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**EGL Holdings Company Limited**  
**東瀛遊控股有限公司**

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

**(Stock Code: 6882)**

**DISCLOSEABLE TRANSACTION**  
**ACQUISITION OF LAND IN JAPAN**

The Board is pleased to announce that on 23 October 2017, the Purchaser (a wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor in relation to the acquisition of the Land at the aggregate consideration of JPY970,000,000 (equivalent to approximately HK\$67,308,000).

The Land comprises four parcels of vacant land with an aggregate site area of approximately 2,103 sq. m. located at Okinawa of Japan. The Land is currently intended to be used for hotel development and operation purposes.

As the applicable percentage ratios in respect of the Acquisition calculated under Chapter 14 of the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

**INTRODUCTION**

The Board is pleased to announce that on 23 October 2017, the Purchaser (a wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor in relation to the acquisition of the Land.

**THE AGREEMENT**

Major terms of the Agreement are set out below:

Date: 23 October 2017

- Parties:
- (1) the Purchaser (a wholly-owned subsidiary of the Company);  
and
  - (2) the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owner(s) is third party independent of, and not connected with, the Company or any of its connected persons (as defined in the Listing Rules).

Land: Comprising four parcels of vacant land with an aggregate site area of approximately 2,103 sq.m. located at 346, 348-1, 350 and 361-11, Makishi 3 Chome, Naha-shi, Okinawa, Japan.

Consideration and payment terms: The Consideration is JPY970,000,000 (equivalent to approximately HK\$67,308,000), which was agreed between the parties based on arm's length negotiations. The Directors consider that the Consideration is fair and reasonable after taking into account the current market conditions in the nearby area, the location, development potential of the Land and the prevailing market value of the Land as appraised by an independent valuer of JPY970,100,000 (equivalent to approximately HK\$67,315,000) as at 30 September 2017.

The Consideration shall be settled in the following manner:

- (i) 10% of the Consideration was paid by the Purchaser on the date of the Agreement as deposit, which shall be deemed to be part payment of the Consideration upon Completion; and
- (ii) the balance of the Consideration shall be payable by the Purchaser at Completion.

The Consideration will be financed by the internal resources of the Group.

Completion: Completion will take place on or before 30 November 2017.

The Purchaser is entitled to assign a subsidiary of the Company to complete the purchase of the Land.

## **INFORMATION ON THE LAND**

The Land is located at 346, 348-1, 350 and 361-11, Makishi 3 Chome, Naha-shi, Okinawa, Japan and has an aggregate site area of approximately 2,103 sq. m. which is currently intended to be used for hotel development and operation purposes. As at the date of this announcement, no legally binding contract has been entered into by the Group in respect of the construction and/or development of the Land.

## **REASONS FOR, AND BENEFITS OF, THE ACQUISITION**

The Group is primarily engaged in provision of package tours, FIT Products and ancillary travel related products and services.

The Company has been exploring opportunities to expand its travel related business in order to increase the profitability of the Group. The Land is located with close proximity to public transportation, the intended development of a hotel on the Land is aimed at catering for the accommodation needs of the Group's package tours and demand from the Group's FIT Products bounding for Okinawa, whilst surplus guest rooms will be rented to other customers at the prevailing market price for hotels of similar location and quality. Accordingly, the Board considers the Acquisition will not only bring synergy effects to the existing package tour and FIT business of the Group, but will also provide an additional source of income for the Group through the hotel operations, which is in line with the Group's long-term strategy.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATION UNDER THE LISTING RULES**

As the applicable percentage ratios in respect of the Acquisition calculated under Chapter 14 of the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	acquisition of the Land by the Purchaser from the Vendor
“Agreement”	the sale and purchase agreement dated 23 October 2017 entered into between the Purchaser and the Vendor in relation to the Acquisition

“Board”	the board of Directors
“Company”	EGL Holdings Company Limited (stock code: 6882), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Consideration”	the aggregate consideration of JPY970,000,000 (equivalent to approximately HK\$67,308,000) for the Acquisition
“Director(s)”	the director(s) of the Company
“FIT”	free independent travellers
“FIT Products”	FIT packages and individual travel elements
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“JPY”	the Japanese yen, the lawful currency of Japan
“Land”	comprising four parcels of vacant land of aggregate site area of approximately 2,103 sq. m. located at 346, 348-1, 350 and 361-11, Makishi 3 Chome, Naha-shi, Okinawa, Japan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Ebisu Growth Limited, a company incorporated in Japan with limited liability, which is a wholly-owned subsidiary of the Company
“Shareholder(s)”	shareholder(s) of the Company
“sq. m.”	square meter(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor” Daikyo Incorporated, a company incorporated in Japan with limited liability, which is principally engaged in real estate development and sales, real estate management and real estate brokerage

“%” per cent

*For illustration purposes, amounts denominated in JPY in this announcement have been converted into HK\$ at an exchange rate of JPY1.00:HK\$0.06939.*

On behalf of the Board  
**EGL Holdings Company Limited**  
**Yuen Man Ying**  
*Chairman and Executive Director*

Hong Kong, 23 October 2017

*As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Yuen Man Ying (Chairman), Mr. Huen Kwok Chuen, Mr. Leung Shing Chiu and Ms. Lee Po Fun, and three Independent Non-executive Directors, namely Mr. Chan Kim Fai, Mr. Tang Koon Hung Eric and Ms. Wong Lai Ming.*