

*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.*



**EAGLE NICE (INTERNATIONAL) HOLDINGS LIMITED**

**鷹美(國際)控股有限公司\***

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

**(Stock code: 02368)**

**DISCLOSEABLE TRANSACTION  
ACQUISITION OF LAND AND BUILDINGS IN INDONESIA**

On 23 November 2023, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Original Sale and Purchase Agreement in relation to the acquisition of the Land and Buildings at the consideration of Rp.202,500 million (equivalent to approximately HK\$101.9 million).

As none of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceeds 5%, the transactions contemplated under the Original Sale and Purchase Agreement does not constitute a notifiable transaction for the Company.

The Board wishes to announce that on 10 January 2024, the Purchaser and the Vendor entered into the Addendum Sale and Purchase Agreement in relation to the acquisition of the Land and Buildings at the Consideration of Rp.210,287.25 million (equivalent to approximately HK\$105.8 million). The terms of the Original Sale and Purchase Agreement are incorporated in the Addendum Sale and Purchase Agreement with certain amendments.

At the same time as the signing of the Addendum Sale and Purchase Agreement, the Purchaser and the Vendor entered into the Lease Agreement. Pursuant to the terms of the Lease Agreement, during the period commencing from 10 January 2024, being the date of Completion, to 9 March 2024 (both days inclusive), the Purchaser shall allow the Vendor to use the Leased Building at a rental of Rp.2 million (equivalent to approximately HK\$1,007) per day, exclusive of tax which shall be paid by the Vendor.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but are less than 25%, the Acquisition and the transactions contemplated under the Lease Agreement constitute a discloseable transaction for the Company and are subject to the announcement requirements under Chapter 14 of the Listing Rules.

*\* For identification purposes only*

## **INTRODUCTION**

On 23 November 2023, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Original Sale and Purchase Agreement in relation to the acquisition of the Land and Buildings at the consideration of Rp.202,500 million (equivalent to approximately HK\$101.9 million) based on an estimated land area of 90,000 sq.m., subject to re-measurement of the land area by the Bandung Regency Land Office.

As none of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceeds 5%, the transaction contemplated under the Original Sale and Purchase Agreement does not constitute a notifiable transaction for the Company.

The Board wishes to announce that on 10 January 2024, the Purchaser and the Vendor entered into the Addendum Sale and Purchase Agreement in relation to the Acquisition at the Consideration of Rp.210,287.25 million (equivalent to approximately HK\$105.8 million) with an actual land area of 93,461 sq.m, after remeasurement of the land area by the Bandung Regency Land Office. The terms of the Original Sale and Purchase Agreement are incorporated in the Addendum Sale and Purchase Agreement with certain amendments.

## **THE ACQUISITION**

### **Principal terms of the Addendum Sale and Purchase Agreement**

#### *Date*

10 January 2024

#### *Purchaser*

PT. Gelindo Garmentama, a company incorporated in Indonesia with limited liability and an indirect wholly-owned subsidiary of the Company.

#### *Vendor*

PT. Kerajinan Tangan Mandiri, a company incorporated in Indonesia with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners is a third party independent of the Company and its connected persons.

#### *Subject matter*

Pursuant to the Addendum Sale and Purchase Agreement, the Vendor shall sell and the Purchaser shall purchase the Land and Buildings upon the terms contained therein.

### *Consideration*

The Consideration is Rp.210,287.25 million (equivalent to approximately HK\$105.8 million), which is payable by the Purchaser to the Vendor in cash in the following manner:

- (i) as to Rp.20,250 million (equivalent to approximately HK\$10.2 million), being deposit payable under the Original Sale and Purchase Agreement, was paid by the Purchaser to the Vendor on 27 November 2023; and
- (ii) as to Rp.190,037.25 million (equivalent to approximately HK\$95.6 million), being the remaining amount of the Consideration, shall be paid by the Purchaser to the Vendor upon Completion.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser. The Purchaser also took into account: (i) the valuation of the Land and Buildings by an independent professional valuer of Rp.266,000 million (equivalent to approximately HK\$133.9 million) as at 31 December 2023, being the valuation date, using depreciated replacement cost method; (ii) the related Acquisition taxes and expenses payable by the Purchaser of approximately Rp.35,474 million (equivalent to approximately HK\$17.9 million) including but not limited to the transfer tax and value added tax on the Acquisition, notary fees and legal fees which will be capitalised by the Group upon Completion; and (iii) the economy of scale that the Group may enjoy by acquiring new manufacturing facilities in the proximity of its existing manufacturing facilities in Indonesia.

The Directors (including the independent non-executive Directors) believe that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Acquisition was financed by using the Group's internal resources and/or banking facilities.

### *Conditions:*

Completion of the Addendum Sale and Purchase Agreement is conditional upon:

- (i) the Vendor having vacated the Land and Buildings (save for the matters described in the Lease Agreement) and being empty of all occupants; and
- (ii) the Vendor having submitted to the Purchaser the requisite documents for verifying delivery of vacant possession of the Land and Buildings.

As at the date of this announcement, all the above conditions have been fulfilled.

### *Completion:*

Completion of the Addendum Sale and Purchase Agreement and handover of the Land and Buildings took place immediately after the signing of the Addendum Sale and Purchase Agreement on 10 January 2024. The Purchaser has fully settled the Consideration and the Vendor has executed such instruments and power of attorney as required under the applicable laws in Indonesia to enable the Purchaser to effect and complete the transfer of the title of the Land and Buildings.

### **Lease Agreement**

At the same time as the signing of the Addendum Sale and Purchase Agreement, the Purchaser and the Vendor entered into the Lease Agreement. Pursuant to the terms of the Lease Agreement, during the period commencing from 10 January 2024, being the date of Completion, to 9 March 2024 (both days inclusive), the Purchaser shall allow the Vendor to use the Leased Building (which forms part of the Land and Buildings) with a gross floor area of approximately 3,000 sq.m. at a rental of Rp.2 million (equivalent to approximately HK\$1,007) per day, exclusive of tax which shall be paid by the Vendor.

During such period of use, the Vendor shall only use the Leased Building for the purpose of storage of the textile machines owned by the Vendor and shall not use the Leased Building for any other purposes. At the expiration of the Lease Agreement, the Vendor shall return and reinstate the Leased Building in good, clean and tenantable repair in its original state and at its own expense remove all machines and properties owned by the Vendor.

### **Information on the Land and Buildings and the Vendor**

The Land is located at Bojong KM2 Road (Cisirung), Cangkuang Kulon Village, Dayeuhkolot District, Bundung Regency, West Java Province, Indonesia with an area of approximately 93,461 sq.m. for industrial use, on which the Buildings with a total gross floor area of approximately 35,541 sq.m. were erected.

According to the information provided by the Vendor, the land use rights of the Land will be expiring on 21 April 2027, and the owner may apply for extension of the tenure in accordance with the applicable laws in Indonesia. Enquires have been made with the Company's legal advisers in Indonesia and the management of the Company is given to understand that there are no material legal impediments that would prevent the Purchaser from obtaining an extension of the tenure of the Land upon expiry.

Based on the information available to the public, the Vendor, namely, PT. Kerajinan Tangan Mandiri, is a company incorporated in Indonesia with limited liability and is owned as to 97% and 3% by Mr. WARDONO ASNIM and Mr. WIDODO SETIADI, respectively, both being Indonesian citizens. As advised by the Vendor, it is principally engaged in wholesale trade except motor vehicles and motorcycles. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Mr. WARDONO ASNIM and Mr. WIDODO SETIADI are third parties independent of the Company and its connected persons.

## **REASONS FOR THE ACQUISITION**

The Purchaser is an indirect wholly-owned subsidiary of the Company incorporated in Indonesia with limited liability. The Group (including the Purchaser) is principally engaged in the manufacture of sportswear for men, women and children on an OEM (an acronym for “original equipment manufacturer” which produces or customises products according to the design supplied by the customers) basis. The sportswear manufactured and sold by the Group can broadly be divided into tracksuits, sports pants, jackets, sweaters and tee-shirts.

The Group’s production bases are currently located in the PRC (Guangdong, Jiangxi and Hubei Provinces), Indonesia and Vietnam in order to fully leverage the unique advantages in terms of geographic location, government policy and production technology to enable the Group in allocating production orders with flexibility. The Board believes that the Acquisition represents a good opportunity for the Group to further expand its manufacturing bases in Indonesia. Given that the Land and Buildings are located next to the Purchaser’s current manufacturing facilities in Indonesia, it will enable the Group to increase its production capacity in Indonesia by making use of the readily available facilities erected on the Land without incurring additional construction costs.

The Directors (including the independent non-executive Directors) consider that the Acquisition, the terms of the Addendum Sale and Purchase Agreement and the Lease Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS OF THE LISTING RULES**

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but are less than 25%, the Acquisition and the transactions contemplated under the Lease Agreement constitute a discloseable transaction for the Company and are subject to the announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“Acquisition”	the acquisition of the Land and Buildings pursuant to the terms of the Addendum Sale and Purchase Agreement
“Addendum Sale and Purchase Agreement”	an addendum sale and purchase agreement dated 10 January 2024 entered into between the Vendor and the Purchaser in relation to the Acquisition, which incorporates the terms of the Original Sale and Purchase Agreement with certain amendments
“Board”	the board of Directors

“Buildings”	certain buildings for industrial use with a total gross floor area of approximately 35,541 sq.m. as per the building permits erected on the Land, including the Leased Building
“Company”	Eagle Nice (International) Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 02368)
“Completion”	completion of the Acquisition pursuant to the terms of the Addendum Sale and Purchase Agreement
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	Rp.210,287.25 million (equivalent to approximately HK\$105.8 million), being the consideration for the Acquisition
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Land”	a piece of land located at Bojong KM2 Road (Cisirung), Cangkuang Kulon Village, Dayeuhkolot District, Bundung Regency, West Java Province, Indonesia with an area of approximately 93,461 sq.m. for industrial use
“Lease Agreement”	a lease agreement dated 10 January 2024 entered into between the Vendor and the Purchaser in relation to the use of the Leased Building by the Vendor after the date of Completion
“Leased Building”	a portion of the Buildings with a gross floor area of approximately 3,000 sq.m. leased by the Purchaser to the Vendor pursuant to the terms of the Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Sale and Purchase Agreement”	a sale and purchase agreement dated 23 November 2023 entered into between the Vendor and the Purchaser, which was amended by the Addendum Sale and Purchase Agreement
“PRC”	The People’s Republic of China

“Purchaser”	PT. Gelindo Garmentama, a company incorporated in Indonesia with limited liability and an indirect wholly-owned subsidiary of the Company
“Rp.”	Indonesian Rupiah, the lawful currency of Indonesia
“Share(s)”	ordinary shares of HK\$0.01 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	PT. Kerajinan Tangan Mandiri, a company incorporated in Indonesia with limited liability and a third party independent of the Company and its connected persons
"% "	per cent.

For reference purposes only and unless otherwise specified, Rp. amounts have been translated into HK\$ using the rate of HK\$1 to Rp.1,987 in this announcement.

By Order of the Board  
**Eagle Nice (International) Holdings Limited**  
**Chung Yuk Sing**  
Chairman

Hong Kong, 10 January 2024

*As at the date of this announcement, the Board comprises seven executive directors, namely, Mr. Chung Yuk Sing, Mr. Chen Hsiao Ying, Mr. Huang Yongbiao, Ms. Chen Fang Mei, Mr. Shih Chih-Hung, Mr. Chung Chi Kit and Mr. Hu Chia-Ho and four independent non-executive directors, namely, Mr. Chan Cheuk Ho, Mr. Lu Chi Chant, Ms. Tham Kit Wan and Mr. Leung Spencer Yu Cheong.*