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PACIFIC CENTURY PREMIUM DEVELOPMENTS LIMITED

盈科大衍地產發展有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00432)

**VERY SUBSTANTIAL DISPOSAL
DISPOSAL OF THE TARGET COMPANY OWNING MIDTOWN NISEKO IN JAPAN**

THE DISPOSAL

As at the date of this announcement, the Group owns and operates Midtown Niseko in Japan through the Target Company.

On 13 February 2026, the Seller (a wholly-owned subsidiary of the Company) entered into the Share Sale Agreement with, among others, the Purchaser for the sale of the Sale Shares (representing the entire issued share capital of the Target Company) and the Shareholder Loans in accordance with the terms and conditions of the Share Sale Agreement. Upon Closing, the Group will cease to hold any interest in the Target Company and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the transactions contemplated under the Share Sale Agreement constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules and will be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

SGM

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve the Share Sale Agreement and the transactions contemplated thereunder. To the Directors' best knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, no Shareholder has a material interest in the Share Sale Agreement and the transactions contemplated thereunder, and therefore no Shareholder is required to abstain from voting on the proposed resolutions approving the Share Sale Agreement and the transactions contemplated thereunder. A circular containing, among others, (i) further information on the Share Sale Agreement; (ii) the financial information of the Target Company; (iii) the unaudited pro-forma financial information of Remaining Group; (iv) the valuation report of the Valuer; (v) further information to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the SGM relating to the Share Sale Agreement and the transactions contemplated thereunder; (vi) other information as required under the Listing Rules; and (vii) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 5 May 2026, which is more than 15 business days after the publication of this announcement, so as to allow sufficient time for the preparation and finalisation of the relevant information for inclusion in the circular.

Shareholders and potential investors of the Company should be aware that the Disposal is subject to conditions to be satisfied, and consequently the Disposal may or may not be completed. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing or contemplating dealing in the securities of the Company.

THE DISPOSAL

As at the date of this announcement, the Group owns and operates Midtown Niseko in Japan through the Target Company.

On 13 February 2026, the Seller (a wholly-owned subsidiary of the Company) entered into the Share Sale Agreement with, among others, the Purchaser for the sale of the Sale Shares (representing the entire issued share capital of the Target Company) and the Shareholder Loans in accordance with the terms and conditions of the Share Sale Agreement. Upon Closing, the Group will cease to hold any interest in the Target Company and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

The Share Sale Agreement

The principal terms of the Share Sale Agreement are set out below:

Date

13 February 2026

Parties

- (1) The Seller
- (2) The Seller's Guarantors (as guarantors for the Seller's obligations)
- (3) The Purchaser

Subject Matter

The Seller agreed to sell, and the Purchaser agreed to acquire the Sale Shares (representing the entire issued share capital of the Target Company) and the Shareholder Loans in accordance with the terms and conditions of the Share Sale Agreement.

Consideration and payment terms

The Consideration for the Sale Shares and the Shareholder Loans shall be US\$80,000,000, which comprises:

- (i) the consideration for the sale and purchase of the Sale Shares (i.e. the Consideration less the Shareholder Loans Consideration); and
- (ii) the consideration for the assignment of the Shareholder Loans, which shall be the outstanding principal amount of the Shareholder Loans and any accrued but unpaid interest thereon as at Closing (the "**Shareholder Loans Consideration**"). The Seller shall confirm and notify the Purchaser the amount of the Shareholder Loans Consideration prior to Closing. As at 31 January 2026, the outstanding amount of the Shareholder Loans (together with accrued but unpaid interest) is approximately JPY5,387.37 million (equivalent to approximately US\$35.19 million).

The Purchaser shall pay the Seller the Consideration in cash on Closing in JPY, based on the exchange rate to be determined in accordance with the mechanism agreed in the Share Sale Agreement with reference to the closing rate of Bloomberg BGN mid-rate specified on Bloomberg for the purchase of JPY with USD.

Ancillary Documents

By Closing, the Parties will enter into agreements on certain transitional and post-closing operational arrangements of the Target Company, including an arrangement for the Target Company to allocate a specified number of hotel guest rooms at Midtown Niseko to an entity designated by the Seller for staff accommodation purposes. Further details of such arrangement will be disclosed in the circular to be despatched for the purposes of the SGM.

Conditions precedent

Closing is conditional upon the satisfaction or waiver (if permitted under the Share Sale Agreement) of conditions precedent, the key terms of which are summarised below:

- (a) all requisite approvals and consents from the Shareholders with respect to the Disposal having been obtained;
- (b) the transfer of certain trademarks out of the Target Company having completed on terms agreed between the Parties;
- (c) certain existing intragroup agreements having been terminated and all intragroup trading payables and receivables having been discharged as of Closing;
- (d) the agreements for transitional and post-closing operational arrangements of the Target Company having been agreed and executed between the Parties; and
- (e) the warranties given by the Company, the Seller and the Purchaser under the Share Sale Agreement remaining true and accurate as of the date of the Share Sale Agreement and as of the Closing Date.

As at the date of this announcement, none of the conditions above has been satisfied or waived.

If any of the conditions precedent has not been satisfied or waived (if permitted under the Share Sale Agreement) by 5pm (Hong Kong time) on 20 May 2026 (or such other date as the Purchaser and the Seller may otherwise agree), either the Seller or the Purchaser may terminate the Share Sale Agreement, provided that a Party shall not be entitled to terminate the Share Sale Agreement if the non-satisfaction is due to the fault of such Party.

Guarantee

The Company and its offshore subsidiary, namely Ipswich, are the Seller's Guarantors. Each of the Seller's Guarantors unconditionally and irremovably guarantees to the Purchaser the due and punctual performance and observance by the Seller of all its obligations, commitments, undertaking, warranties and indemnities under or pursuant to the Share Sale Agreement.

Closing

Subject to the satisfaction or waiver of the conditions precedent (in accordance with the Share Sale Agreement), Closing shall take place on the earlier of (i) the 15th Business Day following notification of the fulfilment or waiver of the conditions precedent and (ii) 31 May 2026, or on such other date as may be agreed between the Purchaser and the Seller.

Information of the Parties

The Company, the Group, Ipswich and the Seller

The Company is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of the Company is investment holding.

The Group is principally engaged in the development and management of premium-grade property and infrastructure projects as well as premium-grade property investments.

Ipswich is a company incorporated in the British Virgin Islands with limited liability. The principal business activity of Ipswich is investment holding. It is a wholly-owned subsidiary of the Company.

The Seller is a company incorporated in Hong Kong with limited liability. The principal business activity of the Seller is investment holding. It is a wholly-owned subsidiary of the Company.

The Purchaser

The Purchaser is a company incorporated in Singapore with limited liability. It is indirectly held by a number of funds managed by Oaktree Capital Management, L.P. (“Oaktree”), with a wide investor base. Oaktree, a global investment manager registered with the United States Securities and Exchange Commission, is the investment manager to aforesaid funds.

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owners is an Independent Third Party.

Information on the Target Company

The Target Company, namely, Triple8 KK (株式会社), is a corporation organised under the laws of Japan. The Target Company owns and operates Midtown Niseko, an eco hotel situated at Niseko Hirafu, 4-jo 1-3-3, Kutchan-cho, Abuta-gun, Hokkaido in Japan.

As at the date of this announcement, the Target Company is wholly-owned by the Seller. Upon Closing, the Purchaser will hold the entire issued share capital in the Target Company, and the Target Company will cease to be a subsidiary of any of the Company and the Seller.

Financial Information of The Target Company

Based on the unaudited management accounts (prepared in accordance with HKFRS), the table below sets out certain financial information of the Target Company for the years ended 31 December 2024 and 2025:

	For the year ended	
	31 December	
	<u>2025</u>	<u>2024</u>
	(unaudited)	(unaudited)
	<i>HK\$ million</i>	
Revenue	49	41
Profit before tax	5	1
Profit after tax	3	16

Based on the unaudited management accounts (prepared in accordance with HKFRS), the net assets value (excluding the Shareholder Loans) of the Target Company as at 31 December 2025 was approximately HK\$231 million.

As at 31 January 2026, the outstanding amount of the Shareholder Loans (together with accrued but unpaid interest) is approximately JPY5,387.37 million (equivalent to approximately US\$35.19 million).

Basis of the consideration for the Disposal

Midtown Niseko is the principal real estate asset held by the Target Company.

The Consideration was determined after arm's length negotiations between the Seller and the Purchaser primarily with reference to the prevailing market value of US\$80 million for Midtown Niseko as at 31 January 2026 which was preliminarily estimated by an independent professional valuer (the "Valuer") using the market approach and by making reference to sales evidence of comparable properties in Hokkaido. Comparable properties of similar size, character and location are analyzed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values. Market approach is a commonly adopted approach for valuation of properties where relevant comparable transactions as sale evidence are available for reference to arrive at the market value. This approach rests on the market evidences as the best value indicator that can be extrapolated to similar properties. On this basis, the Directors are satisfied that the Consideration was fair and reasonable. The full valuation report by the Valuer will be set out in the circular to be despatched for the purposes of the SGM.

Financial impact of the Disposal

Upon Closing, the Target Company will cease to be a subsidiary of any of the Company and the Seller, and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group. Further, upon Closing, the Shareholder Loans will be assigned to the Purchaser and the Target Company will owe the Shareholder Loans to the Purchaser but not the Group. The Group will no longer be entitled to the repayment of the Shareholder Loans after Closing.

Upon Closing, the Group expects to recognize a gain on disposal of approximately HK\$261 million. Such estimated unaudited gain is calculated with reference to (i) the Consideration of US\$80 million (equivalent to approximately HK\$624 million); (ii) the unaudited net asset value (excluding the Shareholder Loans) of the Target Company of approximately HK\$231 million as at 31 December 2025; and (iii) all relevant expenses and taxes incidental to the Disposal of approximately HK\$132 million. The actual gain on the Disposal to be recorded by the Company is subject to audit and may be different from the estimated amount.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Taking into account the recent prevailing property market conditions in Japan, the Disposal represents a timely opportunity to optimise the Group's property business portfolio by monetising its investment in Midtown Niseko at an attractive valuation, generating substantial cash proceeds to enhance financial flexibility. The Board currently expects to deploy the net proceeds from the Disposal to strengthen the Group's financial position, including (i) reducing the Group's indebtedness to lower ongoing borrowing costs and allocate more resources to ongoing and potential residential projects in Japan, Thailand and Hong Kong; and (ii) bolstering working capital, including but not limited to staff costs, rental and other overhead expenses of the Group. As such, it will position the Group to identify and capture other new business opportunities should any suitable opportunities arise.

The terms of the Share Sale Agreement were determined after arm's length negotiations between the Parties and are on normal commercial terms. Taking into account the above factors and having considered the respective basis for determining the Consideration, the Directors (including the independent non-executive Directors) are of the view that the terms of the Share Sale Agreement and the transactions contemplated thereunder, including the Consideration, which have been reached after arm's length negotiations among the Parties, are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

None of the Directors had any material interest in the Share Sale Agreement, and accordingly no Director was required to abstain from voting on the relevant resolutions of the Board.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the transactions contemplated under the Share Sale Agreement constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules and will be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

SGM

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve the Share Sale Agreement and the transactions contemplated thereunder. To the Directors' best knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, no Shareholder has a material interest in the Share Sale Agreement and the transactions contemplated thereunder, and therefore no Shareholder is required to abstain from voting on the proposed resolutions approving the Share Sale Agreement and the transactions contemplated thereunder.

Despatch of Circular

A circular containing, among others, (i) further information on the Share Sale Agreement; (ii) the financial information of the Target Company; (iii) the unaudited pro-forma financial information of Remaining Group; (iv) the valuation report of the Valuer; (v) further information to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the SGM relating to the Share Sale Agreement and the transactions contemplated thereunder; (vi) other information as required under the Listing Rules; and (vii) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 5 May 2026, which is more than 15 business days after the publication of this announcement, so as to allow sufficient time for the preparation and finalisation of the relevant information for inclusion in the circular.

Shareholders and potential investors of the Company should be aware that the Disposal is subject to conditions to be satisfied, and consequently the Disposal may or may not be completed. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing or contemplating dealing in the securities of the Company.

J.P. Morgan Securities (Asia Pacific) Limited acted as financial advisor to the Seller in the Disposal.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	the board of Directors of the Company
“Business Day(s)”	means a day which is not a Saturday, a Sunday or a public holiday in Hong Kong, Singapore, the United States and Japan
“Closing”	closing of the Disposal in accordance with the terms and conditions of the Share Sale Agreement
“Closing Date”	the date on which Closing takes place
“Company”	Pacific Century Premium Developments Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 00432)

“Consideration”	the consideration payable by the Purchaser to the Seller under the Share Sale Agreement for the sale and purchase of Sale Shares and the assignment of the Shareholder Loans
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the Shareholder Loans by the Seller to the Purchaser pursuant to the terms and conditions of the Share Sale Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued 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”	third parties independent of the Company and its connected persons
“Ipswich”	Ipswich Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company
“JPY”	Japanese Yen, the lawful currency of Japan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Midtown Niseko”	an eco hotel situated at Niseko Hirafu, 4-jo 1-3-3, Kutchan-cho, Abuta-gun, Hokkaido in Japan, which is held and operated by the Target Company
“percentage ratios”	has the meaning ascribed to it under Chapter 14 of the Listing Rules
“Sale Shares”	3,980 ordinary shares in the Target Company, representing the entire issued share capital of the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Party/(ies)”	party/(ies) to the Share Sale Agreement
“Purchaser”	Ryugu Holdco Pte. Ltd., a company incorporated in Singapore with limited liability, see “Information of the Parties – The Purchaser” for further details
“Remaining Group”	the Group immediately after the Closing
“Seller”	Media Central Investments Limited, a company incorporated in Hong Kong with limited liability, and a wholly-owned subsidiary of the Company
“Seller’s Guarantors”	the Company and Ipswich

“SGM”	a special general meeting of the Company to be held for the Shareholders to consider and, if thought fit, approve the Share Sale Agreement and the transactions contemplated thereunder
“Share(s)”	share(s) in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Shareholder Loans”	certain loans (together with accrued but unpaid interest thereon) owed by the Target Company to the Seller as at Closing, which will be assigned to the Purchaser upon Closing
“Shareholders’ Approval”	the approval of the Shareholders to be obtained by the Company at the SGM in relation to the Share Sale Agreement and the transactions contemplated thereunder
“Share Sale Agreement”	the share purchase agreement dated 13 February 2026 and entered into among the Seller, the Seller’s Guarantors, and the Purchaser in respect of the Disposal
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Triple8 KK (株式会社) , a corporation organised under the laws of Japan and a wholly-owned subsidiary of the Company as at the date of this announcement
“US\$” or “USD”	United States dollars, the lawful currency of the United States of America

For illustrative purpose of this announcement only and unless otherwise stated, (i) conversion of JPY into US\$ is made at the following exchange rate: JPY153.10 = US\$1; and (ii) conversion of US\$ into HK\$ is made at the following exchange rate: US\$1 = HK\$7.8.

By Order of the Board
Pacific Century Premium Developments Limited
Cheung Kwok Kuen Alan
General Counsel and Company Secretary

Hong Kong, 13 February 2026

As at the date of this announcement, the Directors of the Company are as follows:

Executive Directors:

Li Tzar Kai, Richard; and Benjamin Lam Yu Yee (Deputy Chairman and Group Managing Director)

Non-Executive Director:

Dr Allan Zeman, GBM, GBS, JP

Independent Non-Executive Directors:

Prof Wong Yue Chim, Richard, SBS, JP (Independent Non-Executive Chairman); Chiang Yun; and Dr Vince Feng

* *For identification only*