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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)**

**DISCLOSEABLE TRANSACTION**

**CONSTRUCTION OF GOLF AND COUNTRY CLUB  
IN PHANG NGA, THAILAND**

The Board is pleased to announce that on 28 June 2019, Highgame (an indirect non-wholly owned subsidiary of the Company) and the Contractor entered into the Construction Contract, under which Highgame has engaged the Contractor for the Golf and Country Club Construction at the Site in Thai-muang, Phang Nga, Thailand owned by the Group for the Contract Sum of THB329,104,213 (equivalent to approximately HK\$83,592,470).

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Golf and Country Club Construction is more than 5% but less than 25%, the Golf and Country Club Construction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules which is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

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A summary of the principal terms of the Construction Contract is as follows:

**Date** : 28 June 2019

**Parties** : Highgame; and

KMIT Construction Co., Ltd. (as the Contractor)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Contractor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

**Subject Matter** : Under the Construction Contract, Highgame has engaged the Contractor to construct a golf and country club with total area of approximately 5,300 square meters in two phases, namely Phase 1 Construction and Phase 2 Construction. Phase 2 Construction is optional and at the discretion of Highgame under the Construction Contract.

**Contract Sum** : In total THB329,104,213 (equivalent to approximately HK\$83,592,470) (excluding value-added tax), comprised of the Phase 1 Contract Sum of THB200,000,000 (equivalent to approximately HK\$50,800,000) and the Phase 2 Contract Sum of THB129,104,213 (equivalent to approximately HK\$32,792,470) (if applicable).

The Contract Sum will be funded by the Group's internal resources.

The Contract Sum was determined initially by way of tender conducted by Highgame and subsequently by arm's length negotiations between Highgame and the Contractor with reference to market price of construction of golf and country clubs of similar scale and specifications.

**Expected Date of Commencement of Works** : 1 July 2019 for Phase 1 Construction.

For Phase 2 Construction (if applicable), Highgame to confirm the exact date of commencement of works which will be within 60 months from the date of the Construction Contract.

**Expected Date of Completion of Works** : 30 June 2020 for Phase 1 Construction.

For Phase 2 Construction (if applicable), within 8 months from the commencement of Phase 2 Construction.

**Payment Terms** : Highgame will pay each of the Phase 1 Contract Sum and the Phase 2 Contract Sum (if applicable) to the Contractor in the following manner:

- (i) 10% of the respective contract sum to be paid as advance payment upon commencement of works, subject to the submission of a bank guarantee of the equivalent amount by the Contractor;
- (ii) the remaining 90% of the respective contract sum to be paid as monthly payments based on progress of works to be evaluated by a quantity surveyor;
- (iii) the payments shall be subject to 5% retention to be held by Highgame;
- (iv) the first half of the retention amount shall be released to the Contractor upon completion of works; and

- (v) the second half of the retention amount shall be released upon expiry of the respective Defect Liability Period. Subject to the submission of a bank guarantee of the equivalent amount to the second half of the retention amount by the Contractor, the relevant retention monies shall be released to the Contractor upon completion of works.

**Performance Security** : Performance bond with amount equivalent to 10% of each of the Phase 1 Contract Sum and the Phase 2 Contract Sum (if applicable) shall be procured by the Contractor.

**Liquidated Damages on Delay** : 0.1% of each of the Phase 1 Contract Sum and the Phase 2 Contract Sum (if applicable) per calendar day subject to a maximum amount equivalent to 10% of each of the Phase 1 Contract Sum and the Phase 2 Contract Sum (if applicable).

## **REASONS FOR AND BENEFITS OF THE GOLF AND COUNTRY CLUB CONSTRUCTION**

As the golf course construction will be completed by the end of 2020, a golf and country club is required for providing associated facilities including recreational and F&B facilities for the golfers, residents and visitors.

The Board considers that the Golf and Country Club Construction is on normal commercial terms, the terms thereof are fair and reasonable and that such transaction is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Golf and Country Club Construction is more than 5% but less than 25%, the Golf and Country Club Construction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules which is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 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.

Highgame is principally engaged in the business of developing land for uses such as residents, hotels, buildings and resorts.

The Contractor is principally engaged in building and construction works including luxurious residences, high-end resorts, hotels, condominiums and commercial buildings across Phuket, Phang Nga, Krabi and neighboring provinces.

## DEFINITIONS

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

“Board”	the board of Directors of the Company
“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
“Construction Contract”	a contract dated 28 June 2019 and entered into between Highgame and the Contractor relating to the Golf and Country Club Construction
“Contract Sum”	In total THB329,104,213 (equivalent to approximately HK\$83,592,470) (excluding value-added tax), being the aggregate contract sum payable by Highgame to the Contractor in respect of the Golf and Country Club Construction pursuant to the Construction Contract, comprised of the Phase 1 Contract Sum of THB200,000,000 (equivalent to approximately HK\$50,800,000) and the Phase 2 Contract Sum of THB129,104,213 (equivalent to approximately HK\$32,792,470) (if applicable)
“Contractor”	KMIT Construction Co., Ltd., a company incorporated in Thailand with limited liability
“Defect Liability Period”	12 months after the completion of each of the Phase 1 Construction and the Phase 2 Construction (if applicable)
“Directors”	directors of the Company
“Golf and Country Club Construction”	the transaction for the construction of a golf and country club with total area of approximately 5,300 square meters being carried out in two phases, namely Phase 1 Construction and Phase 2 Construction (if applicable), at the Site by the Contractor for Highgame pursuant to the Construction Contract
“Group”	the Company and its subsidiaries from time to time
“Highgame”	Highgame Golf Co., Ltd., a company incorporated in Thailand with limited liability, and an indirect non-wholly owned subsidiary of the Company
“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
“Phase 1 Construction”	works which comprise of construction of an arrival pavilion, golfer facilities, back of house building for operations and administration, ancillary buildings for building services, outdoor car parking lots, associated infrastructure and landscape works as well as site preparation works and piling works for additional club facilities
“Phase 1 Contract Sum”	THB200,000,000 (equivalent to approximately HK\$50,800,000)
“Phase 2 Construction”	works which comprise of construction of the additional club facilities, swimming pool and outdoor car parking lots, as well as remaining landscape works, and are at the option of Highgame
“Phase 2 Contract Sum”	THB129,104,213 (equivalent to approximately HK\$32,792,470)
“Share(s)”	ordinary share(s) of HK\$0.50 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Shares from time to time
“Site”	plots of land located at Thai-muang Sub-district, Thai-muang District, Phang Nga Province, Thailand
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“THB”	Thai Baht, the lawful currency of Thailand
“%”	per cent

By order of the Board of  
**Pacific Century Premium Developments Limited**  
**Timothy Tsang**  
*Company Secretary*

Hong Kong, 28 June 2019

*Unless indicated otherwise, in this announcement, translation of amounts in THB into HK\$ have been made at the rate of HK\$0.2540 = THB1 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.*

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

***Executive Directors:***

Li Tzar Kai, Richard; 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*