

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



瑞安建業有限公司\*

**SOCAM Development Limited**

(Incorporated in Bermuda with limited liability)

(Stock Code: 983)

## CONNECTED TRANSACTION

### ENGAGEMENT OF SUB-CONTRACTOR FOR A FIT-OUT PROJECT

The Board announces that on 5 March 2015, Pat Davie (an indirect non-wholly owned subsidiary of the Company) confirmed, by way of the Letter of Acceptance, the engagement of Toptech (an indirect non-wholly owned subsidiary of Great Eagle) as a sub-contractor to carry out the Sub-contract Works for the Fit-Out Project for a sub-contract sum of approximately HK\$3.52 million, subject to adjustment.

Mr. Vincent Lo, who is the Chairman and the controlling shareholder of the Company, together with the trustee of a discretionary trust, of which he is one of the discretionary beneficiaries, are entitled to control the exercise of more than 30% of the voting power at general meetings of Great Eagle. Therefore, Toptech, being a subsidiary of Great Eagle and hence an associate of Mr. Vincent Lo, is a connected person of the Company. As such, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Transaction exceeds 0.1% but is less than 5%, the Transaction is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Board announces that on 5 March 2015, Pat Davie confirmed the engagement of Toptech as a sub-contractor to carry out the Sub-contract Works for the Fit-Out Project.

Pat Davie and Toptech will subsequently enter into the Sub-contract to set out the detailed terms and conditions upon which the Sub-contract Works shall be carried out by Toptech in furtherance of the Letter of Acceptance.

## **THE LETTER OF ACCEPTANCE**

### **Date**

5 March 2015

### **Parties**

- (1) Pat Davie, an indirect non-wholly owned subsidiary of the Company
- (2) Toptech, an indirect non-wholly owned subsidiary of Great Eagle

### **Subject Matter**

Pat Davie, as a main contractor to undertake the Fit-out Project, confirmed the engagement of Toptech as a sub-contractor to carry out the Sub-contract Works (i.e. the design, supply and installation of raised floor system and ancillary services) for the Fit-out Project.

The Sub-contract Works to be carried out by Toptech are expected to be completed by 15 May 2015.

### **Payment Terms**

The total sum for the Sub-contract Works payable by Pat Davie to Toptech is approximately HK\$3.52 million (the “**Sub-contract Sum**”), subject to adjustment due to any variation of the Sub-contract Works and provisional item in accordance with the terms of the Sub-Contract. To the best estimation of Pat Davie, such adjustment (if any) will not be more than 10% of the Sub-contract Sum, and will not result in a change in the classification of the Transaction under Chapter 14A of the Listing Rules.

Monthly payment in cash will be made by Pat Davie in accordance with the progress of the Sub-contract Works completed by Toptech. Up to a maximum of 5% of the Sub-contract Sum will be retained by Pat Davie as retention money, half of which will be released to Toptech upon the issue of the practical completion certificate for the Fit-out Project, and the remaining balance will be released to Toptech at the expiration of a 12-month defects liability period following completion of the Fit-out Project.

As nominated by the Client, the Sub-contract Works were awarded to Toptech following a tendering process initiated by the Client. The Sub-contract Sum offered by Toptech was accepted by the Client after having considered the rates offered by all the other sub-contractors tendering for the Sub-contract Works.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group principally engages in property development and investment, asset management, construction and investment in cement operations in Hong Kong and the PRC. Pat Davie is an indirect non-wholly owned subsidiary of the Company and principally engages in interior decoration, fitting-out, design and contracting in Hong Kong.

Toptech is an indirect non-wholly owned subsidiary of Great Eagle and is a major sub-contractor for supplying and installation of raised floor system to property developers. A raised floor system comprises load bearing floor panels laid in a horizontal grid supported by adjustable vertical pedestals and stringers to provide an under floor space for the housing and distribution of services.

Pat Davie was appointed as a main contractor to undertake the Fit-out Project. Pursuant to the main contract in respect of the Fit-out Project awarded to Pat Davie, Toptech, being a sub-contractor nominated by the Client, shall be engaged to carry out the Sub-contract Works.

Given that Toptech is a major sub-contractor for supplying and installation of raised floor system to property developers, the Directors believe that the engagement of Toptech by Pat Davie to carry out the Sub-contract Works for the Fit-out Project would allow Pat Davie to fully capitalise on the expertise of Toptech and help ensure that the Fit-out Project is completed up to the usual high standards and quality.

The Directors (including independent non-executive Directors but other than Mr. Vincent Lo, who has a material interest in the Transaction given his interest in Toptech and had abstained from voting on the Board resolutions approving the Transaction) consider that the terms of the Transaction are fair and reasonable, the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group and is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Mr. Vincent Lo, who is the Chairman and the controlling shareholder of the Company, together with the trustee of a discretionary trust, of which he is one of the discretionary beneficiaries, are entitled to control the exercise of more than 30% of the voting power at general meetings of Great Eagle. Therefore, Toptech, being a subsidiary of Great Eagle and hence an associate of Mr. Vincent Lo, is a connected person of the Company. As such, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Transaction exceeds 0.1% but is less than 5%, the Transaction is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

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

“associate(s)”, “connected person” and “subsidiary(ies)”	each shall have the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Client”	The Hong Kong Jockey Club, being the client of the Fit-out Project
“Company”	SOCAM Development Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 983)
“Directors”	the directors of the Company
“Fit-Out Project”	IT and broadcasting office fitting out works at G/F. to 1/F. and 6/F. to 7/F. for the Sha Tin Communications and Technology Centre of The Hong Kong Jockey Club

“Great Eagle”	Great Eagle Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 41)
“Group”	the Company and its subsidiaries
“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
“Letter of Acceptance”	the letter of acceptance issued by Pat Davie on 5 March 2015 and acknowledged by Toptech on the same date in respect of the engagement of Toptech to carry out the Sub-contract Works
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Vincent Lo”	Mr. Lo Hong Sui, Vincent
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macao Special Administrative Region of the People’s Republic of China)
“Pat Davie”	Pat Davie Limited, a company incorporated in Hong Kong with limited liability, which is an indirect non-wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-contract”	the formal sub-contract to be entered into between Pat Davie and Toptech, setting out the detailed terms and conditions upon which the Sub-contract Works shall be carried out by Toptech in furtherance of the Letter of Acceptance
“Sub-contract Sum”	has the meaning given to it under the section “The Letter of Acceptance - Payment Terms”

“Sub-contract Works”	the design, supply and installation of raised floor system and ancillary services for the Fit-out Project as specified in the Letter of Acceptance
“Toptech”	Toptech Co. Limited, a company incorporated in Hong Kong with limited liability, which is an indirect non-wholly owned subsidiary of Great Eagle
“Transaction”	the transaction contemplated under the Letter of Acceptance
“%”	per cent

By order of the Board  
**SOCAM Development Limited**  
**Choi Yuk Keung, Lawrence**  
*Vice Chairman and Managing Director*

Hong Kong, 5 March 2015

*At the date of this announcement, the executive Directors are Mr. Lo Hong Sui, Vincent, Mr. Choi Yuk Keung, Lawrence and Mr. Wong Fook Lam, Raymond; the non-executive Directors are Mr. Wong Kun To, Philip and Mr. Tsang Kwok Tai, Moses; and the independent non-executive Directors are Mr. Gerrit Jan de Nys, Ms. Li Hoi Lun, Helen and Mr. Chan Kay Cheung.*

\* *For identification purpose only*

*Website: [www.socam.com](http://www.socam.com)*