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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)**

**ANNOUNCEMENT OF THE PROPOSED ISSUE OF U.S.\$700,000,000  
5.125 PER CENT. GUARANTEED NOTES DUE 2026 (THE “NOTES”)**

**PROPOSED ISSUE OF THE NOTES**

This announcement is made by Pacific Century Premium Developments Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions set out under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 8 June 2021, PCPD Capital Limited as the issuer (the “**Issuer**”), the Company as the guarantor and DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Credit Suisse (Hong Kong) Limited, J.P. Morgan Securities plc, Standard Chartered Bank, Morgan Stanley & Co. International plc and SMBC Nikko Securities (Hong Kong) Limited as joint global coordinators and joint bookrunners, and Merrill Lynch (Asia Pacific) Limited as joint bookrunner (together, the “**Managers**”) entered into a subscription agreement (the “**Subscription Agreement**”) in connection with the proposed issue of the Notes.

Subject to the terms and conditions set out in the Subscription Agreement, including the satisfaction of the conditions precedent set out therein, the Issuer has agreed to issue U.S.\$700,000,000 in aggregate principal amount of the Notes on 18 June 2021 (the “**Issue Date**”) at 100.00 per cent. of their principal amount.

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on 18 June 2026 at 100.00 per cent. of their principal amount.

The gross proceeds from the issue of the Notes are U.S.\$700 million. After deduction of estimated expenses payable in connection with the issue of the Notes, the Company intends to use the net proceeds from the issue of the Notes for funding of the tender offer announced by the Company on 7 June 2021 in relation to the invitation by the Company to qualifying holders of the U.S.\$700,000,000 4.75 per cent. guaranteed notes due 2022 issued by the Issuer and guaranteed by the Company to tender any or all notes held by such qualifying holders for purchase by the Company for cash, and general corporate purposes.

It is intended that the Notes will be listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the Issuer and the Company will use their reasonable endeavours to procure that the Notes are listed and admitted to trading on the SGX-ST, and to maintain such listing until none of the Notes is outstanding.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent contained in the Subscription Agreement. The Subscription Agreement may also be terminated in certain circumstances. Shareholders and investors are advised to exercise caution when dealing in the securities of the Company.**

### Principal Terms of the Notes

Issuer	PCPD Capital Limited, the Company’s indirect wholly-owned subsidiary.
Guarantor	Pacific Century Premium Developments Limited
Principal Amount	U.S.\$700,000,000
Maturity Date	18 June 2026
Issue Price	100.00 per cent. of the principal amount of the Notes
Interest	5.125 per cent. per annum
Status	The Notes constitute direct, general, unconditional and (subject to the negative pledge provision in the terms and conditions of the Notes) unsecured obligations of the Issuer which will at all times rank <i>pari passu</i> among themselves and at least rank <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. The guarantee of the Notes constitutes direct, general, unconditional and (subject to the negative pledge provision in the terms and conditions of the Notes) unsecured obligations of the Company which will at all times rank at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Letter of Support	PCCW Limited has issued a non-binding letter of support in connection with the issuance of the Notes.

Redemption at the Option of the Issuer

The Notes may be redeemed at the option of the Issuer:

- (i) from, and including, the Issue Date to, but excluding, 18 June 2024 (the “**First Call Date**”), in whole but not in part, at the relevant make whole redemption amount; or
- (ii) on the First Call Date or any date thereafter, in whole or in part, at the applicable call option redemption price, provided, however, that the principal amount of the Notes outstanding after any partial redemption is at least U.S.\$300,000,000.

Redemption for Change of Control

At any time following the occurrence of a Change of Control (as defined below), holders of the Notes shall have the right, at such holder’s option, to require the Issuer to redeem all but not some only of that holder’s Notes on the change of control put date at 101 per cent. of their principal amount, together with accrued interest to, but excluding the change of control put date.

Change of Control

Occurs when either:

- (i) PCCW Limited, Mr. Li Tzar Kai, Richard and/or any Affiliate:
  - (A) collectively cease to hold, directly or indirectly, at least 40 per cent. of the voting rights of the issued share capital of the Company; and
  - (B) collectively cease to be the largest single shareholder of the Company; or
- (ii) the Company consolidates with or merges into or sells or transfers all or substantially all of its assets to any other person other than PCCW Limited, Mr. Li Tzar Kai, Richard or any Affiliate, unless the consolidation, merger, sale or transfer will result in PCCW Limited, Mr. Li Tzar Kai, Richard and/or any Affiliate:
  - (A) collectively holding, directly or indirectly, at least 40 per cent. of the voting rights of the issued share capital of the Company (in the case of a consolidation or merger) or the successor entity (in the case of a sale or transfer); or
  - (B) collectively being the largest single shareholder of the Company (in the case of a consolidation or merger) or the successor entity (in the case of a sale or transfer).

“**Affiliate**” means:

- (i) Mr. Li Tzar Kai, Richard and all entities and persons that are subject to the control of Mr. Li Tzar Kai, Richard; and
- (ii) any publicly traded company (or any of its subsidiaries) where Mr. Li Tzar Kai, Richard is either:
  - (A) the chairman or a director of such publicly traded company; or
  - (B) directly or indirectly (whether through beneficial ownership, trusts with which he is connected to or otherwise) the largest effective voting interest holder in such publicly traded company.

The board of directors of the Company considers the terms of the Subscription Agreement to be fair and reasonable and in the interests of the Company and its subsidiaries and its shareholders as a whole and that the Subscription Agreement is entered into upon normal commercial terms following arm’s length negotiations between the Company and the Managers.

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

Hong Kong, 9 June 2021

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

***Executive Directors:***

Li Tzar Kai, Richard; Benjamin Lam Yu Yee (Deputy Chairman and Group Managing Director); 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*