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**EAGLE LEGEND ASIA**

## **EAGLE LEGEND ASIA LIMITED**

**鵬程亞洲有限公司**

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

**(Stock Code: 936)**

### **DISCLOSEABLE TRANSACTION SUCCESSFUL TENDER OF LAND**

On 1 April 2020, Eagle Legend Engineering, a wholly-owned subsidiary of the Company, received the Letter from the Lands Department of the Government of Hong Kong confirming that its tender for the Land (which is situated at Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong) at the Land Premium of HK\$85,900,000 has been accepted.

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% and all are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

#### **INTRODUCTION**

On 1 April 2020, Eagle Legend Engineering, a wholly-owned subsidiary of the Company, received the Letter from the Lands Department of the Government of Hong Kong confirming that its tender for the Land (which is situated at Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong) at the Land Premium of HK\$85,900,000 has been accepted.

#### **DETAILS OF THE CONDITION OF SALE AND THE ACQUISITION**

##### **The Parties**

- (1) the Government of Hong Kong as vendor; and
- (2) Eagle Legend Engineering, a wholly-owned subsidiary of the Company as purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Government of Hong Kong is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

**Information on the Land:**

<b>Location:</b>	Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong registered in the Land Registry as Kowloon Inland Lot No. 11238
<b>Site area:</b>	Approximately 253 square metres (equivalent to approximately 2,718 square feet)
<b>Maximum Gross Floor Area:</b>	Approximately 2,273 square metres (equivalent to approximately 24,461 square feet)
<b>Term:</b>	50 years from the date of the Memorandum of Agreement
<b>Permitted use:</b>	Non-industrial (excluding godown, hotel and petrol filling station) purposes

Under the terms of the Conditions of Sale, Eagle Legend Engineering shall enter into the Memorandum of Agreement with the Government of Hong Kong in respect of the Acquisition within 14 days from the date of the Letter.

**Land Premium and the payment terms**

The Land Premium payable is HK\$85,900,000 which shall be settled as follows:

- (a) a deposit of HK\$30,000,000 paid at the time when the Tender was submitted has been applied in part payment of the Land Premium; and
- (b) the remaining balance of HK\$55,900,000 shall be paid within 28 days of the date of the Letter.

The Land Premium submitted under the Tender was determined by the Company with reference to the current and future business prospect and development potential in the region which the Land is situated and the overall prospect of the property market in Hong Kong.

The Land Premium will be funded by the Group's internal resources and bank financing.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

As disclosed in the announcement of the Company dated 28 August 2019, the Board has been exploring new business opportunities in order to expand the business scope of the Group. The Board considers that the property development industry in Hong Kong has a growth potential and would like to consider to commence this line of business. The successful Tender of Land provides a good opportunity for the Group to expand its business in the property development industry in Hong Kong, which also generate a synergy effect on the Group's Construction Equipment Business as defined below.

The Board considers that the terms of the Condition of Sale are on normal commercial terms, and the Acquisition is fair and reasonable and in the interests of the Company and its shareholders as a whole.

## INFORMATION ON THE GROUP

Eagle Legend Engineering is a company incorporated in Hong Kong with limited liability on 17 April 2019, which is an investment holding company.

The Company is an investment company and its subsidiaries is principally engaged in trading of construction machinery and spare parts, leasing of the construction machinery under operating leases and providing repair and maintenance services in respect of the construction machinery (the “**Construction Equipment Business**”).

## IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% and all are less than 25%, the Acquisition constitutes 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:

“Acquisition”	the acquisition of the Land under the terms of the Conditions of Sale
“Board”	the board of Directors
“Company”	Eagle Legend Asia 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: 936)
“Conditions of Sale”	the agreement and conditions of sale of the Land as set out in the Tender documents
“Director(s)”	the director(s) of the Company

“Eagle Legend Engineering”	Eagle Legend Engineering Management Consulting Company Limited 鵬程工程管理諮詢有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land”	a piece of land located at Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong registered in the Land Registry as Kowloon Inland Lot No. 11238
“Land Premium”	the land premium of HK\$85,900,000, being the consideration for the Acquisition
“Letter”	a letter notifying the acceptance of the Tender from the Lands Department of the Government of Hong Kong, dated 1 April 2020
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Agreement”	the memorandum of agreement to be entered into between the Government of Hong Kong and Eagle Legend Engineering in respect of the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	sale of the Land by the Government of Hong Kong by way of public tender

By order of the Board  
**Eagle Legend Asia Limited**  
**Guo Peineng**  
*Deputy Chairman*

Hong Kong, 1 April 2020

*As at the date of this announcement, the board of directors of the Company comprises Mr. Guo Peineng, Mr. Zhao Yi and Mr. Chen Huajie as executive directors; and Mr. Xu Xiaowu, Mr. Li Yongjun and Mr. Diao Yingfeng as independent non-executive directors.*

\* *For identification purpose only.*