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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)

CONTINUING CONNECTED TRANSACTIONS

PROJECT MANAGEMENT SERVICES AGREEMENT

The Board announces that on 29 August 2019, Partner Link, an indirect wholly-owned subsidiary of the Company, entered into the Project Management Services Agreement with Antede, a connected person of the Company, under which Partner Link will provide Project Management Services in respect of the Premises. Antede is the tenant of the Premises.

Antede is an indirect wholly-owned subsidiary of FWD Limited, which is a majority-controlled company of Mr. Li, an Executive Director of the Company. Therefore, Antede is an associate of Mr. Li and thus a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Project Management Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Annual Caps for the transactions contemplated under the Project Management Services Agreement exceed 0.1% but are less than 5%, the transactions thereunder are subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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PROJECT MANAGEMENT SERVICES AGREEMENT

A summary of the principal terms of the Project Management Services Agreement is as follows:

Date : 29 August 2019

- Parties** : Partner Link; and
Antede
- Term** : From 29 August 2019 to 31 December 2020
- Subject Matter** : Under the Project Management Services Agreement, Antede has engaged Partner Link to provide Project Management Services in respect of the renovation, improvement and enhancement works for the Premises and the corresponding maintenance, repair and enhancement work (“Works”).
- Fees and Disbursements** : Fees for the Project Management Services is a fixed lump sum of HK\$11,217,000.

The annual maximum amount of fees for the Project Management Services under the Project Management Services Agreement shall not exceed HK\$8,500,000 for the financial year ending 31 December 2019 and HK\$3,000,000 for the financial year ending 31 December 2020.

All reasonable travel expenses and other incidental fees, charges, costs, expenses and disbursements not specifically mentioned in the Project Management Services Agreement shall be reimbursed by Antede to Partner Link.

- Payment Terms** : Antede will pay the fees for the Project Management Services to Partner Link in accordance with the payment terms as set out in the Project Management Services Agreement, whereby Antede agreed that a certain percentage of the fees for the Project Management Services will become payable upon completion of certain milestone events.

Antede shall pay such fees for the relevant milestone event within 28 days of receipt of the corresponding invoice and all supporting documents and details relating to the same.

ANNUAL CAPS

It is expected that the Annual Cap for the financial years ending 31 December 2019 and 2020 in respect of the provision of the Project Management Services under the Project Management Services Agreement will be HK\$8,500,000 and HK\$3,000,000 respectively. The Annual Caps have been determined by reference to (a) percentage of the fees for the Project Management Services which will become payable upon completion of corresponding milestone events as set out in the Project Management Services Agreement; and (b) equal quarterly installments which will become payable after the completion of the Works including continuous technical support inside the Premises.

REASONS FOR AND BENEFITS OF THE PROJECT MANAGEMENT SERVICES AGREEMENT AND VIEWS OF THE DIRECTORS

As the principal business of the Group is property development and management, the provision of the Project Management Services has formed part of the normal commercial activities of the Group. The Directors (including the independent non-executive Directors but excluding the Director who abstained from voting) consider that the transactions contemplated under the Project Management Services Agreement have been entered into in the usual and ordinary course of business of the Group. They also consider that the Project Management Services Agreement has been negotiated and conducted on an arm's length basis between the parties and is on normal commercial terms.

The Directors (including the independent non-executive Directors but excluding the Director who abstained from voting) are of the view that the terms of the Project Management Services Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

None of the Directors has any material interest in the Project Management Services Agreement, except Mr. Li who has abstained from voting on the Board resolutions approving the principal terms of the Project Management Services Agreement and the related transactions.

LISTING RULES IMPLICATIONS

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As the applicable percentage ratios in respect of the Annual Caps for the transactions contemplated under the Project Management Services Agreement exceed 0.1% but are less than 5%, the transactions thereunder are subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

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

Antede is principally engaged in investment holding and property management. Antede is the tenant of the Premises.

DEFINITIONS

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

“Annual Cap(s)”	The maximum amount receivable under the Project Management Services Agreement for the financial years ending 31 December 2019 and 2020 as described under the section headed “ANNUAL CAPS” in this announcement
“Antede”	Antede Limited, a company incorporated in the Cayman Islands with limited liability, and an indirect wholly-owned subsidiary of FWD Limited
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company (as constituted from time to time)
“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)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the Director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li”	Mr. Li Tzar Kai, Richard, an Executive Director of the Company
“Partner Link”	Partner Link Investments Limited, a company incorporated in the British Virgin Islands with limited liability, and an indirect wholly-owned subsidiary of the Company
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“Premises”	1881 Hullett House at 2A Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong

“Project Management Services”	the provision of Project Management Services by Partner Link to Antede under the Project Management Services Agreement in respect of the Premises
“Project Management Services Agreement”	the services agreement entered into between Partner Link and Antede on 29 August 2019 in connection with the provision of Project Management Services by Partner Link to Antede in respect of the Premises
“Share(s)”	ordinary share(s) of HK\$0.50 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

By Order of the Board
Pacific Century Premium Developments Limited
Timothy Tsang
General Counsel and Company Secretary

Hong Kong, 29 August 2019

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

Executive Directors:

Li Tzar Kai, Richard; Benjamin Lam Yu Yee (Deputy Chairman and Group Managing Director); James Chan; and Hui Hon Hing, Susanna

Non-Executive Directors:

Lee Chi Hong, Robert (Non-Executive Chairman); and Dr Allan Zeman, GBM, GBS, JP

Independent Non-Executive Directors:

Prof Wong Yue Chim, Richard, SBS, JP; Chiang Yun; and Dr Vince Feng

* *For identification only*