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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
AGREEMENT FOR LEASE OF PREMISES AND
SIGNAGE RIGHT**

On 30 June 2022, 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 lease of the Lease Premises and signage right over the Building.

PT FWD is an indirect non-wholly owned subsidiary of FWD Group Holdings Limited which is indirectly majority owned and controlled by Mr. Li who is also a director of certain FWD Group companies. Mr. Li is an Executive Director of the Company and is interested (via respective holding entities) in approximately 29.90% of the total number of issued shares of the Company as at the date of this announcement. Therefore, PT FWD is an associate of Mr. Li and thus a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Lease Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules for the Annual Caps exceed 0.1% but are less than 5%, the continuing connected transactions contemplated under the Lease Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

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

PRINCIPAL TERMS OF THE LEASE AGREEMENT

On 30 June 2022, 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 lease of the Lease Premises and signage right over the Building. The principal terms of the Lease Agreement are as follows:

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| Date: | 30 June 2022 |
| Landlord: | PT. Prima Bangun Investama |
| Tenant: | PT FWD Insurance Indonesia |
| Lease Premises: | the whole of 20 th Floor of the Building |

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| Lease Commencement Date: | 2 July 2022 |
| Term: | From the Lease Commencement Date to 1 July 2025 (both dates inclusive) |
| Rent and service charges: | Total rent per month – IDR1,139,555,900 (approximately HK\$602,825) The Tenant will have a full discount of rent for 3 months during the Lease Period in the 12 th month, 24 th month and 36 th month after the Lease Commencement Date provided the Tenant has settled all the charges under the Lease Agreement without failure. Total service charges (including management fee, building maintenance fee, cleaning charges, etc.) for the Lease Premises (exclusive of electricity) – IDR120,000 per square meter per month (approximately HK\$63) during the year of 2022, and thereafter are subject to annual review in accordance with the terms set out in the standard conditions of the Lease Agreement. |
| Security deposit: | The Tenant has paid security deposit of IDR4,597,972,899 (approximately HK\$2,432,327) which is equivalent to three times the total of the applicable rent and service charge payable per month (which amount shall be subject to increase from time to time). Such deposit will be refundable to the Tenant without any interest within 30 days after the expiry of the Lease Period. |
| Advance payment: | Rent and service charge for the first quarter are required to be paid in advance to the Landlord upon signing of the Lease Agreement. |
| Parking space: | Subject to availability, the Tenant is entitled to a total of 56 car/motorcycle parking spaces at the rates as agreed under the Lease Agreement. |
| Signage right: | The Tenant will have the right to install two corporate signages outside the facade on the 39 th and 40 th Floor at east and west side of the Building and two corporate signages on the Building’s podium level subject to the fee payable in the sum of IDR1,083,333,333 per annum (approximately HK\$573,083) (“ Signage Charges ”). |

ANNUAL CAPS

The Annual Caps for the transactions contemplated under the Lease Agreement for the four financial years ending 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 for rentals, service charges, parking charges and Signage Charges are set out below:

| | Annual Caps | | | |
|----------------------|---------------------|---------------------|---------------------|---------------------|
| | 31 December 2022 | 31 December 2023 | 31 December 2024 | 31 December 2025 |
| <i>(IDR'000,000)</i> | 13,233 | 26,465 | 26,465 | 13,233 |
| <i>Approx. HK\$</i> | <i>7,000,000</i> | <i>14,000,000</i> | <i>14,000,000</i> | <i>7,000,000</i> |

The Annual Caps have been determined by reference to: (i) the latest estimations based on the rental levels (actual and proposed), Signage Charges and service charges according to market rates charged by properties similar to the Building at similar locations; (ii) the potential increase of inflation rates in the forthcoming periods; (iii) projections of the other component amounts for the Lease Period; (iv) a reasonable contingency buffer based on estimations to cover fluctuations in the exchange rate from time to time of Indonesian rupiah to Hong Kong dollars; and (v) other contingency amounts that may arise.

REASONS AND BENEFITS FOR ENTERING INTO THE LEASE 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 but excluding the Director who abstained from voting) consider that the transactions contemplated under the Lease Agreement have been entered into in the usual and ordinary course of business of the PCPD Group. They also consider that the Lease 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 Annual Caps and the terms of the Lease Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and its shareholders as a whole. None of the Directors has any material interest in the Lease Agreement, except Mr. Li who has abstained from voting on the Board resolutions approving the Lease Agreement and the related transactions contemplated thereunder, as well as the Annual Caps.

REQUIREMENTS UNDER LISTING RULES

PT FWD is an indirect non-wholly owned subsidiary of FWD Group Holdings Limited which is indirectly majority owned and controlled by Mr. Li who is also a director of certain FWD Group companies. Mr. Li is an Executive Director of the Company and is interested (via respective holding entities) in approximately 29.90% of the total number of issued shares of the Company as at the date of this announcement. Therefore, PT FWD is an associate of Mr. Li and thus a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Lease Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules for the Annual Caps exceed 0.1% but are less than 5%, the continuing connected transactions contemplated under the Lease Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

Board approval has been obtained for the transactions contemplated under the Lease Agreement and Mr. Li has abstained from voting in relation to the Board resolutions approving the Lease Agreement and the related transactions contemplated thereunder, as well as the Annual Caps.

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 is a pan-Asian life insurance business with approximately 10 million customers across 10 markets, including some of the fastest growing insurance markets in the world. Established in 2013, FWD Group is focused on making the insurance journey simpler, faster and smoother, with innovative propositions and easy-to-understand products, supported by digital technology. Through this customer-led approach, FWD Group is committed to changing the way people feel about insurance. 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:

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| “Annual Caps” | the annual caps of transactions contemplated under the Lease Agreement for the four financial years ending 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, as disclosed in this announcement |
| “associate”, “connected person” and “subsidiary” | has the meaning ascribed to it under 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” | 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 Group” | FWD Group Holdings Limited and its subsidiaries from time to time |
| “FWD Group Holdings Limited” | an exempted company incorporated under the laws of the Cayman Islands with limited liability and registered as a non-Hong Kong company in Hong Kong |
| “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 |
| “Indonesia” | The Republic of Indonesia |
| “Lease Agreement” | the lease agreement entered into between PT PBI (as landlord) and PT FWD (as tenant) on 30 June 2022 in connection with the lease of the Lease Premises, together with the right to install corporate signages outside the facade on the 39 th and 40 th Floor at east and west side of the Building and podium level of the Building |
| “Lease Commencement Date” | 2 July 2022 |
| “Lease Period” | from the Lease Commencement Date to 1 July 2025 (both dates inclusive) |
| “Lease Premises” | the whole of 20 th Floor of the Building |
| “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 |
| “PCPD Group” | the Company and its subsidiaries |

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| “percentage ratios” | has the meaning ascribed to it under Chapter 14 of the Listing Rules |
| “PT FWD” or “Tenant” | PT FWD Insurance Indonesia, a company incorporated in Indonesia with limited liability and an indirect non-wholly owned subsidiary of FWD Group Holdings Limited |
| “PT PBI” or “Landlord” | PT. Prima Bangun Investama, a company incorporated in Indonesia with limited liability and a wholly-owned subsidiary of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

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

Hong Kong, 30 June 2022

Unless indicated otherwise, in this announcement, translation of amounts in IDR into HK\$ have been made at the rate of HK\$1 = IDR1,890.36 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 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 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*