

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.



MELBOURNE ENTERPRISES LIMITED

萬邦投資有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 158)

**CONTINUING CONNECTED TRANSACTION
TENANCY AGREEMENT**

On 28 February 2015, the Company as landlord and Foo Hang as tenant entered into the New Tenancy Agreement in respect of the leasing of the Premises.

Foo Hang is a company which is owned as to more than 50% by the associates of Mr. Lo, an independent non-executive Director. Accordingly, Foo Hang is a connected person of the Company under the Listing Rules and the New Tenancy Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the Annual Cap Amounts payable to the Company under the Existing Tenancy Agreement and the New Tenancy Agreement for the year ending 30 September 2015 and under the New Tenancy Agreement for the year ending 30 September 2016 exceed HK\$3,000,000 and some of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules are more than 0.1% but less than 5%, the New Tenancy Agreement is only subject to the reporting, announcement and annual review requirements but is exempt from circular and independent shareholders' approval requirements under the Listing Rules.

THE NEW TENANCY AGREEMENT

The Company had on 24 February 2014 entered into the Existing Tenancy Agreement in respect of the Premises pursuant to which the Company as landlord rented the Premises to Foo Hang. Particulars of the Existing Tenancy Agreement were disclosed in the announcement of the Company dated 24 February 2014. As the Existing Tenancy Agreement is due to expire on 28 February 2015, the Company had on 28 February 2015 entered into the New Tenancy Agreement in respect of the lease of the Premises to Foo Hang for a

further one year. The principal terms of the New Tenancy Agreement are as follows:-

Parties	: the Company as landlord and Foo Hang as tenant
Premises being leased	: Rooms 1801-1814 on the 18 th Floor of Melbourne Plaza, 33 Queen's Road Central, Hong Kong
Tenancy Term	: 1 March 2015 – 29 February 2016
Rental	: HK\$384,820 per month exclusive of rates, air-conditioning charges and management fee
Air-conditioning charges and management fee	: air-conditioning charges of HK\$ 29,090 per month and management fee of HK\$29,090 per month

The rental, air-conditioning charges and management fee are all payable in advance on the first day of each and every calendar month. According to the New Tenancy Agreement, the Company may once every twelve months by one month's written notice increase the air-conditioning charges and/or management fee by not more than 10% of the original amount.

Based on the monthly rental, air-conditioning charges and management fee payable under the Existing Tenancy Agreement and the New Tenancy Agreement as well as the additional air-conditioning charges in the event that the tenant uses air-conditioning services after normal hours and also taking into account any increment in the air-conditioning charges and management fee, it is expected that the aggregate annual maximum amount payable to the Company under the Existing Tenancy Agreement and the New Tenancy Agreement for the year ending 30 September 2015 and the annual maximum amount payable to the Company under the New Tenancy Agreement for the year ending 30 September 2016 should not exceed HK\$5,340,000 and HK\$2,244,100 respectively (collectively referred to as the “**Annual Cap Amounts**”)

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW TENANCY AGREEMENT

As Foo Hang is connected to Mr. Lo, an independent non-executive Director, in the manner set out below, the Company would prefer to rent the Premises to such company which the Company is familiar with and which it can ensure punctual payment of rental and related charges. Since the Existing Tenancy Agreement is due to expire on 28 February 2015 and due to the reason set out above, the Company has agreed to continue leasing the Premises to Foo Hang and had accordingly entered into the New Tenancy Agreement with Foo Hang.

The terms of the New Tenancy Agreement were negotiated on an arm's length basis and the rental, air-conditioning charges and management fee chargeable under the New Tenancy Agreement were determined with reference to the rental of other premises of Melbourne Plaza as agreed amongst the Company and other tenants recently.

The Directors (including the independent non-executive Directors) consider that the New Tenancy Agreement is entered into in the ordinary and usual course of business of the Company, and are on normal commercial terms and both the terms of the New Tenancy Agreement and the Annual Cap Amounts are fair and reasonable, and the entering into of the New Tenancy Agreement is in the interest of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

Foo Hang is a company which is owned as to more than 50% by the associates of Mr. Lo, an independent non-executive Director. Accordingly, Foo Hang is a connected person of the Company under the Listing Rules and the New Tenancy Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. In light of the interests of the associates of Mr. Lo in Foo Hang as set out above, Mr. Lo had abstained from voting on the resolutions proposed at the board meeting of the Company to approve the New Tenancy Agreement and the transactions contemplated thereunder and the Annual Cap Amounts.

As the Annual Cap Amounts payable to the Company under the Existing Tenancy Agreement and the New Tenancy Agreement for the year ending 30 September 2015 and under the New Tenancy Agreement for the year ending 30 September 2016 exceed HK\$3,000,000 and some of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules are more than 0.1% but less than 5%, the New Tenancy Agreement is only subject to the reporting, announcement and annual review requirements but is exempt from circular and independent shareholders' approval requirements under the Listing Rules.

GENERAL

The principal activities of the Company are property investment and investment holding in Hong Kong.

The principal activity of Foo Hang is diamond and jewellery wholesale and retail.

DEFINITIONS

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

meaning:-

“associate”	has the meaning ascribed thereto in the Listing Rules
“Company”	Melbourne Enterprises Limited 萬邦投資有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 158)
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Tenancy Agreement”	the tenancy agreement dated 24 February 2014 entered into between the Company as landlord and Foo Hang as tenant in relation to the leasing of the Premises by Foo Hang from the Company
“Foo Hang”	Foo Hang Jewellery, Limited 富衡珠寶行有限公司, a company incorporated in Hong Kong, the shares of which are owned as to more than 50% by the associates of Mr. Lo
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Lo”	Mr. Lo Pak Shiu, an independent non-executive Director
“New Tenancy Agreement”	the tenancy agreement dated 28 February 2015 entered into between the Company as landlord and Foo Hang as tenant in relation to the leasing of the Premises by Foo Hang from the Company
“Premises”	Rooms 1801-1814 on the 18 th Floor of Melbourne Plaza, 33 Queen’s Road Central, Hong Kong

“0%”

per cent.

By Order of the board of Directors
MELBOURNE ENTERPRISES LIMITED

萬邦投資有限公司

Chung Yin Shu, Frederick

Director

Hong Kong, 1 March 2015

As at the date of this announcement, the board of the Company comprises (a) three executive Directors, namely Dato' Dr. Cheng Yu Tung, Mr. Chung Ming Fai and Mr. Chung Yin Shu, Frederick; (b) one non-executive Director, namely Mr. Chung Wai Shu, Robert; and (c) four independent non-executive Directors, namely Mr. Yuen Pak Yiu, Philip, Dr. Fong Yun Wah, Mr. Lo Pak Shiu and Mr. Yuen Sik Ming, Patrick.