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Great Eagle
Holdings Limited
鷹君集團有限公司

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

(Stock Code: 41)

CONTINUING CONNECTED TRANSACTIONS

ENTERING INTO THE MASTER TENANCY AGREEMENT

On 30 March 2010, Moon Yik Company Limited ("**Moon Yik**"), an indirect wholly-owned subsidiary of the Company as landlord, and Sun Fook Kong Construction Management Limited ("**SFK Management**") as tenant, entered into the Master Tenancy Agreement in respect of the following arrangements: (1) to renew the tenancy in relation to Suites 3207-10 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong ("**Premises 3207-10**") due to expire on 31 March 2010 and the tenancy in relation to Suites 3201-2 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong ("**Premises 3201-2**") due to expire on 15 October 2010; and (2) to enter into a new tenancy in respect of 3206 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong ("**Premise 3206**").

Mr. Lo Kai Shui, Deputy Managing Director of the Company, through his controlled companies, holds more than 30% issued share capital in Sun Fook Kong Group Limited ("**SFK Group**") which in turn indirectly holds the entire issued share capital in SFK Management. Accordingly, SFK Management constitutes a connected person of the Company and the transactions contemplated under the Master Tenancy Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As one of the applicable percentage ratios of the Annual Cap is more than 0.1% but less than 2.5%, the transactions contemplated under the Master Tenancy Agreement are only subject to the reporting, announcement and annual review requirements under the Listing Rules but do not require independent Shareholders' approval. Particulars of the Master Tenancy Agreement and the leasing arrangements thereunder will be disclosed in the annual reports and accounts of the Company in accordance with the requirements of the Listing Rules.

BACKGROUND

On divers date in the past, Moon Yik, an indirect wholly-owned subsidiary of the Company, as landlord, and SFK Management, as tenant, entered into leasing arrangements in respect of the leasing of Premises 3207-10 and Premises 3201-2 for terms expiring between March 2010 to October 2010.

As the applicable percentage ratios in relation to the aggregate annual rental for the Previous Tenancies in relation to Premises 3207-10 and Premises 3201-2 did not exceed 0.1% at the time when the Previous Tenancies were entered into, the Previous Tenancies were exempt from the announcement, reporting and annual review requirements under the Listing Rules.

THE MASTER TENANCY AGREEMENT

On 30 March 2010, Moon Yik as landlord, and SFK Management as tenant, entered into the Master Tenancy Agreement. Details of the Master Tenancy Agreement are as follows:

Date : 30 March 2010

Parties : (1) Moon Yik as the landlord. Moon Yik is an indirect wholly-owned subsidiary of the Company and the owner of the Premises
(2) SFK Management as the tenant. SFK Management is an indirect wholly-owned subsidiary of SFK Group

Leasing Arrangements : (1) Renewal of the tenancy in relation to Premises 3207-10

Premise: Suites 3207-10, 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong

Term: Three (3) years commencing from 1 April 2010 and expiring on 31 March 2013 (both days inclusive)

Rental: HK\$203,414 per month, exclusive of government rates and other outgoings

Air-Conditioning Charge: HK\$15,470.17 per month (subject to adjustment)

Service Charge: HK\$21,733.18 per month (subject to adjustment)

(2) Renewal of the tenancy in relation to Premise 3201-2

Premise: Suites 3201-2, 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong

Term: Twenty-Nine (29) months and Sixteen (16) days commencing from 16 October 2010 and expiring on 31 March 2013 (both days inclusive)

Rental: HK\$109,440 per month, exclusive of government rates and other outgoings

Air-Conditioning Charge: HK\$7,907.04 per month (subject to adjustment)

Service Charge: HK\$11,108.16 per month (subject to adjustment)

(3) New Tenancy in respect of Premise 3206

Premise: Suite 3206, 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong

Term: Thirty-Two (32) months commencing from 1 August 2010 and expiring on 31 March 2013 (both days inclusive)

Rental: HK\$53,238 per month, exclusive of government rates and other outgoings

Air-Conditioning Charge: HK\$4,048.89 per month (subject to adjustment)

Service Charge: HK\$5,688.06 per month (subject to adjustment)

Annual Caps : The Directors estimate that the maximum aggregate annual amount receivable by the Group from SFK Management under the existing tenancies and as renewed and entered into under the Master Tenancy Agreement in relation to Premises 3207-10, Premises 3201-2 and Premise 3206 are:

For the 12 months commencing from

<u>1 April 2010</u>	<u>1 April 2011</u>	<u>1 April 2012</u>
HK\$5,057,000	HK\$5,234,000	HK\$5,277,000

The Annual Caps represent an estimate of the amount receivable determined based on the rental, air-conditioning and service charge and taking account possible adjustment in the air conditioning charge and service charge.

Pursuant to the Master Tenancy Agreement, SFK Management will pay to Moon Yik HK\$7,736, being the balance rental deposit payable in respect of the tenancies in relation to the Premises after taking into account the rental deposits already paid to Moon Yik under the Previous Premises 3201-2 Tenancy and the Previous Premises 3207-10 Tenancy which will be carried over to the Master Tenancy Agreement.

REASONS FOR AND BENEFITS OF THE MASTER TENANCY AGREEMENT

The principle activities of the Group includes, among other things, property investment and property management. The letting of the Premises to SFK Management is in line with the Group's property investment operations and the terms of the Master Tenancy Agreement were negotiated on an arm's length basis with reference to the advice of an independent property valuer advising on the lettings under the Master Tenancy Agreement. The valuer had carried out research and enquiries and advised that the rental for letting the Premises is at current market level and the terms are considered as fair and reasonable. The Directors (including the independent non-executive Directors) consider that the Master Tenancy Agreement, the tenancy to be renewed and/or entered into in relation to the Premises and their respective terms are on normal commercial terms and are fair and reasonable, and are in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. Lo Kai Shui, Deputy Managing Director of the Company, through his controlled companies, holds more than 30% issued share capital in SFK Group which in turn indirectly holds the entire issued share capital in SFK Management. Accordingly, SFK Management constitutes a connected person of the Company and the transactions contemplated under the Master Tenancy Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As one of the applicable percentage ratios of the Annual Cap is more than 0.1% but less than 2.5%, the transactions contemplated under the Master Tenancy Agreement are only subject to the reporting, announcement and annual review requirements under the Listing Rules but do not require independent Shareholders' approval. Particulars of the Master Tenancy Agreement and the leasing arrangements thereunder will be disclosed in the annual reports and accounts of the Company in accordance with the requirements of the Listing Rules.

GENERAL INFORMATION

The principal activities of the Group include property investment, hotel and restaurant operations, management of real estate investment trust, trading of building materials, share investment, provision of management and maintenance services, property management, insurance agency and fitness centre operation. The Group's investment in office properties extends to the U.S.A. and its hotel portfolio covers Hong Kong, North America, Europe, Australia and New Zealand.

SFK Management is a project management services company which is wholly-owned indirectly by SFK Group. SFK Group is principally engaged in investment holdings.

DEFINITIONS

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

"Annual Cap(s)"	has the meaning given to it under the section headed "The Master Tenancy Agreement" in this announcement
"Board"	the board of Directors
"Company"	Great Eagle Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK\$"	Hong Kong Dollars, the lawful currency of Hong Kong
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Master Tenancy Agreement"	the agreement dated 30 March 2010 entered into by Moon Yik and SFK Management in relation to leasing the Premises
"Moon Yik"	Moon Yik Company, Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
"Premises"	Premises 3207-10, Premises 3201-2 and Premise 3206
"Premises 3207-10"	Suites 3207-10 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong
"Premises 3201-2"	Suites 3201-2 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong
"Premise 3206"	Suite 3206 on 32nd Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong

“Previous Premises 3207-10 Tenancy”	tenancy in relation to Premise 3207-10, between Moon Yik as landlord and SFK Management as tenant, for a term expiring on 31 March 2010
“Previous Premises 3201-2 Tenancy”	tenancy in relation to Premise 3201-2, between Moon Yik as landlord and SFK Management as tenant, for a term expiring on 15 October 2010
“Previous Tenancies”	the Previous Premise 3207-10 Tenancy and the Previous Premise 3201-2 Tenancy
"SFK Group"	Sun Fook Kong Group Limited, a company incorporated in the British Virgin Islands with limited liability
"SFK Management"	Sun Fook Kong Construction Management Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of SFK Group
“Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 30 March 2010

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, Archie; 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.