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## **CULTURE LANDMARK INVESTMENT LIMITED**

### **文化地標投資有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 674)**

#### **INSIDE INFORMATION**

#### **DISPOSAL OF INTERESTS IN AN INDIRECT NON-WHOLLY OWNED SUBSIDIARY OF THE COMPANY**

This announcement is made by Culture Landmark Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to announce that on 30 September 2016 (after trading hours), 深圳市文地多媒體技術有限公司 (Shenzhen Wendi Multimedia Technology Company Limited\*), the Company’s indirect wholly-owned subsidiary, entered into an equity transfer agreement (the “**Equity Transfer Agreement**”) in respect of a disposal (the “**Disposal**”) of 51% equity interests in 蘇州格瑞特環保科技產業發展有限公司 (Suzhou Great Research & Industrialization Co., Ltd.\*) (“**Suzhou Great**”) at a consideration of RMB13,800,000 (equivalent to approximately HK\$16,000,000) (the “**Consideration**”).

Set out below is a summary of the Disposal:

- Vendor : 深圳市文地多媒體技術有限公司 (Shenzhen Wendi Multimedia Technology Company Limited\*), an indirect wholly-owned subsidiary of the Company.
- Purchaser : 重慶宸惠物流有限公司 (Chongqing Chen Hui Logistics Limited\*)

\* *For identification purpose only*

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, the purchaser and its ultimate beneficial owner(s) are party(ies) independent of the Company and its connected persons (“**Independent Third Party(ies)**”).

Interests to be disposed : 51% equity interests in 蘇州格瑞特環保科技產業發展有限公司 (Suzhou Great Research & Industrialization Co., Ltd.\*), being all equity interests in Suzhou Great owned by the Group (the “**Equity Interests**”).

Consideration : RMB13,800,000 (equivalent to approximately HK\$16,000,000), payable by the purchaser to the vendor within 15 business days after satisfaction of all the Conditions Precedent or such other date as agreed between the vendor and the purchaser in writing.

The Consideration of RMB13,800,000 (equivalent to approximately HK\$16,000,000) has been determined based on arm’s length negotiations after taking into account the unaudited consolidated net assets of Suzhou Great and its subsidiaries (the “**Target Group**”) attributable to the Equity Interests as at 31 August 2016 of approximately HK\$15,300,000.

Conditions Precedent : Completion of the Disposal (the “**Completion**”) shall be subject to (i) the signing of the Equity Transfer Agreement; and (ii) all necessary approvals and waivers having been obtained in accordance with the Listing Rules (the “**Conditions Precedent**”). The Company has submitted an application for waiver from the strict compliance with Rule 14.92 of the Listing Rules in respect of the Disposal.

Termination : If the Conditions Precedent are not satisfied on or before 31 March 2017, either the vendor or the purchaser shall have the right to terminate the Equity Transfer Agreement.

Upon Completion, the Target Group shall cease to be subsidiaries of the Company and the Group will no longer have any interest in sludge and sewage treatment business.

## **INFORMATION OF SUZHOU GREAT**

As at the date of this announcement, Suzhou Great is owned as to 51% by the Group and as to the remaining 49% by two Independent Third Parties.

\* *For identification purpose only*

Suzhou Great is a company established in the People's Republic of China (the "PRC") on 27 February 2009 and the Target Group are principally engaged in the operation of sludge and sewage treatment plants in the PRC.

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

The Group is principally engaged in licence fee collection and provision of intellectual property enforcement services business; exhibition-related business; property sub-leasing business; property development and investment; sludge and sewage treatment business; entertainment business; and food and beverages business.

As stated in the Company's 2016 annual report, the Target Group (i) had no revenue contribution to the Group's revenue since its acquisition; (ii) incurred loss for the year ended 31 March 2016; and (iii) had certain potential projects being suspended due to expiration and pending for re-negotiation and financing as at 31 March 2016. For the few months thereafter, business of the Target Group continued to remain stagnant. In view of (i) the subsequent failure in re-negotiation for reinitiating the certain potential projects and (ii) further future financing needs thereof, the Directors expect the future profits generated by the Target Group to be minimal, and considers that the Disposal will enable the Group to realize its investment in the Target Group and to focus on its existing business and business development.

Taking into account the above, the Directors consider that the Equity Transfer Agreement has been entered into on normal commercial terms and that such terms are fair and reasonable so far as the Company and shareholders of the Company (the "Shareholders") are concerned. The entering into of the Equity Transfer Agreement is in the interests of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECT AND USE OF PROCEEDS**

It is estimated that, upon Completion, the Group will record a gain on the Disposal of approximately HK\$10,500. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit and will be assessed after Completion.

The net proceeds from the Disposal will be used as the general working capital of the Group and/or for future opportunities for the Group.

By Order of the Board  
**Culture Landmark Investment Limited**  
**Cheng Yang**  
*Chairman*

Hong Kong, 30 September 2016

*As at the date of this announcement, the executive Directors are Mr. Cheng Yang (the Chairman) and Ms. Lei Lei; and the independent non-executive Directors are Mr. Tong Jingguo and Mr. Yang Rusheng.*