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PC PARTNER GROUP LIMITED

栢能集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1263)

DISCLOSEABLE TRANSACTION: ACQUISITION OF PROPERTY

ACQUISITION OF THE PROPERTY

On 9 February 2022 (after trading hours), PC Partner Properties, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor in relation to the purchase of the Property by PC Partner Properties from the Vendor.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition (when and if aggregated with the potential acquisition of the 10 car parking spaces at the maximum price of HK\$1.50 million each) exceed 5% but all of them are less than 25%, the Acquisition (when and if aggregated with the potential acquisition of the 10 car parking spaces at the maximum price of HK\$1.50 million each) constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

ACQUISITION OF THE PROPERTY

On 9 February 2022 (after trading hours), PC Partner Properties, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor in relation to the purchase of the Property by PC Partner Properties from the Vendor.

The principal terms of the Agreement are set out below:

Date

9 February 2022 (after trading hours)

Parties

- (1) Vendor as vendor; and
- (2) PC Partner Properties, an indirect wholly-owned subsidiary of the Company, as purchaser.

To the best knowledge, information and belief of the Directors after making reasonable enquiries, as at the date of this announcement, the Vendor and its ultimate controlling beneficial owner(s) are third parties independent of the Company and its connected persons.

Assets to be acquired

The Property known as “28th Floor, 888 Lai Chi Kok Road, Kowloon, Hong Kong”, with a saleable area of approximately 18,572 square feet. The Property is located in the Development, which as at the date of this announcement is under construction, a composite development consisting of a single block of building for, among others, office use with multiple storeys of car parking spaces serving the occupants of the building and the public. The Vendor shall complete the Development in all respects in accordance with the building plans on or before 30 April 2022 subject to such extensions of time as may be granted by the Authorized Person in accordance with the terms of the Agreement.

Subject to the full settlement of the Purchase Price in accordance with the Agreement and Completion taking place, PC Partner Properties will have a priority option to purchase from the Vendor 10 car parking spaces in the Development as designated by the Vendor at a price of not higher than HK\$1.50 million each when the car parking spaces are open for sale. Further announcement will be made by the Company if and when PC Partner Properties decides to exercise the priority option to purchase the car parking spaces.

Purchase Price

The Purchase Price is approximately HK\$387.86 million, comprising (a) the Deposit of approximately HK\$19.39 million (equivalent to 5% of the Purchase Price) to be paid upon the date of signing of the Agreement; and (b) the balance of approximately HK\$368.47 million to be paid within 14 days from the date of notification to PC Partner Properties that the Vendor is in a position validly to assign the Property to PC Partner Properties. The Purchase Price was arrived at after arm’s length negotiation between the Vendor and PC Partner Properties after considering, among others, the location of the Development and the level in the Development at which the Property is located.

PC Partner Properties will apply to the Vendor for a special cash rebate from the Vendor in the sum of approximately HK\$33.98 million as determined after discussion between the Vendor and PC Partner Properties, which may be given subject to the full settlement of the Purchase Price in accordance with the Agreement.

The Board considers that the Purchase Price (after taking into account the special cash rebate) is fair and reasonable having regard to, among others, the prevailing market prices of comparable new office buildings in Hong Kong.

It is intended that PC Partner Properties will finance the Acquisition (and, where applicable, the purchase of the car parking spaces pursuant to the priority option as mentioned above) by a combination of the Group's internal resources and bank borrowings.

Completion

Pursuant to the terms of the Agreement, Completion shall take place within 14 days after PC Partner Properties being notified in writing:

- (1) that the occupation permit or the temporary occupation permit for the Development has been issued by the Building Authority and the Vendor is in a position validly to assign the Property to PC Partner Properties; or
- (2) that the occupation permit or the temporary occupation permit for the Development has been issued by the Building Authority and the certificate of compliance in respect of the Development has been issued by or on behalf of the Director of Lands has been issued,

whichever first happens.

Vendor's right to rescind the Agreement

Should PC Partner Properties fail to observe or comply with any of the terms and conditions contained in the Agreement or to make payments in accordance with the Agreement within seven days after the due date, the Vendor may give to PC Partner Properties notice in writing calling upon PC Partner Properties to make good its default. If PC Partner Properties fails within 21 days after the date of service of such notice fully to make good its default, the Vendor may by a further notice in writing forthwith determine the Agreement and in such event:

- (1) the Deposit shall be forfeited to the Vendor; and

- (2) where PC Partner Properties has entered into possession of the Property, the Vendor is entitled to re-enter upon the Property and repossess it free from any right or interest of PC Partner Properties in the Property and to receive from PC Partner Properties as occupation fee a sum equal to interest at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time on the unpaid balance of the Purchase Price for the period during which PC Partner Properties was in occupation.

PC Partner Properties' right to rescind the Agreement

Upon the occurrence of certain events stipulated under the Agreement (including but not limited to: (a) the failure of the Vendor to complete the Development by 30 April 2022 as extended by any extensions of time granted by the Authorized Person; or (b) the failure of the Vendor to apply for and obtain any necessary extension of time for completing the Development and to complete the Development by the last day of the period within which the Development is required to be completed under the government grant in relation to the land on which the Development is located (or any extended period)), PC Partner Properties is at liberty, in addition to any other remedy that it may have, by notice in writing to the Vendor to rescind the Agreement. Upon service of such notice, the Agreement is rescinded, and the Vendor shall, within seven days after the rescission, repay to PC Partner Properties all amounts (including the Deposit) paid by it under the Agreement together with interest thereon at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time from the date(s) on which such amounts were paid up to the date of repayment, which shall be in full and final settlement of all claims by PC Partner Properties against the Vendor under the Agreement.

INFORMATION ON THE GROUP AND PC PARTNER PROPERTIES

The Group is principally engaged in design, manufacturing and trading of personal computer related products and components, such as video graphics cards for desktop personal computers and mini-PC with its operation based in the PRC.

PC Partner Properties is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It was established for the sole purpose of holding the Property and car parking spaces in the Development which may be purchased by the Group.

INFORMATION ON THE VENDOR

To the best knowledge, information and belief of the Directors after making reasonable enquiries, the Vendor is a company incorporated in Hong Kong, principally engaged in property investment and beneficially owned by New World Development Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0017).

REASONS FOR AND BENEFITS OF THE ACQUISITION

As at the date of this announcement, the head office of the Group located at 19/F., Shatin Galleria, 18–24 Shan Mei Street, Fo Tan, Shatin, New Territories is leased from an independent third party. The term of the current lease of the head office is going to expire in June 2022. The Board is of the view that the Acquisition will allow the Group to relocate its head office and, gradually, other offices of some other members of the Group in Hong Kong to the Property which is expected to result in better administration within the Group and reduced rental expenses. Furthermore, the Group may benefit in the long run from the Acquisition in terms of appreciation in value of the Property.

The Board considers that the terms of the Agreement are fair and reasonable and the entering into of the Agreement and the transactions contemplated thereunder (including the Acquisition) is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition (when and if aggregated with the potential acquisition of the 10 car parking spaces at the maximum price of HK\$1.50 million each) exceed 5% but all of them are less than 25%, the Acquisition (when and if aggregated with the potential acquisition of the 10 car parking spaces at the maximum price of HK\$1.50 million each) constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Acquisition”	the acquisition of the Property by PC Partner Properties from the Vendor
“Agreement”	the agreement for sale and purchase dated 9 February 2022 entered into between the Vendor and PC Partner Properties in relation to the Acquisition, together with other related documents
“Authorized Person”	the authorized person (as defined in section 2(1) of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) appointed by the Vendor from time to time in respect of the Development
“Board”	the board of Directors
“Company”	PC Partner Group Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1263)

“Completion”	completion of the Acquisition in accordance with the terms of the Agreement
“Deposit”	the deposit of approximately HK\$19.39 million (equivalent to 5% of the Purchase Price) paid by PC Partner Properties to the Vendor for the Acquisition
“Development”	the property development situated at 888 Lai Chi Kok Road, Kowloon, Hong Kong
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), 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
“PC Partner Properties”	PC Partner Properties Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Property”	the property known as “28th Floor, 888 Lai Chi Kok Road, Kowloon, Hong Kong”
“Purchase Price”	the purchase price of the Property of approximately HK\$387.86 million
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Good Sense Development Limited
“%”	per cent.

By order of the Board
PC PARTNER GROUP LIMITED
WONG Shik Ho Tony
Chairman

Hong Kong, 9 February 2022

As at the date of this announcement, the Executive Directors are Mr. WONG Shik Ho Tony, Mr. WONG Fong Pak, Mr. LEUNG Wah Kan, Mr. HO Nai Nap, Mr. MAN Wai Hung; the Non-executive Director is Mrs. HO WONG Mary Mee-Tak (Mr. CHIU Wing Yui is Alternate Director to Mrs. HO WONG Mary Mee-Tak); and the Independent Non-executive Directors are Mr. IP Shing Hing, Mr. LAI Kin Jerome and Mr. CHEUNG Ying Sheung.

** For identification purposes only*