

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.



Pacific Century
Premium Developments
盈科大衍地產發展

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 AGREEMENT FOR LEASE OF PREMISES

On 23 July 2018, a lease agreement was entered into between PT PBI (as landlord), a wholly-owned subsidiary of the Company, and PT FWD (as tenant), a connected person of the Company, in respect of the terms of the lease of the Premises.

PT FWD is an indirect non-wholly owned subsidiary of FWD which is a majority-controlled company of Mr. Li Tzar Kai, Richard (“**Mr. Li**”), an Executive Director and Chairman of the Company. Therefore, PT FWD 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 Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On 20 January 2016, PT PBI reached agreement with PT FWD (by way of a legally-binding letter of offer) on the key terms of a lease of the whole of 20th Floor and a portion of the Ground Floor of the Building, together with the right to install corporate signages on the roof and podium level of the Building (the “**2016 Lease**”). The 2016 Lease is for a term of 3 years and the term of such lease commenced in November 2017. The 2016 Lease constitutes continuing connected transaction of the Company subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval under Chapter 14A of the Listing Rules.

The announcement by the Company on the 2016 Lease pursuant to Chapter 14A of the Listing Rules was published on 20 January 2016.

Due to its business requirements, PT FWD proposed to lease from PT PBI additional office space at the Premises at no less than the market rent. The New Lease also constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On 1 February 2018, the Company submitted to the Stock Exchange that the proposed New Lease should not be required to be aggregated with the 2016 Lease for the purpose of calculation of the applicable percentage ratios for the proposed New Lease under Rule 14A.81 or Rule 14A.83 of the Listing Rules, as the proposed New Lease will not be entered into within a 12 month period after the 2016 Lease was entered into and is also a distinct and separate transaction from the 2016 Lease.

On 2 February 2018, the Stock Exchange confirmed that the proposed New Lease and the 2016 Lease are not required to be aggregated under Chapter 14A of the Listing Rules.

As each of the relevant percentage ratios under the Listing Rules for the aggregate value of the transactions contemplated under the Agreement for each of the three years ending 1 July 2021 exceeds 0.1% but is less than 5%, such transactions would be subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Board approval has been obtained for the transactions contemplated under the Agreement and Mr. Li has abstained from voting in relation to the Board resolutions approving the principal terms of the Agreement and the related transactions.

PRINCIPAL TERMS OF THE AGREEMENT

On 23 July 2018, a lease agreement was entered into between PT PBI (as landlord), a wholly-owned subsidiary of the Company, and PT FWD (as tenant), a connected person of the Company, in respect of the terms of the lease of the Premises. The principal terms of the Agreement are as follows:

Landlord:	PT. Prima Bangun Investama
Tenant:	PT FWD Life Indonesia
Premises:	a portion of 39 th Floor of the Building
Lease Commencement Date:	2 July 2018
Term:	Three years from the Lease Commencement Date
Rental and service charges:	Total rent per month – IDR309,774,000 (approximately HK\$168,000) Total service charges (including management fee, building maintenance fee, cleaning charges, etc.) for the Premises (exclusive of electricity) - IDR90,000 per square meter per month (approximately HK\$49) subject to annual review by the Landlord
Parking space:	Subject to availability, a total of 9 car/motorcycle parking spaces will be provided.

ANNUAL CAP

An annual cap of IDR4,700,000,000 (approximately HK\$2,549,000) is set for the transactions contemplated under the Agreement (including rentals, service charges and parking charges) for each of the three years ending 1 July 2021. The annual cap has been determined by reference to the estimated amounts of rentals and other charges (including car/motorcycle parking charges which are estimated to be IDR196,000,000 (approximately HK\$106,000) for each year) plus a contingency margin for each of the three years from the Lease Commencement Date. The rentals and the other charges applicable are set by reference to the rates available in the market.

REASONS FOR ENTERING INTO THE AGREEMENT AND VIEWS OF THE DIRECTORS

As the principal business of the PCPD Group is property development and management, the Directors (including the independent non-executive Directors) consider that the transaction contemplated under the Agreement has been entered into in the usual and ordinary course of business of the PCPD Group. They also consider that the 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) are of the view that the annual cap and the terms of the Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole. None of the Directors has a material interest in the Agreement, except Mr. Li who has abstained from voting on the Board resolutions approving the Agreement.

REQUIREMENTS OF THE LISTING RULES

PT FWD is an indirect non-wholly owned subsidiary of FWD which is a majority-controlled company of Mr. Li, an Executive Director and Chairman of the Company. Therefore, PT FWD 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 Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On 20 January 2016, PT PBI reached agreement with PT FWD (by way of a legally-binding letter of offer) on the key terms of a lease of the whole of 20th Floor and a portion of the Ground Floor of the Building, together with the right to install corporate signages on the roof and podium level of the Building (the “2016 Lease”). The 2016 Lease is for a term of 3 years and the term of such lease commenced in November 2017. The 2016 Lease constitutes continuing connected transaction of the Company subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval under Chapter 14A of the Listing Rules.

The announcement by the Company on the 2016 Lease pursuant to Chapter 14A of the Listing Rules was published on 20 January 2016.

Due to its business requirements, PT FWD proposed to lease from PT PBI additional office space at the Premises at no less than the market rent. The New Lease also constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On 1 February 2018, the Company submitted to the Stock Exchange that the proposed New Lease should not be required to be aggregated with the 2016 Lease for the purpose of calculation of the applicable percentage ratios for the proposed New Lease under Rule 14A.81 or Rule 14A.83 of the Listing Rules, as the proposed New Lease will not be entered into within a 12 month period after the 2016 Lease was entered into and is also a distinct and separate transaction from the 2016 Lease.

On 2 February 2018, the Stock Exchange confirmed that the proposed New Lease and the 2016 Lease are not required to be aggregated under Chapter 14A of the Listing Rules.

As each of the relevant percentage ratios under the Listing Rules for the aggregate value of the transactions contemplated under the Agreement for each of the three years ending 1 July 2021 exceeds 0.1% but is less than 5%, such transactions would be subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Board approval has been obtained for the transactions and Mr. Li has abstained from voting in relation to the Board resolutions approving the principal terms of the Agreement and the related transactions.

GENERAL

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

FWD Group spans Hong Kong & Macau, Thailand, Indonesia, the Philippines, Singapore, Vietnam, and Japan, offering life and medical insurance, general insurance and employee benefits across a number of its markets.

FWD is focused on creating fresh customer experiences, with easy-to-understand products, supported by digital technology. Through this customer-led approach, FWD aims to become a leading pan-Asian insurer that changes the way people feel about insurance.

Established in Asia in 2013, FWD is the insurance business of investment group, Pacific Century Group.

For more information please visit WWW.FWD.COM.

DEFINITIONS

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

“Agreement” or “New Lease”	the lease agreement entered into between PT PBI as landlord and PT FWD as tenant on 23 July 2018 in connection with the leasing of the Premises by PT FWD
----------------------------	---

“associate”, “connected person”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors of the Company
“Building”	Pacific Century Place situated at Jl. Jenderal Sudirman Kavling. 52-53, SCBD Lot 10, Jakarta 12190, Indonesia
“Company” or “PCPD”	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)
“Director(s)”	director(s) of the Company
“FWD”	FWD Group Limited, a company incorporated in Cayman Islands with limited liability
“FWD Group”	FWD and its subsidiaries and FWD Limited and its subsidiaries (“FWD Group Company” means any company within the FWD Group and “FWD Group Companies” shall be construed accordingly)
“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
“IDR”	Indonesian rupiah, the lawful currency of Indonesia
“Lease Commencement Date”	2 July 2018
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PCPD Group”	the Company and its subsidiaries (“PCPD Group Company” means any company of the PCPD Group)
“Premises”	a portion of 39 th Floor of the Building
“percentage ratios”	has the meaning ascribed to it in Chapter 14 of the Listing Rules
“PT FWD” or “Tenant”	PT FWD Life Indonesia, a company incorporated in Indonesia with limited liability and an indirect non-wholly owned subsidiary of FWD
“PT PBI” or “Landlord”	PT. Prima Bangun Investama, a company incorporated in Indonesia with limited liability and a wholly-owned subsidiary of PCPD
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Pacific Century Premium Developments Limited
Tsang Sai Chung
Company Secretary

Hong Kong, 23 July 2018

Unless indicated otherwise, in this announcement, translation of amounts in IDR into HK\$ have been made at the rate of HK\$1 = IDR1,843.79 respectively for illustration purpose only. No representation is made that any amount in HK\$ could have been or could be converted at such respective rates or at all.

The Directors of the Company as at the date of this announcement are:

Executive Directors:

Li Tzar Kai, Richard (Chairman); Lee Chi Hong, Robert (Deputy Chairman and Chief Executive Officer); James Chan; and Hui Hon Hing, Susanna

Non-Executive Director:

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*