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## **Legion Consortium Limited**

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

**(Stock code: 2129)**

### **MAJOR TRANSACTION IN RELATION TO LEASE AGREEMENTS**

#### **THE LEASE AGREEMENT**

The Board announces that on 22 November 2024 (after trading hours), Rejoice Container Services (Pte) Ltd, a wholly-owned subsidiary of the Company, as Lessee, received the Letter of Award and Lease Offer from JTC, as Lessor, in respect of the lease of the Premises at the Tendered Land and Building Premium of S\$17,000,000 for a period of 20 years commencing from 26 February 2025 to 25 February 2045 (both days inclusive).

#### **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, as a result of the Lease, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the Lease will be regarded as an acquisition of asset by the Group in accordance with the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Lease shall amount to approximately S\$17,831,744. As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 25% but less than 100%, the Lease constitutes a major transaction of the Company and is accordingly subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, no Shareholders has material interest in the Lease, thus no Shareholder would be required to abstain from voting at a general meeting of the Company for approving the same if the Company was to convene such a general meeting.

As at the date of this announcement, Mirana Holdings Limited is the controlling Shareholder and beneficially holds 937,500,000 Shares, representing 75% of the entire issued share capital of the Company and voting rights in general meetings of the Company. As no Shareholder is required to abstain from voting on the Lease if the Company was to convene a general meeting for the approval of the Lease, the Lease has been approved by a written shareholder' approval from Mirana Holdings Limited. Pursuant to Rule 14.44 of the Listing Rules, such written approval may be accepted in lieu of holding a general meeting of the Company, and accordingly, no general meeting of the Company will be convened for the purpose of approving the Lease.

## **GENERAL**

A circular containing, amongst other things, further information on the terms of the Lease and financial information of the Group is expected to be despatched to the Shareholders on or before 13 December 2024.

## **THE LEASE AGREEMENT**

The Board announces that on 22 November 2024 (after trading hours), Rejoice Container Services (Pte) Ltd, a wholly-owned subsidiary of the Company, as Lessee, received the Letter of Award and Lease Offer from JTC, as Lessor, in respect of the lease of the Premises at the Tendered Land and Building Premium of S\$17,000,000 for a period of 20 years commencing from 26 February 2025 to 25 February 2045 (both days inclusive).

The principal terms of the Lease Agreement are set out below:

Lessee: Rejoice Container Services (Pte) Ltd, a wholly-owned subsidiary of the Company

Lessor: JTC Corporation

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Lessor and its ultimate beneficial owner are Independent Third Parties.

Premises: Private Lot No. 7019938 at 14 Benoi Sector Singapore 629847

Land area: 11,889.20 square metres

Gross floor area: 2,778.95 square metres

Authorised use:	Storage of general cargoes, crane boom, construction machinery and accessories only
Commencement Date:	26 February 2025
Term of lease:	20 years from the Commencement Date
Tendered Land and Building Premium:	<p>S\$17,000,000, which shall be settled in the following manners:</p> <p>(i) a tender deposit of S\$200,000 paid by way of bank transfer at the time when the Tender was submitted, which has been applied in part-payment of the Tendered Land and Building Premium;</p> <p>(ii) a further deposit of S\$1,500,000 (being 10% of the Tendered Land and Building Premium with deduction of the tender deposit of S\$200,000) has been paid by way of bank transfer on the date of the Letter, which shall be applied in part-payment of the Tendered Land and Building Premium; and</p> <p>(iii) the balance of the Tendered Land and Building Premium of S\$15,300,000 shall be paid by way of bank transfer before the Commencement Date.</p>
Right-of-use asset value:	A total of approximately S\$17,831,744 covering whole of lease term

The terms of the Lease were determined after arm's length negotiations between Lessor and the Lessee and with reference to the prevailing market rental for properties of similar type, age and location.

The Tendered Land and Building Premium is expected to be funded approximately 59% through the internal resources of the Group and approximately 41% through bank financing.

## **INFORMATION OF THE PARTIES**

### **The Company**

The Company is a company incorporated in the Cayman Islands with limited liability and listed on the Main Board of the Stock Exchange which is, through its subsidiaries, principally engaged in provision of well-established logistics service in Singapore offering trucking services, freight forwarding services and value added transport services to customers.

## **The Lessee**

The Lessee, a private company limited by shares under the Laws of Singapore and a wholly-owned subsidiary of the Company, principally engaged in provision of container depot services, as well as the installation of industrial machinery and equipment, and mechanical engineering works.

## **The Lessor**

The Lessor is a Singapore government agency in charge of Singapore's industrial progress and is the landlord of the land portion of the Premises.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Lessor and its ultimate beneficial owner are Independent Third Parties.

## **REASONS AND BENEFITS OF THE LEASE AGREEMENTS**

The Group is principally engaged in the provision of in provision of container depot services, as well as the installation of industrial machinery and equipment, and mechanical engineering works. As such, the premises where the Group carries on its business is of material importance.

Currently, the Group has a vehicle fleet comprising 55 prime movers, 470 trailers and 21 flat vans, and machineries comprising 6 reach stackers, 2 kalmars and 3 forklifts. Furthermore, the Group is operating 3 logistics yards and 3 warehouses of approximately 48,980 sq. m. and 32,343 sq. m., respectively, for the provision of our open-yard storage and warehousing services as part of our value added transportation services ("VATS") to our customers.

In order to deal with the expanding capacity and vehicle fleet, the Group has identified a piece of land that the Group considers appropriate and suitable to the business development and expansion of the Group taking into account its, including but not limited to, location, usable floor area, facilities and terms of tenure.

In view of such, the Directors are of the view that the Lease is conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and that (iii) the terms of the Lease are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, as a result of the Lease, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the Lease will be regarded as an acquisition of asset by the Group in accordance with the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Lease shall amount to approximately S\$17,831,744.

As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 25% but less than 100%, the Lease constitutes a major transaction of the Company and is accordingly subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, no Shareholders has material interest in the Lease, thus no Shareholder would be required to abstain from voting at a general meeting of the Company for approving the same if the Company was to convene such a general meeting.

The Company has obtained a written approval from Mirana Holdings Limited, which is the controlling Shareholder and beneficially holds 937,500,000 Shares, representing 75% of the entire issued share capital of the Company as at the date of this announcement, for the Lease in lieu of holding a general meeting of the Company under Rule 14.44 of the Listing Rules. Accordingly, no general meeting of the Company shall be convened for the purpose of approving the Lease.

## **GENERAL**

A circular containing, among other things, further information of the Lease and financial information of the Group will be despatched to the Shareholders on or before 13 December 2024.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the board of Directors
“Company”	Legion Consortium Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2129)

“Conditions of Tender”	the conditions of tender for the lease of the Premises set out in the Tender documents
“connected person(s)”	has the meaning ascribed to it under Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	collectively, the Company and its subsidiaries from time to time
“GST”	Goods and Service Tax in Singapore
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an independent third party(ies) which is/are not connected with the chief executive, directors and substantial shareholders of the Company or any of its subsidiaries and their respective associates
“Lease”	the lease of the Premises from JTC for a tenure of 20 years from the Commencement Date subject to the terms of the Conditions of Tender and the Lease Offer
“Lease Offer”	the letter of offer dated 22 November 2024 including all the terms and conditions for the Lease issued by JTC
“Lessee”	Rejoice Container Services (Pte) Ltd, a private company limited by shares under the laws of Singapore and a wholly-owned subsidiary of the Company
“Lessor”	JTC Corporation, a Singapore government agency in charge of Singapore’s industrial progress and is the landlord of the land portion of the Premises

“Letter”	the letter of award dated 22 November 2024 issued by JTC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Premises”	the premises located at Private Lot No. 7019938 at 14 Benoi Sector Singapore 629847
“S\$”	Singapore dollar, the lawful currency of Singapore
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the ordinary shares of the Company
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	the form of tender submitted by the Lessee for the lease of the Premises by JTC by way of public tender
“Tendered Land and Building Premium”	the tendered land and building premium of S\$17,000,000 (exclusive of prevailing GST)
“Transaction”	the entering into of the Lease Agreement to lease the Premises from the Lessor
“%”	percentage

By Order of the Board  
**Legion Consortium Limited**  
**Ng Choon Eng**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 22 November 2024

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Ng Choon Eng and Mr. Ng Kong Hock; and three independent non-executive Directors, namely Mr. Yeo Teck Chuan, Mr. Ho Wing Sum and Mr. Teo Rainer Jia Kai.*