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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00079)**

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

**TENANCY AGREEMENT**

The Board announces that on 30 December 2022, Silver Billion, a non-wholly-owned subsidiary of the Company, entered into the Tenancy Agreement as tenant with CHN, an Independent Third Party, as landlord in respect of the lease of the Premises for a term of two years commencing from 1 January 2023 to 31 December 2024 (both days inclusive) for the operation of the Group's hospitality services business.

**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 Tenancy Agreement is more than 5% and below 25%, the entering into the 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 December 2022, Silver Billion, a non-wholly-owned subsidiary of the Company, entered into the Tenancy Agreement as tenant with CHN, an Independent Third Party, as landlord in respect of leasing the Premises for a term of two years commencing from 1 January 2023 to 31 December 2024 (both days inclusive) for the operation of the Group's hospitality services business.

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

Date	:	30 December 2022
Parties	:	(i) CHN 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 2023 and expiring on 31 December 2024 (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 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 four 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\$6,270,000, which is calculated with reference to the present value of the aggregated lease payments to be made under the Tenancy Agreement.

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

The Company is an investment holding company and its subsidiaries are principally engaged in property investments, hospitality service, hair styling, securities investments and property project management.

The hospitality service industry in Hong Kong has faced a very challenging period on the outbreak of COVID-19 since January 2020, which has dampened local business environment, diminished consumer's spending and seriously affected the number of travelers to Hong Kong. Upon continuing relaxation of epidemic prevention measures for arrivals recently, Hong Kong's tourist industry is on the right track for recovery.

The Directors are of the view that now is an opportunity for the Group to expand its hospitality service business with more favorable commercial terms offered before full recovery of the Hong Kong's economy. By entering into the Tenancy Agreement, the Group will be able to increase the number of rooms in operation and effectively gaining benefit from achieving better economies of scale which is one of the Group's core business strategies in future development of our hospitality service business.

The Premises 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. Demand from travelers is expected to restore as the economy recovers from the pandemic. The Group plans to operate a boutique hotel at the Premises of which rooms unlike our existing hospitality operations are fitted with a separate seating area and a kitchenette catering for the needs and convenience of family travellers.

The rental terms of the 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.

The Directors considered that the transaction contemplated under the 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 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 will be the operational entity for 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 beneficiaries 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 Tenancy Agreement is more than 5% and below 25%, the 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 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
“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
“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
“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 lease of the Premises

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

Hong Kong, 30 December 2022

*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.*