

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.



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)

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION IN RELATION TO
THE ACQUISITION OF A PORTION OF THE THIRD FLOOR AND
THE WHOLE OF THE FOURTH, FIFTH AND SIXTH FLOORS OF
CITIBANK TOWER BY CHAMPION REIT**

This announcement is made by the Company pursuant to rule 14.34 of the Listing Rules. Champion REIT (in which the Company holds approximately 57.97% interest) is consolidated in the Group's financial statements with the adoption of the new accounting standard under HKFRS 10 and is deemed to be a subsidiary of the Company.

Champion REIT notified the Company that on 16 May 2013 it has (through Shine Hill, a company indirectly wholly-owned and controlled by the Trustee) accepted an offer to acquire the Property (comprising a portion of the third floor and the whole of the fourth, fifth and sixth floors of Citibank Tower which Champion REIT does not currently own, other than common areas) from The Financial Secretary Incorporated for the Consideration (HK\$2,155,302,000, representing a premium of approximately 10.5% in relation to the Appraised Value of HK\$1,950,000,000).

The terms and conditions of the offer are set out in the SPA, which is to be executed by Shine Hill and The Financial Secretary Incorporated on or before 30 May 2013. Completion of the Acquisition is expected to take place 42 days after the execution of the SPA (which, assuming the SPA is executed on 30 May 2013, shall be 11 July 2013) or such other date agreed between the parties to the SPA.

As two of the applicable percentage ratios as defined under the Listing Rules in relation to the Consideration payable by Champion REIT, a subsidiary of the Company, under the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company subject to the announcement requirement but exempt from the shareholders' approval requirement under the Listing Rules.

THE PROPERTY

The Property comprises the parts of the remaining four floors of Citibank Tower which Champion REIT does not currently own (other than common areas), being a portion of the third floor and the whole of the fourth, fifth and sixth floors of Citibank Tower. It has a total floor area of approximately 78,316 square feet and a gross rentable area of approximately 54,896 square feet. Like the rest of Citibank Tower, the Property was completed for occupation in 1992.

According to the Independent Property Valuer engaged by Champion REIT, the Appraised Value of the Property has been determined to be HK\$1,950,000,000 as at 15 May 2013.

RIGHT OF FIRST REFUSAL

According to the sale and purchase agreement entered into between Shine Hill as vendor and The Financial Secretary Incorporated as purchaser in 1996 in respect of the sale of the Property, The Financial Secretary Incorporated is bound to give to Shine Hill a notice in writing offering to sell the Property to Shine Hill at such price and on such terms as shall be stipulated in the ROFR Notice. If such an offer is accepted by Shine Hill, then The Financial Secretary Incorporated shall sell and Shine Hill shall purchase the Property at the price and on the terms stipulated in the ROFR Notice.

THE ACQUISITION

On 15 March 2013, The Financial Secretary Incorporated invited tenders for the purchase of the Property. Bidders were required to submit their tenders by 5 April 2013.

As notified by Champion REIT to the Company, on 14 May 2013, The Financial Secretary Incorporated made Champion REIT (through Shine Hill) an offer to acquire the Property pursuant to a ROFR Notice for a consideration of HK\$2,155,302,000, and on 16 May 2013, Champion REIT (through Shine Hill) confirmed its acceptance of this offer in writing. In compliance with the acceptance terms stated in the ROFR Notice, Shine Hill and The Financial Secretary Incorporated shall execute a non-negotiable form of the SPA accompanying the ROFR Notice on or before 30 May 2013. The SPA sets out the terms of the offer, with the key terms being summarised below:

Consideration: HK\$2,155,302,000, payable in the following manner:

- (1) a deposit (being HK\$215,530,200, and representing 10% of the Consideration), which shall be paid upon the signing of the SPA; and
- (2) the balance (being HK\$1,939,771,800, and representing 90% of the Consideration) to be paid on the Completion Date.

The Consideration represents a premium of approximately 10.5% in relation to the Appraised Value.

Vacant Possession: The Property will be vacant at Completion.

| | |
|------------------------------|---|
| Expected Date of Completion: | 42 days after the execution of the SPA (which, assuming the SPA is executed on 30 May 2013, shall be 11 July 2013) or such other date agreed between the parties to the SPA. |
| Stamp Duty and Indemnity: | Shine Hill to pay stamp duty (if any) and shall indemnify The Financial Secretary Incorporated against all actions, claims and demands made by the appropriate government authority for payment of such stamp duty. |
| Other Customary Terms: | The SPA contains indemnities, representations, warranties, undertakings and other provisions in customary terms for transactions of this nature and scale. |

The payment by Champion REIT of the Consideration and other acquisition costs will be mainly financed with bank borrowings at prevailing commercial terms.

FINANCIAL IMPACT OF THE ACQUISITION

The REIT Manager confirms that the Acquisition is not expected to have any material impact on the financial position of Champion REIT as compared to that as at 31 December 2012 as disclosed in its 2012 Annual Report, and the payment on 21 May 2013 by Champion REIT of the distribution for the six months ended 31 December 2012 will not be affected.

REASONS FOR THE ACQUISITION

The principal activities of the Group include property development and investment, hotel and restaurant operations, acting as manager of real estate investment trust, trading of building materials, share investment, provision of management and maintenance services, property management and fitness centre operations. Its investment in office properties extends to the United States of America, and its hotel portfolio covers Asia, Australia, Europe, New Zealand and North America.

Champion REIT is a Hong Kong collective investment scheme authorised under section 104 of the SFO, with its business activities being conducted by the REIT Manager which is a licensed corporation under the SFO and is regulated on an ongoing basis by the SFC. Notwithstanding the Consideration being at a 10.5% premium to Appraised Value, the REIT Manager considers the Acquisition to be in line with the REIT Manager's stated acquisition strategy to invest in high quality income-producing office and retail property assets in Hong Kong, and in the interests of Champion REIT for the following reasons as stated in Champion REIT's announcement dated 16 May 2013.

Champion REIT currently owns 95.7% of the gross rentable area of Citibank Plaza, which will be increased to 100.0% on Completion. The REIT Manager believes that owning the entire Citibank Plaza will provide Champion REIT with greater operational control of the Grade A office building, for example, the ability to unilaterally implement improvement and refurbishment works which would enhance the rental value of Citibank Plaza. In the long term, the capital value and resale value of Citibank Plaza may also be enhanced with unified title.

Alternatively, if the Property were to be purchased by a third party (which is likely to be the case if Champion REIT declines the offer stated in the ROFR Notice), competition from a second or more landlords in Citibank Plaza could hamper the REIT Manager's leasing strategy and possibly depress the rent rates for Citibank Plaza as a whole. Furthermore, the quality and nature of the business of the eventual occupants of the Property will not be under the control of the REIT Manager, which in turn may affect the image of Citibank Plaza.

The offer from The Financial Secretary Incorporated to acquire the Property has been accepted by Champion REIT (through Shine Hill).

The REIT Manager Board is satisfied that the Acquisition is at arm's length, on normal commercial terms, fair and reasonable and in the interests of Champion REIT and the Unitholders as a whole.

Based on the opinion of the REIT Manager Board, the confirmation by the REIT Manager and the opinion of the Trustee as set out in Champion REIT's announcement dated 16 May 2013, the Directors of the Company are also of the view that the terms of the Acquisition offered by The Financial Secretary Incorporated are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

This announcement is made by the Company pursuant to rule 14.34 of the Listing Rules. Champion REIT (in which the Company holds approximately 57.97% interest) is consolidated in the Group's financial statements with the adoption of the new accounting standard under HKFRS 10 and is deemed to be a subsidiary of the Company.

As two of the applicable percentage ratios as defined under the Listing Rules in relation to the Consideration payable by Champion REIT, a subsidiary of the Company, under the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company subject to the announcement requirement but exempt from the shareholders' approval requirement under the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

| | |
|----------------------|---|
| “2012 Annual Report” | the annual report of Champion REIT for the twelve months ended 31 December 2012 |
| “Acquisition” | the acquisition of the Property by Shine Hill pursuant to the terms and conditions set out in the SPA |
| “Appraised Value” | HK\$1,950,000,000, being the value of the Property as at 15 May 2013 as appraised by the Independent Property Valuer |
| “Board” | the board of directors of the Company |
| “Champion REIT” | Champion Real Estate Investment Trust, a collective investment scheme constituted as a unit trust and authorised under section 104 of the SFO |

| | |
|-------------------------------|---|
| “Citibank Plaza” | the entire commercial development comprising a Grade A office building located at No. 3 Garden Road, Central, Hong Kong, and comprising Citibank Tower, ICBC Tower, a retail podium and a carpark |
| “Citibank Tower” | a 47-storey office building which forms part of Citibank Plaza |
| “Company” | Great Eagle Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 41) |
| “Completion” | completion of the Acquisition pursuant to the terms and conditions of the SPA |
| “Completion Date” | 42 days after the execution of the SPA (which, assuming the SPA is executed on 30 May 2013, shall be 11 July 2013) or such other date agreed between the parties to the SPA |
| “Consideration” | HK\$2,155,302,000, being the purchase price for the Property |
| “Directors” | the directors of the Company |
| “Group” | the Company and its subsidiaries |
| “HKFRS 10” | Hong Kong Financial Reporting Standard 10 “Consolidated Financial Statements” issued by the Hong Kong Institute of Certified Public Accountants |
| “Hong Kong” and “HK\$” | the Hong Kong Special Administrative Region of the People’s Republic of China, and Hong Kong dollars (the lawful currency of Hong Kong), respectively |
| “ICBC Tower” | a 37-storey building which forms part of Citibank Plaza |
| “Independent Property Valuer” | Savills Valuation and Professional Services Limited, the current Principal Valuer (as defined in the REIT Code) of Champion REIT |
| “Listing Rules” | the listing rules of the Stock Exchange |
| “Property” | means the property as described under the section headed “Property” of this announcement |
| “REIT Code” | the Code on Real Estate Investment Trusts published by the SFC, as amended, supplemented or otherwise modified for the time being |
| “REIT Manager” | Eagle Asset Management (CP) Limited, as manager of Champion REIT |

| | |
|--|---|
| “REIT Manager Board” | the board of directors of the REIT Manager |
| “ROFR Notice” | means the notice as described in the section headed “Right of First Refusal” of this announcement |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified for the time being |
| “Shine Hill” | Shine Hill Development Limited, a company incorporated in Hong Kong which is indirectly wholly-owned and controlled by the Trustee |
| “SPA” | the agreement for sale and purchase of the Property to be executed on or before 30 May 2013 between Shine Hill as purchaser and The Financial Secretary Incorporated as the vendor |
| “Stock Exchange” | the Stock Exchange of Hong Kong Limited |
| “The Financial Secretary Incorporated” | The Financial Secretary Incorporated, a government entity incorporated under the Financial Secretary Incorporation Ordinance (Cap 1015 of the Laws of Hong Kong) and independent third party of Champion REIT and the Company |
| “Trustee” | HSBC Institutional Trust Services (Asia) Limited, in its capacity as the trustee of Champion REIT |
| “Unit” | one undivided unit in Champion REIT |
| “Unitholder” | any person registered as holding a Unit |

By Order of the Board
GREAT EAGLE HOLDINGS LIMITED
 LO Ka Shui
Chairman and Managing Director

Hong Kong, 16 May 2013

As at the date of this announcement, the Board comprises five Executive Directors, namely Dr. Lo Ka Shui (Chairman and Managing Director), Mr. Lo Kai Shui (Deputy Managing Director), Mr. Lo Hong Sui, Antony, Madam Law Wai Duen and Mr. Kan Tak Kwong (General Manager); three Non-executive Directors, namely Madam Lo To Lee Kwan, Mr. Lo Hong Sui, Vincent and Dr. Lo Ying Sui; and four Independent Non-executive Directors, namely Mr. Cheng Hoi Chuen, Vincent, Professor Wong Yue Chim, Richard, Mrs. Lee Pui Ling, Angelina and Mr. Zhu Qi.