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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: 432)

**CONVERSION OF CONVERTIBLE NOTE
AND
CHANGE OF COMPANY SECRETARY**

The Directors announce that the Company has received a notice of Conversion from PCCW pursuant to which the Company will allot and issue 520,000,000 new Shares to Asian Motion (as directed by PCCW) upon the exercise by PCCW of its conversion rights under the Convertible Note.

After the completion of the Conversion, PCCW will hold an equity interest of about 61.66% in the enlarged issued share capital of the Company.

The Directors also announce that Ms. Chu Mee Lai, Helen has resigned and Ms. Chan Ya Lai, Alice has been appointed as the Company Secretary of the Company with effect from 21 February 2005.

CONVERSION OF CONVERTIBLE NOTE

On 24 February 2005, the Company received a notice of Conversion under which PCCW elected to convert the amount of HK\$1,170,000,000 (representing the principal sum of the Convertible Note) into new Shares at HK\$2.25 per Share pursuant to the terms of the Convertible Note, which was issued by the Company to PCCW on 10 May 2004, being the completion date of the acquisition of various property interests of PCCW, details of which were set out in the circular of the Company dated 2 April 2004.

As a result of the Conversion, the Company will allot and issue 520,000,000 new Shares to Asian Motion (as directed by PCCW), representing about 27.62% of the existing issued share capital of the Company and 21.64% of the enlarged issued share capital of the Company. The CB Shares will rank pari passu in all respects with the existing Shares. It is expected that the CB Shares will be allotted and issued to Asian Motion as soon as practicable and in any event no later than 1 March 2005 according to the terms of the Convertible Note.

The Directors believe that the Conversion will further strengthen the financial position of the Company.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company immediately before and after the completion of the Conversion:

	Immediately before Conversion (as at 24 February 2005)		Immediately after Conversion	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
PCCW	961,333,333	51.07%	1,481,333,333	61.66%
Public	<u>921,126,540</u>	<u>48.93%</u>	<u>921,126,540</u>	<u>38.34%</u>
Total	<u>1,882,459,873</u>	<u>100.00%</u>	<u>2,402,459,873</u>	<u>100.00%</u>

CHANGE OF COMPANY SECRETARY

The Directors also announce that Ms. Chu Mee Lai, Helen has resigned as the Company Secretary of the Company with effect from 21 February 2005 due to personal reasons. The Directors confirm that there are no other matters in relation to Ms. Chu's resignation that need to be brought to the attention of the shareholders of the Company. The Directors would like to express their gratitude to Ms. Chu for her past contribution to the Company.

The Directors are pleased to announce that Ms. Chan Ya Lai, Alice has been appointed as the Company Secretary of the Company with effect from 21 February 2005. Ms. Chan is a solicitor qualified to practise in Hong Kong, England and Australia. Prior to joining the Company, she had been a lecturer of law at the University of Hong Kong and a partner of an international law firm specializing in corporate finance and capital markets work.

GENERAL

The Company and its subsidiaries are principally engaged in the development of premium properties in Asia and the investment in premium-grade buildings in Asia or substantial parts thereof.

DEFINITIONS

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

“Asian Motion”	Asian Motion Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of PCCW
“CB Shares”	520,000,000 new Shares to be issued pursuant to the Conversion

“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
“Conversion”	conversion of the Convertible Note
“Convertible Note”	Tranche A convertible note with the principal amount of HK\$1,170,000,000 issued by the Company to PCCW on 10 May 2004, being the completion date of the acquisition of various property interests of PCCW, details of which were set out in the circular of the Company dated 2 April 2004
“Directors”	directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“PCCW”	PCCW Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Share(s)”	Share(s) of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Hubert Chak
Director

Hong Kong, 24 February 2005

The directors of the Company as at the date of this announcement are as follows:

Executive Directors:

Li Tzar Kai, Richard (Chairman); Yuen Tin Fan, Francis (Deputy Chairman); Lee Chi Hong, Robert (Chief Executive Officer); Alexander Anthony Arena and Hubert Chak

Non-Executive Director:

Dr Allan Zeman, GBS, JP

Independent Non-Executive Directors:

Ronald James Blake, OBE, JP; Cheung Kin Piu, Valiant; Tsang Link Carl, Brian and Prof Wong Yue Chim, Richard, SBS, JP

* *For identification only*

Please also refer to the published version of this announcement in The Standard.