

*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.*



**CENTURY LEGEND (HOLDINGS) LIMITED**  
**世紀建業(集團)有限公司\***

(Incorporated in Bermuda with limited liability)

(Stock Code: 00079)

**ACQUISITION OF RIGHT-OF-USE ASSETS  
DISCLOSEABLE TRANSACTION IN RELATION  
TO A TENANCY AGREEMENT**

**NEW TENANCY AGREEMENT**

The Board announces that on 30 August 2024, Silver Billion, a non-wholly-owned subsidiary of the Company, entered into the New Tenancy Agreement as tenant with CHN, an Independent Third Party, as landlord in respect of the tenancy of the Premises under the Existing Tenancy Agreement for a term of two years commencing from 1 January 2025 to 31 December 2026 (both days inclusive) for the operation of the Group's hospitality services business in Yau Ma Tei.

**LISTING RULES IMPLICATIONS**

Pursuant to HKFRS 16, the Company needs to recognize the right to use the Premises as an acquisition of asset and as one or more than one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the rental payable under the New Tenancy Agreement is more than 5% and below 25%, the entering into the New Tenancy Agreement constitutes a discloseable transaction for the Company. Therefore it is subject to the notification and announcement requirement but exempt from Shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

\* For identification purpose only

The Board announces that on 30 August 2024, Silver Billion, a non-wholly-owned subsidiary of the Company, entered into the New Tenancy Agreement as tenant with CNH, an Independent Third Party, as landlord in respect of leasing the Premises under the Existing Tenancy Agreement for a term of two years commencing from 1 January 2025 to 31 December 2026 (both days inclusive) for the operation of the Group's hospitality services business in Yau Ma Tei.

## **KEY TERMS OF THE NEW TENANCY AGREEMENT**

- Date : 30 August 2024
- Parties : (i) CNH Properties Limited, an Independent Third Party, as the landlord
- (ii) Silver Billion Enterprises Limited, a non-wholly-owned subsidiary of the Company, as the tenant
- Premises : Nos. 279, 281 and 283 Shanghai Street, Kowloon (excluding shops 1 and 2 on the Ground Floor)
- Term : Two years commencing on 1 January 2025 and expiring on 31 December 2026 (both days inclusive)
- Use : The Tenant shall use the Premises solely for operating hotel business licensed under the Hotel and Guesthouse Accommodation Ordinance (Cap 349)
- Monthly rental : Monthly rent of HK\$280,000 throughout the term (exclusive of rates, government rent, management charges and other outgoings) to be paid in advance on the first day of each and every calendar month without deduction. The aggregate value of consideration payable under the New Tenancy Agreement is approximately HK\$6,720,000 which will be paid through the Group's internal source of funding.
- Rates and government rent : The Tenant shall pay rates and government rent charged on the Premises as assessed by the government of Hong Kong.
- Security deposit : The Tenant is required to place with the Landlord a security deposit of HK\$840,000.
- Option to renew : The Tenant shall have an option to renew the tenancy for a further term of two years from the expiration of the term at the prevailing market rent.

## **RIGHT-OF-USE ASSETS**

Pursuant to HKFRS 16, the tenancy of the Premises will be recognized as right-of-use assets for an amount of approximately HK\$6,291,000, which is calculated with reference to the present value of the aggregated lease payments to be made under the New Tenancy Agreement.

## **REASONS FOR AND BENEFITS OF THE NEW TENANCY AGREEMENT**

The Company is an investment holding company and its subsidiaries are principally engaged in property investments, provision of hair styling and related services and product sales, securities investments, hospitality service, property project management and provision of commercial and personal loans.

The Group is currently leasing the Premises under the Existing Tenancy Agreement for the operation of its hospitality services business in the trade name of “Homy Residence” and which will expire on 31 December 2024. Entering into the New Tenancy Agreement will enable the Group to continue its hospitality services operation at the Premises. The Group currently operates hospitality services business in three locations in North Point, Sheung Wan and Yau Ma Tei respectively in Hong Kong. Hong Kong’s hotel sector is on a recovery trajectory with rising occupancy and average daily rate from rebound tourist arrivals after the pandemic crisis. In 1H 2024 when hotel performances were ganged on a district level, Yau Ma Tei where the Premises is located is one of the districts that performed strongly with high occupancy. Hotel operations in the Premises has commenced since January 2023 and for the first half of the year, turnover increased 17% compared to the corresponding period last year while maintaining the high occupancy rate of about 89%. The New Tenancy Agreement keeps the momentum going in the Yau Ma Tei hotel business as well as maintaining the Group’s operation size and benefit from economies of scale in operation providing services at a relatively lower cost and laying the foundation for future growth in medium to long term.

Hong Kong’s position as an international financial, trade, innovation and technology centre underscores its competitiveness surviving the challenges in the current economic landscape of 2024. The HKSAR government has spent strenuous effort to promote Hong Kong’s unique attraction as an international city with a diverse culture and year-round mega events, targeting different tourists source markets and various Mainland segments. The Hong Kong Tourism Board expects a full recovery of international tourism by the end of 2025 fuelled by continued influx of Mainland Chinese travellers. The Premises, a boutique hotel with 22 rooms located in Yau Ma Tei in the proximity to the Western and Chinese cultural hub, is a great choice for travellers interested in street food, convenient public transport and shopping. With its

convenient location, the Premises offers guests easy access to the city's must see destinations. With the growing popularity for stylish and conveniently situated boutique hotels offering limited services and better rates, our Yau Ma Tei boutique hotel of which rooms are fitted with a separate seating area and a kitchenette would appeal to a niche market catering for the needs and convenience of its customers.

The rental terms of the New Tenancy Agreement was arrived after arm's length negotiations between the parties and the rental was determined after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises and the existing rent of the Premises under the Existing Tenancy Agreement.

The Directors considered that the transactions contemplated under the New Tenancy Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Tenancy Agreement were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **Silver Billion**

Silver Billion Enterprises Limited, a limited liability company incorporated under the laws of Hong Kong on 21 February 2020, is a non-wholly-owned subsidiary of the Company. Silver Billion is operating the Group's hospitality service business at the Premises.

### **The Landlord**

CHN Properties Limited is a limited liability company incorporated under the laws of Hong Kong on 14 October 2011. The principal activity of the Landlord is property investment.

CHN is wholly-owned by Fortune Progress Limited, a company incorporated in British Virgin Islands, which is ultimately wholly-owned by HSBC International Trustee Limited (the "Trustee"). The beneficiaries under the Trustee are Mr. Ng Chun Ho Michael, Ms. Tse Shuk Ha, Ms. Ng Wing Sum Jenny and Ms. Ng Wing Hang Ellen. The principal activity of Fortune Progress Limited is investment holding. To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the Trustee ultimately owns CHN. The Landlord and its ultimate beneficiaies are Independent Third Parties.

## LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the New Tenancy Agreement is more than 5% and below 25%, the New Tenancy Agreement constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirement but exempt from Shareholders' approval requirement pursuant to 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
“CHN” or “Landlord”	CHN Properties Limited, a limited liability company incorporated under the laws of Hong Kong on 14 October 2011, which is an Independent Third Party and the landlord of the Premises under the Existing Tenancy Agreement and the New Tenancy Agreement
“Company”	Century Legend (Holdings) Limited, a company incorporated in Bermuda with limited liability on 7 June 1993, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“Existing Tenancy Agreement”	the formal tenancy agreement dated 30 December 2022 entered into between Silver Billion as the tenant and CHN as the landlord in relation to the tenancy of the Premises which will expire on 31 December 2024
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standards 16 “Leases” which includes standards and interpretations promulgated by

the Hong Kong Institute of Certified Public Accountants

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is not connected persons of the Company and is third party independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“New Tenancy Agreement”	the formal tenancy agreement dated 30 August 2024 entered into between Silver Billion as the tenant and CHN as the landlord in relation to the renewed tenancy of the Premises
“Premises”	Nos. 279, 281 and 283 Shanghai Street, Kowloon (excluding shops 1 and 2 on the Ground Floor)
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.20 each in the capital of the Company
“Silver Billion” or “Tenant”	Silver Billion Enterprises Limited, a limited liability company incorporated under the laws of Hong Kong on 21 February 2020 and a non-wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**Century Legend (Holdings) Limited**  
**Chu Ming Tak Evans Tania**  
*Executive Director*

Hong Kong, 30 August 2024

*As at the date of this announcement, the Board comprises seven Directors, of which three are executive Directors, namely, Mr. Tsang Chiu Mo Samuel, Ms. Tsang Chiu Yuen Sylvia and Ms. Chu Ming Tak Evans Tania and four are independent non-executive Directors, namely Mr. Hui Yan Kit, Mr. Lau Pui Wing, Ms. Ho Ting Mei and Mr. Wu BinQuan .*