respect of the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of the announcement, the Company has obtained written approval from each of Colvin & Horne Holdings Limited, Mr. Ko Wai Ming, Daniel and Ms. Cheng Hang Fan, holding 356,715,000 shares, 4,240,000 shares and 8,370,000 shares respectively as at the date of the written approval, together representing 72.44% of the total number of issued shares of the Company, for approving the Disposal. Therefore, the Company will not convene a general meeting for approving the Disposal. In the event that a general meeting of the Company shall be convened to approve the Disposal, the Directors shall recommend voting in favour of the relevant resolution.

**GENERAL**

A circular containing, among others, further information on the transactions contemplated under the Provisional Agreement is expected to be despatched to the Shareholders on or before 9 July 2020.

## **THE PROVISIONAL AGREEMENT**

Date : 16 June 2020

Parties : (1) Profit Genius Marketing Solutions Limited, as Vendor; and  
(2) King Major Limited, as Purchaser.

Pursuant to the Provisional Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase the Property at a consideration of HK\$28,000,000, subject to the terms and conditions thereof.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) is independent of the Company and connected persons of the Company (as defined under the Listing Rules).

The Vendor is the legal and beneficial owner of the Property located at Flats A and C on 1<sup>st</sup> Floor, Han Chung Mansion, Nos. 8 and 10 Hankow Road, Kowloon with a total saleable area of approximately 154.03 square meters which is currently vacant.

### **Consideration**

The Consideration for the Disposal is HK\$28,000,000, which was arrived at after arm's length negotiations between the parties with reference to the valuation of the Property as at 31 March 2020 of HK\$22,000,000.

The Consideration will be / has been settled in the following manner:-

- (a) HK\$1,000,000 was paid by the Purchaser to the Vendor as an initial deposit upon signing of the Provisional Agreement;
- (b) HK\$1,800,000 will be paid by the Purchaser to the Vendor as a further deposit on or before 3 July 2020; and
- (c) HK\$25,200,000 being balance of the Consideration will be payable by the Purchaser to the Vendor on Completion.

### **Formal agreement**

A Formal Agreement for sale and purchase of the Property is expected to be entered into between the Vendor and the Purchaser on or before 3 July 2020.

### **Completion**

Completion is not subject to any condition precedent and is expected to take place on or before 16 September 2020.

## **INFORMATION OF THE GROUP**

The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1235). The principal activity of the Company is investment holding and the principal business of the Company's subsidiaries is to provide a one-stop travel management and services offering a wide range of packaged tours, travel packages, products and services.

## **INFORMATION OF THE PURCHASER**

The Purchaser is a company incorporated in Hong Kong with limited liability which is principally engaged in investment holding.

## **REASONS FOR AND BENEFIT OF THE DISPOSAL**

Taking into consideration the current financial position and business operation of the Group and the overall economy in Hong Kong, the Board is of the opinion that the Disposal represents a favourable opportunity to realise the value of the Property at a reasonable price and the proceeds from the Disposal will enhance the financial position of the Group and increase the general working capital of the Group.

The Directors (including the independent non-executive Directors) consider the terms of the Provisional Agreement are on normal commercial terms, which are fair and reasonable and are in the best interests of the Group and its shareholders as a whole.

## **FINANCIAL EFFECT OF THE DISPOSAL AND INTENDED USE OF PROCEEDS**

The unaudited carrying value of the Property as at 31 March 2020 was approximately HK\$22,000,000. The Group is expected to record a gain on Disposal of approximately HK\$6,000,000, which is calculated based on the Consideration received by the Group for the Disposal less the carrying value of the Property as at 31 March 2020 and the relevant expenses in relation to the Disposal.

It is estimated that the net proceeds from the Disposal would be approximately HK\$27,595,000. The Company intends to use the net proceeds from the Disposal as general working capital of the Group.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio for the Company in respect of the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of the announcement, the Company has obtained written approval from each of Colvin & Horne Holdings Limited, Mr. Ko Wai Ming, Daniel and Ms. Cheng Hang Fan, holding 356,715,000 shares, 4,240,000 shares and 8,370,000 shares respectively as at the date of the written approval, together representing 72.44% of the total number of issued shares of the Company, for approving the Disposal. Therefore, the Company will not convene a general meeting for approving the Disposal. In the event that a general meeting of the Company shall be convened to approve the Disposal, the Directors shall recommend voting in favour of the relevant resolution.

## **GENERAL**

A circular containing, among others, further information on the transactions contemplated under the Provisional Agreement is expected to be despatched to the Shareholders on or before 9 July 2020.

## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“Company”	Travel Expert (Asia) Enterprises Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1235)
“Completion”	the completion of the Disposal
“Consideration”	the consideration for the Disposal pursuant to the Provisional Agreement, being HK\$28,000,000
“Director(s)”	the director(s) of the Company
“Disposal”	the Disposal of the Property
“Formal Agreement”	the formal agreement to be entered into between the Vendor and the Purchaser on or before 3 July 2020 relating to the Disposal
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Property”	Flats A and C on 1 <sup>st</sup> Floor, Han Chung Mansion, Nos. 8 and 10 Hankow Road, Kowloon
“Provisional Agreement”	the provisional agreement which is a legal binding agreement dated 16 June 2020 entered into between the Vendor and the Purchaser relating to the Disposal
“Purchaser”	King Major Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Profit Genius Marketing Solutions Limited (formerly known as “Profit Genius Limited”), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board  
**Travel Expert (Asia) Enterprises Limited**  
**Ko Wai Ming, Daniel**  
*Chairman*

Hong Kong, 16 June 2020

*As at the date of this announcement, the executive Directors of the Company are Mr. Ko Wai Ming, Daniel and Ms. Cheng Hang Fan; and the independent non-executive Directors of the Company are Mr. Mak King Sau, Mr. Szeto Chi Man and Mr. Yung Ha Kuk, Victor.*