

Hong Kong Exchange 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.



鷹君集團有限公司
Great Eagle
Holdings Limited

於百慕達註冊成立之有限公司
Incorporated in Bermuda with limited liability

(Stock Code: 41)

DISCLOSEABLE TRANSACTION

FORMATION OF A JOINT VENTURE FOR DEVELOPMENT OF THE SITE

MEMORANDUM OF AGREEMENT

On 11 September 2023, the Memorandum of Agreement for the formation of the JV Company was entered into among the JV Partners comprising Sino Land, China Overseas, the Company and Chinese Estates holding 50%, 20% 20% and 10% interests in the JV Company, respectively.

The Project Company is formed as the wholly-owned subsidiary of the JV Company to submit the tender for the Site, which after the successful tender for the Site shall develop the Site into a residential and retail development together with government accommodation.

The Project Company shall bear all the development costs of the Project which will be financed by the JV Partners through the JV Company according to the Partners' Proportion.

On 13 September 2023, the Project Company received a letter from Lands Department confirming that its tender for the Site at NKIL 6590, Kai Tak, Kowloon at the land premium of HK\$5.35 billion has been accepted. Total capital commitment for the development of the Site is estimated to be around HK\$10.5 billion including construction costs.

Funding requirement of the Project Company shall be met by loans from banks or financial

institutions to the Project Company or if the same shall not be met by such external loans, to be met by shareholders' loans to the JV Company on a pro rata basis proportionate to the Partners' Proportion and the JV Company shall provide the shareholders' loans to the Project Company.

Pursuant to the Memorandum of Agreement, the maximum capital contribution of the Group under the JV Agreement to be entered into among the JV Parties is expected to be HK\$2.1 billion.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the maximum amount of capital commitment by the Group under the JV Agreement to be entered into among the JV Parties exceeds 5%, but all are less than 25%, the formation of the JV Company for the development of the Site, the JV Agreement to be entered into among the JV Partners as contemplated thereunder constitute a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that JV Partners have entered into the Memorandum of Agreement for the formation of the JV Company for submission of a tender for the Site through the Project Company, wholly-owned by the JV Company, which after the successful tender for the Site shall develop the Site into a residential and retail development together with government accommodation.

On 13 September 2023, the Project Company received a letter from Lands Department confirming that its tender for the Site at NKIL 6590, Kai Tak, Kowloon at the land premium of HK\$5.35 billion has been accepted. Total capital commitment for the development of the Site is estimated to be around HK\$10.5 billion including construction costs.

Pursuant to the Memorandum of Agreement, the JV Agreement will be entered into among the JV Parties. Set out below are the principal terms of the proposed joint venture.

THE JV AGREEMENT

1. Purpose of the Proposed Joint Venture

The joint venture is formed for the purpose of submission of the tender for the Site through the Project Company which shall be a wholly owned subsidiary of the JV Company. The

Project Company shall develop the Site into a residential and retail development together with government accommodation in compliance with the conditions of sale with disposal of the residential units erected thereon as the prime objective. The Site is situated within the Kai Tak Area and will have direct access to the Sung Wong Toi Station via the future Underground Shopping Street, with a site area of 145,302 sq. ft. The maximum total GFA of the Site is 992,270 sq. ft. with the maximum GFA for private residential purpose of 856,236 sq. ft.

2. Funding

The Project Company shall bear all the development costs of the Project which will be financed by the JV Partners through the JV Company according to the Partners' Proportion. The funding requirement shall be met by loans from banks or financial institutions to the Project Company and on the terms to be agreed by all JV Partners ("the External Loans") or if the same shall not be met by such External Loans, to be met by shareholders' loans to the JV Company ("the Shareholders' Loans") on a pro rata basis proportionate to the Partners' Proportion and the JV Company shall provide the Shareholders' Loans to the Project Company.

If banks or financial institutions providing the External Loans require any guarantees or securities from the JV Partners, the JV Partners shall provide the same on a several and pro rata basis in proportion to the Partners' Proportion. Interest rate of the Shareholders' Loans shall be at a rate to be agreed by all JV Partners.

The JV Partners agreed to act as the guarantors for the obligations of the JV Company and the Project Company on a several and pro-rata basis according to Partners' Proportion.

3. Profit Sharing

Dividends shall be distributed between the JV Partners according to the Partners' Proportion. All cash surplus in the JV Company and the Project Company shall be distributed to the JV Partners as soon as possible after meeting reasonable funding requirements of the JV Company and the Project Company.

4. Governance

The board of directors of the JV Company and the Project Company shall comprise ten directors with five directors to be appointed by Sino Land, two directors to be appointed by each of China Overseas and the Company, and one director to be appointed by Chinese Estates.

REASONS FOR THE JOINT VENTURE

Property development and investment is among the principal activities of the Group. The formation of the joint venture and the development of the Site are in line the key business strategies of the Company. The Board considers that the JV Agreement is to be entered into in the ordinary and usual course of business of the Group and that the principal terms of the JV Agreement (including the financing and profit sharing arrangement of the JV Company) are on normal commercial terms, fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Based on the estimated total capital commitment for the development of the Site of around HK\$10.5 billion including construction costs, the maximum capital contribution of the Group under the JV Agreement to be entered into among the JV Parties shall be HK\$2.1 billion. As one of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the maximum amount of capital contribution by the Group under the JV Agreement exceeds 5%, but all are less than 25%, the formation of JV Company for the development of the Site and the JV Agreement to be entered into among the JV Parties as contemplated thereunder constitute a discloseable transaction for the Company and is subject to the announcement requirement 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
“China Overseas”	China Overseas Land and Investment Limited is an investment holding company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 688). The principal activities of China Overseas and its subsidiaries include property development and investment, and other operations.

“Chinese Estates”	Chinese Estates Holdings Limited is an investment holding company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 127). The principal activities of Chinese Estates and its subsidiaries include property investment and development, building and property management, brokerage, securities investment, money lending and cosmetics distribution and trading.
“Company”	Great Eagle Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 41). The principal activities of the Company and its subsidiaries include property development and investment, and other operations.
“GFA”	Gross Floor Area
“HK\$”	lawful currency of Hong Kong for the time being
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
“JV Agreement”	A joint venture agreement to be signed among the JV Partners or their respective wholly-owned subsidiaries pursuant to the Memorandum of Agreement
“JV Company”	Fansway Limited, a company incorporated in Hong Kong with limited liability, being the holding company of the Project Company and to be owned by the JV Partners in accordance with the Partners’ Proportion.
“JV Parties”	Being companies designed and wholly owned by each of the JV Partners and representing the JV Partners as the parties to the JV Agreement
“JV Partners”	Sino Land, China Overseas, the Company and Chinese Estates being parties to the Memorandum of Agreement
" Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange

“Memorandum of Agreement”	A memorandum agreement entered into among the JV Partners on 11 September 2023 for the formation of the JV Company.	
“Partners’ Proportion”	Sino Land	50%
	China Overseas	20%
	the Company	20%
	Chinese Estates	10%
“Project”	Development of the Site into a residential and retail development together with government accommodation by the Project Company	
“Project Company”	Capital Asian Limited, a company a company incorporated in Hong Kong, which is wholly- owned by the JV Company	
“Sino Land”	Sino Land Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 83). The principal activities of Sino Land and its subsidiaries include property development and investment, and other operations.	
“Share(s)”	ordinary share(s) of the Company	
“Shareholder(s)”	holder(s) of the Share(s)	
“Site”	NKIL 6590, Kai Tak, Kowloon	
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	
“subsidiary”	has the meaning ascribed thereto under the Listing Rules	
“%”	percent	

By Order of the Board
Great Eagle Holdings Limited
LO Ka Shui
Chairman and Managing Director

Hong Kong, 13 September 2023

As at the date of this announcement, the Board comprises Dr. LO Ka Shui (Chairman and Managing Director), Mr. LO Hong Sui, Antony, Madam LAW Wai Duen, Mr. LO Chun Him, Alexander, Mr. KAN Tak Kwong (General Manager), Mr. CHU Shik Pui and Professor POON Ka Yeung, Larry being the Executive Directors; Madam LO TO Lee Kwan, Mr. LO Hong Sui, Vincent and Dr. LO Ying Sui being the Non-executive Directors; and Professor WONG Yue Chim, Richard, Mrs. LEE Pui Ling, Angelina, Mr. ZHU Qi, Mr. HO Shut Kan and Ms. Diana Ferreira CESAR being the Independent Non-executive Directors.