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## Great Eagle Holdings Limited 鷹君集團有限公司

*Incorporated in Bermuda with limited liability*  
(Stock Code: 41)

### CONNECTED TRANSACTION

The Board wishes to announce that on 15th November 2006, Toptech entered into the Contract with Shui On Construction whereby Toptech has been engaged to carry out the Works for a construction project of Shui On Construction. The Contract was awarded to Toptech through an open tender process by Shui On Construction. The contract sum, which is the sum as stated in the tender document of Toptech, is HK\$7,091,663.00.

Toptech is a wholly owned subsidiary of the Company and Shui On Construction is a wholly owned subsidiary of SOCAM. Shui On Construction is a connected person of the Company by virtue of its being an associate of Mr. Lo Hong Sui, Vincent, a director of the Company. The Transaction constitutes a connected transaction for the Company under Rule 14A.13 of the Listing Rules. As each of the applicable percentage ratios for the Transaction is less than 2.5%, the Transaction is subject only to the announcement and reporting requirements of the Listing Rules and is exempt from the independent shareholders' approval requirement of the Listing Rules.

### THE CONTRACT

#### Date

15th November 2006

#### Parties

- (1) Toptech
- (2) Shui On Construction

## **Transaction**

Pursuant to the Contract, Toptech has been engaged by Shui On Construction to carry out the Works for a construction project of Shui On Construction. The Contract was awarded to Toptech after an open tender process by Shui On Construction. The Works are expected to be completed in early 2007 with a 12 month guarantee maintenance period.

## **Consideration**

The contract sum of the Contract is HK\$7,091,663.00, subject to fluctuation in labour cost and variation of the Works in accordance with the terms of the Contract. Payment will be made in accordance with the progress of the Work done. Up to 5% of the total contract sum will be retained by Shui On Construction as retention money which will be released to Toptech as to 50% after six months from the issue of the practical completion certificate of the relevant building. The remaining retention money will be released after 12 months from the issue of the practical completion certificate or after rectification of the defective Works, whichever is earlier.

Under the Contract, an one-off transaction fee for handling the tender process, which equals to 0.3% of the total contract sum, shall be deducted from the first progress payment payable by Shui On Construction to Toptech.

If the Works are not completed on or before such date as determined in accordance with the terms of the Contract, Toptech shall pay a daily penalty of 0.3% of the total contract sum. The contract sum was determined on arm's length basis through an open tender process conducted by Shui On Construction.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION TO THE GROUP**

Toptech, being a wholly owned subsidiary of the Company, mainly engages in supplying materials and home appliances to property developers as well as retail customers in Hong Kong, Macau and the PRC. The materials it supplies include architectural products such as raised floor and metal ceiling system; building products such as solid surface, shower trays, colour bowls and texture surface, sink and toilet cubicle system; consumer products such as home appliances from Europe and recreation and sports products such as outdoor and indoor playground equipment, elderly fitness equipment, amenities furniture, sports flooring and locker systems.

Toptech is a major supplier providing raised access floor system to property developers. Raised access floor means industrially prefabricated floor panels and pedestals that are installed by a dry construction method. Any of the panels supported on the pedestals can be taken up to access the floor cavity. The undertaking of the Works is in the normal course of business of Toptech. The Board believes that the obtaining of the Contract will further enhance the image of Toptech in this area.

The Directors, including the Independent Non-executive Directors of the Company, consider the Transaction to be on normal commercial terms in the ordinary and usual course of business of the Group. The terms and conditions are fair and reasonable and it is in the interests of the Company and its shareholders as a whole for Toptech to enter into the Contract.

## **BUSINESS OF THE GROUP**

The principal activities of the Group include property development and investment, hotel and restaurant operations, trading of building materials, shares investment, provision of management and maintenance services, property management, insurance agency and fitness centre operation. Its investment in office properties extends to the United States of America and its hotel portfolio covers Hong Kong, North America, Europe, Australia and New Zealand.

## **BUSINESS OF SHUI ON CONSTRUCTION**

Shui On Construction, being a wholly owned subsidiary of SOCAM, holds Hong Kong SAR Government Group “C” licence for building works of unlimited value and is a Registered General Building Contractor of the Buildings Department. It is a major contractor specializing in the construction of commercial and institutional projects for the government and major institutions in Hong Kong. These range from major office buildings to sports facilities, hospitals, schools, universities and recreational parks. With its wide range of experience and professional project management expertise, Shui On Construction also has strong design-and-build capabilities.

## **GENERAL**

Toptech is a wholly owned subsidiary of the Company and Shui On Construction is a wholly owned subsidiary of SOCAM. Shui On Construction is a connected person of the Company by virtue of its being an associate of Mr. Lo Hong Sui, Vincent, a director of the Company. The Transaction constitutes a connected transaction for the Company under

Rule 14A.13 of the Listing Rules. Since each of the applicable percentage ratios for the Transaction is less than 2.5%, the Transaction is subject only to the announcement and reporting requirements of the Listing Rules and is exempt from the independent shareholders' approval requirement of the Listing Rules.

## **DEFINITIONS**

“Board”	the board of directors of the Company
“Company”	Great Eagle Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange.
“Contract”	the contract dated 15th November 2006 entered into between Toptech and Shui On Construction in respect of the Works
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region
“Macau”	Macau Special Administrative Region
“PRC”	the People’s Republic of China (excluding Hong Kong, Taiwan and Macau for the purpose of this announcement)
“Shui On Construction”	Shui On Construction Company Limited, a wholly owned subsidiary of SOCAM
“SOCAM”	Shui On Construction and Materials Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Toptech”	Toptech Co. Limited, a wholly owned subsidiary of the Company
“Transaction”	the entering into of the Contract and the performance of the same

“Works” the supply and installation of raised access floor system for a construction project of Shui On Construction

By Order of the Board  
**TSANG Yiu Wing, Peter**  
*Company Secretary*

Hong Kong, 15th November 2006

*As at the date of this announcement, the directors of the Company are:*

*Dr. LO Ka Shui (Chairman and Managing Director), Mr. LO Kai Shui (Deputy Managing Director), Mrs. LO TO Lee Kwan, \*Mr. CHENG Hoi Chuen, Vincent, \*Professor WONG Yue Chim, Richard, \*Mrs. LEE Pui Ling, Angelina, Mr. LO Hong Sui, Antony, Madam LAW Wai Duen, Mr. LO Hong Sui, Vincent, Dr. LO Ying Sui, Archie and Mr. KAN Tak Kwong*

*\* Independent Non-executive Directors*

Please also refer to the published version of this announcement in China Daily.