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HONG KONG FERRY (HOLDINGS) COMPANY LIMITED

香港小輪（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 50)

CONTINUING CONNECTED TRANSACTIONS

References are made to (i) the 2011 Announcement relating to, among other things, the 2011 TCS Project Management Agreement and the 2011 TCS Prime Cost Contract; (ii) the 2013 Announcement relating to, among other things, the Supplemental TCS Project Management Agreement and the Supplemental TCS Prime Cost Contract; and (iii) the announcement of the Company dated 16 May 2013 in relation to the progress of the Proposed TCS Development.

The Group, having received the approval from the relevant government departments, will resume the superstructure works of the Proposed TCS Development. The construction of the Proposed TCS Development is currently expected to be completed in 2017.

The term of appointment of each of (i) HREAL as the project manager in respect of the Proposed TCS Development under the 2011 TCS Project Management Agreement; and (ii) Heng Tat as the main contractor in respect of the Proposed TCS Development under the 2011 TCS Prime Cost Contract expired on 31 March 2014 and 30 July 2014 respectively. Jet Legend has on 30 October 2015 entered into (a) the 2015 TCS Project Management Agreement with HREAL for the appointment of HREAL as the project manager in respect of the Proposed TCS Development; (b) the 2015 TCS Prime Cost Contract with Heng Tat for the appointment of Heng Tat as the main contractor in respect of the Proposed TCS Development; and (c) the TCS Sales Management Agreement with HPAL for the appointment of HPAL as the sales manager in respect of the Proposed TCS Development.

On 30 October 2015, Jet Legend and HPAL have entered into the Letter Agreement pursuant to which in respect of the period from 5 November 2015 to the Completion Date, HPAL will continue to act as agent of Jet Legend and Jet Legend will continue to be the principal under the Miramar/HPAL Agreement with Shahdan in respect of the Premises for use as show flats and sales office for the sale of the residential units of the TCS Property.

HREAL is a direct wholly-owned subsidiary of Henderson Land and Heng Tat and HPAL are wholly-owned subsidiaries of Henderson Land. Henderson Land is a substantial shareholder (as defined in the Listing Rules) of the Company, which indirectly holds approximately 33.4% of the issued shares of the Company. Therefore, each of HREAL, Heng Tat and HPAL is a connected person of the Company under the Listing Rules. The entering into of (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement by Jet Legend and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the transactions contemplated under (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement, when aggregated together and with the previous continuing connected transaction in respect of the arrangement of the Premises for the same purpose for one-month period, exceed 0.1% but are less than 5% on an annual basis, and those transactions are on normal commercial terms, such transactions are only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Details of the transactions under (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement will be included in the next published annual report of the Company. The Company will also observe the annual review and other requirements regarding continuing connected transactions under Chapter 14A of the Listing Rules, if and when applicable, from time to time.

BACKGROUND AND INTRODUCTION

References are made to (i) the 2011 Announcement relating to, among other things, the 2011 TCS Project Management Agreement and the 2011 TCS Prime Cost Contract; (ii) the 2013 Announcement relating to, among other things, the Supplemental TCS Project Management Agreement and the Supplemental TCS Prime Cost Contract; and (iii) the announcement of the Company dated 16 May 2013 in relation to the progress of the Proposed TCS Development.

The Group, having received the approval from the relevant government departments, will resume the superstructure works of the Proposed TCS Development. The construction of the Proposed TCS Development is currently expected to be completed in 2017.

CONTINUING CONNECTED TRANSACTIONS

A. The 2015 TCS Project Management Agreement

The principal terms of the 2015 TCS Project Management Agreement are set out as follows:

1. Date

30 October 2015

2. Parties

Jet Legend, a wholly-owned subsidiary of the Company

HREAL, a wholly-owned subsidiary of Henderson Land

3. Proposed transaction

Jet Legend has entered into the 2015 TCS Project Management Agreement with HREAL for the appointment of HREAL as the project manager in respect of the Proposed TCS Development. Subject to the term as stated below under the sub-paragraph headed “Term of the 2015 TCS Project Management Agreement”, the project management in respect of the Proposed TCS Development contemplated under the 2015 TCS Project Management Agreement is expected to be completed upon completion of the Proposed TCS Development and the making good of defects by contractors. The Proposed TCS Development is a comprehensively planned development with a gross floor area of approximately 55,000 square feet consisting of residential component together with ancillary supporting facilities on the TCS Property located at 208 Tung Chau Street, Sham Shui Po, Kowloon, Hong Kong.

4. Term of the 2015 TCS Project Management Agreement

Subject to early termination by the parties to the 2015 TCS Project Management Agreement, the appointment of the project manager will be for a term of three years commencing from 2 November 2015.

5. Consideration and terms of payment

Pursuant to the 2015 TCS Project Management Agreement, HREAL will, among other things, serve as the project manager of the Proposed TCS Development in consideration for a fee equivalent to the aggregate of:

- (i) 1% of the construction costs of the Proposed TCS Development (including all professional fees) for the overall management of the Proposed TCS Development, subject to a ceiling of HK\$372,500, which will be payable in 4 instalments, namely, on or before 31 December 2015, between 1 January 2016 and 31 December 2016, between 1 January 2017 and 31 December 2017 and between 1 January 2018 and 30 April 2018;
- (ii) a fee of HK\$1,100,000 for interior design consultancy services and certain landscape design consultancy services payable in 4 instalments, namely, HK\$275,000 on or before 31 December 2015, HK\$275,000 between 1 January 2016 and 31 December 2016, HK\$275,000 between 1 January 2017 and 31 December 2017 and HK\$275,000 between 1 January 2018 and 30 April 2018;
- (iii) a fee of HK\$800,000 for structural and geotechnical consultancy services payable in 4 instalments, namely, HK\$200,000 on or before 31 December 2015, HK\$200,000 between 1 January 2016 and 31 December 2016, HK\$200,000 between 1 January 2017 and 31 December 2017 and HK\$200,000 between 1 January 2018 and 30 April 2018;
- (iv) a monthly fee of HK\$15,000 for the period between 1 January 2018 and 30 April 2018 for the superstructure works and audit of the Proposed TCS Development;

- (v) a fee of HK\$82,500 for the remaining landscape design consultancy services payable in 4 instalments, namely, HK\$20,000 on or before 31 December 2015, HK\$20,000 between 1 January 2016 and 31 December 2016, HK\$20,000 between 1 January 2017 and 31 December 2017 and HK\$22,500 between 1 January 2018 and 30 April 2018; and
- (vi) a fee of HK\$405,000 for quantity surveying consultancy services payable in 4 instalments, namely, HK\$100,000 on or before 31 December 2015, HK\$100,000 between 1 January 2016 and 31 December 2016, HK\$100,000 between 1 January 2017 and 31 December 2017 and HK\$105,000 between 1 January 2018 and 30 April 2018.

The 2015 TCS Project Management Agreement stipulates that the annual aggregate remuneration for the services to be provided by HREAL for each of the following years will not exceed the corresponding amounts set out below (the “**TCS PMA Annual Caps**”):

Term	TCS PMA Annual Caps HK\$
For the year ending 31 December 2015	1,500,000
For the year ending 31 December 2016	4,100,000
For the year ending 31 December 2017	1,600,000
For the year ending 31 December 2018	1,500,000

The 2015 TCS Project Management Agreement also includes provisions for Jet Legend to reimburse HREAL for all out-of-pocket expenses reasonably incurred by HREAL pursuant to or in the performance of its duties and functions under the 2015 TCS Project Management Agreement.

The consideration for the services to be provided by HREAL under the 2015 TCS Project Management Agreement and the TCS PMA Annual Caps were determined by Jet Legend and HREAL on arm’s length basis with reference to the fee scale of the project management services for other similar projects in the market and the fee scale of the project management services for similar projects undertaken by HREAL with the Group in the past. The consideration will be paid by the Group out of its internal resources.

B. The 2015 TCS Prime Cost Contract

The principal terms of the 2015 TCS Prime Cost Contract are set out as follows:

1. Date

30 October 2015

2. Parties

Jet Legend, a wholly-owned subsidiary of the Company

Heng Tat, a wholly-owned subsidiary of Henderson Land

3. Proposed transaction

Jet Legend has entered into the 2015 TCS Prime Cost Contract with Heng Tat for the appointment of Heng Tat as the main contractor in respect of the Proposed TCS Development for the construction period of the Proposed TCS Development. Pursuant to the 2015 TCS Prime Cost Contract, Heng Tat will carry out and complete or procure the carrying out and completion of the items of works described in certain drawings and specifications which are subject to variation orders from time to time.

4. Term of the 2015 TCS Prime Cost Contract

Subject to early termination by the parties to the 2015 TCS Prime Cost Contract, the appointment of the main contractor will be for a term of three years commencing from 2 November 2015.

5. Consideration and terms of payment

Under the terms of the 2015 TCS Prime Cost Contract, Heng Tat will be paid the prime costs of all works (including preliminaries costs and sub-contract works for which Heng Tat will pay to sub-contractors on behalf of Jet Legend) and a fee of 5% on all works of the Proposed TCS Development (including preliminaries costs, works carried out by the sub-contractors and Heng Tat and goods supplied by nominated suppliers). The 2015 TCS Prime Cost Contract stipulates that the annual aggregate of the prime costs of all works carried out by Heng Tat itself or by any connected persons of the Company together with the 5% fee for each of the following years which will not exceed the corresponding amount set out below against such year (the “**TCS PCC Annual Caps**”):

Term	TCS PCC Annual Caps HK\$
For the year ending 31 December 2015	1,260,000
For the year ending 31 December 2016	19,990,000
For the year ending 31 December 2017	16,740,000
For the year ending 31 December 2018	970,000

Under the 2015 TCS Prime Cost Contract, payment will be made to Heng Tat within one month following the issue by the architect (a third party independent of the Group and Henderson Land Group) appointed under the 2015 TCS Prime Cost Contract of monthly interim certificates stating the amounts due to Heng Tat under such contract subject to a specified retention, which will be released to Heng Tat in stages.

The consideration to Heng Tat under the 2015 TCS Prime Cost Contract was determined by Jet Legend and Heng Tat on arm’s length basis with reference to other similar contracts in the market and certain similar contracts entered into by Henderson Land Group with the Group in recent years in respect of a number of developments in Hong Kong. The TCS PCC Annual Caps were arrived at after arm’s length negotiations between Jet Legend and Heng Tat with reference to the estimated prime costs of works to be carried out by Heng Tat itself and connected persons of the Company and the estimated amount of the 5% fee under the 2015 TCS Prime Cost Contract. The consideration will be paid by the Group out of its internal resources.

C. The TCS Sales Management Agreement

The principal terms of the TCS Sales Management Agreement are set out as follows:

1. Date

30 October 2015

2. Parties

Jet Legend, a wholly-owned subsidiary of the Company

HPAL, a direct wholly-owned subsidiary of HREAL and an indirect wholly-owned subsidiary of Henderson Land

3. Proposed transaction

Jet Legend has entered into the TCS Sales Management Agreement with HPAL for the appointment of HPAL as the sales manager in respect of the Proposed TCS Development. Jet Legend currently intends to sell only the residential units of the TCS Property. The construction of the Proposed TCS Development is currently expected to be completed in 2017.

4. Term of the TCS Sales Management Agreement

Subject to early termination by the parties to the TCS Sales Management Agreement, the appointment of the sales manager for the provision of the project sale and marketing services in respect of the Proposed TCS Development will be for a term of three years commencing from the date of the first initial sale of any residential units of the Proposed TCS Development.

5. Consideration and terms of payment

Pursuant to the TCS Sales Management Agreement, HPAL will, among other things, serve as the sales manager of the Proposed TCS Development in consideration of a sales fee of half of one per cent. (0.5%) of the gross proceeds of sale of such part(s) of the residential units and such other portions of the Proposed TCS Development as Jet Legend may from time to time decide, in respect of which sale and purchase agreements (including preliminary sale and purchase agreements) have been entered into but excluding those sale and purchase agreements effected by third party sales agent(s), subject to the ceilings set out below (the “**TCS SMA Annual Caps**”):

Term	TCS SMA Annual Caps HK\$
For the year ending 31 December 2015	700,000
For the year ending 31 December 2016	2,000,000
For the year ending 31 December 2017	600,000
For the year ending 31 December 2018	200,000

The sales fee will be paid in the following manner:

- (i) in respect of those sale and purchase agreements entered into on or prior to the date on which an occupation permit for the Proposed TCS Development is issued (the “**1st Relevant Date**”), within 45 days from the 1st Relevant Date;
- (ii) in respect of those sale and purchase agreements entered into after the 1st Relevant Date but on or prior to the date which is six months thereafter (the “**2nd Relevant Date**”), within 45 days from the 2nd Relevant Date; and
- (iii) in respect of those sale and purchase agreements entered into after the 2nd Relevant Date but on or prior to the date which is one year after the issuance of the occupation permit in respect of the Proposed TCS Development (the “**Final Date**”), within 45 days from the Final Date.

The TCS Sales Management Agreement also includes provisions for Jet Legend to pay for all out-of-pocket expenses reasonably incurred by HPAL pursuant to or in the performance of its duties and functions under the TCS Sales Management Agreement.

The consideration for the services to be provided by HPAL under the TCS Sales Management Agreement was determined by Jet Legend and HPAL on arm’s length basis with reference to the fee scale of the sales management services for similar projects undertaken by HPAL. The amounts of the TCS SMA Annual Caps were determined based on the Group’s estimate of the number of residential units of the TCS Property to be sold and the estimated sale price during the respective periods. The consideration will be paid by the Group out of its internal resources.

D. Letter Agreement

On 30 October 2015, Jet Legend and HPAL have entered into the Letter Agreement pursuant to which in respect of the period from 5 November 2015 to the Completion Date, HPAL will continue to act as agent of Jet Legend and Jet Legend will continue to be the principal under the Miramar/HPAL Agreement with Shahdan in respect of the Premises for use as show flats and sales office for the sale of the residential units of the TCS Property.

The principal terms of the Letter Agreement are set out as follows:

- | | |
|--------------------|---|
| 1. Date | 30 October 2015 |
| 2. Parties | Jet Legend, a wholly-owned subsidiary of the Company

HPAL, the tenant under the Miramar/HPAL Agreement and a wholly-owned subsidiary of Henderson Land |
| 3. Premises | Portions of Shops 501-502 and 503A-C, 5th Floor, Miramar Shopping Centre, 132 Nathan Road, Tsimshatsui, Kowloon, Hong Kong. |
| 4. Term | Commencing from 5 November 2015 to the Completion Date. |

- 5. Rent and other charges** The rent and other charges payable under the Letter Agreement were determined on the basis of the terms of the Miramar/HPAL Agreement:
- (i) rent payable on a monthly basis (exclusive of Government rates, management fee, air-conditioning charges and promotion contribution) during the term is HK\$226,700.00;
 - (ii) Government rates during the term is HK\$21,420.32 per quarter subject to review by the Government from time to time;
 - (iii) aggregate monthly management fee and air-conditioning charges (subject to periodic review by HPAL with reference to the periodic review by Shahdan or its designated management company of the Premises under the Miramar/HPAL Agreement) during the term is HK\$38,268.82;
 - (iv) monthly promotion contribution (subject to periodic review by HPAL with reference to the periodic review by Shahdan) during the term is HK\$2,266.70; and
 - (v) Lump sum fee of initial set up cost is HK\$972,385.26.
- 6. Purpose** To provide Jet Legend with the Premises as venue for the show flats and sales office of the TCS Property.

7. Cap Amounts of the Letter Agreement

The Board expects that the aggregate rents, fees and other charges (exclusive of Government rates) payable by Jet Legend to HPAL under the transactions contemplated under the Letter Agreement will not exceed the below cap amounts. The cap amounts were determined with reference to the aggregate amounts of rents, management fees, air-conditioning charges, the promotion contribution together with other charges payable under the Letter Agreement, which will be paid by the Group out of its internal resources:

Term	Cap Amounts HK\$
For the period from 5 November 2015 to 31 December 2015	2,000,000
For the period from 1 January 2016 to 4 January 2017	3,600,000

E. Reasons for and benefits of entering into the transactions

The Group plans to complete the Proposed TCS Development for future sale of residential units of the TCS Property and is therefore required to appoint qualified project manager and main contractor to complete the project development. Also, the Group plans to appoint sales manager for the sale of the residential units of the TCS Property. In order to provide such services, it is necessary to set up show flats and sales office for sale of the residential units of the TCS Property. The Group is of the view that Miramar Shopping Centre provides suitable premises for sales office of the TCS Property because of its location and ancillary facilities and therefore rents the Premises for the use as show flats and sales office of the TCS Property.

HREAL has a strong and experienced project management team in Hong Kong, the Directors consider that it is an appropriate candidate to be appointed as the project manager for the Proposed TCS Development. HREAL has served as project manager for a number of Henderson Land Group projects including high rise commercial/residential complexes and both high rise and low rise residential estates in Hong Kong and HREAL was also the project manager of the Proposed TCS Development previously.

Heng Tat is well experienced in building construction and thus qualified to be the main contractor for the Proposed TCS Development, on such terms which the Directors believe are fair and reasonable. Heng Tat has served as main contractor for a number of Henderson Land Group residential estate projects and Heng Tat was also the main contractor of the Proposed TCS Development previously.

HPAL has a strong and experienced sales management and marketing team in Hong Kong, the Directors consider that it is an appropriate candidate to be appointed as the sales manager for the TCS Property. HPAL has served as sales manager for a number of projects of Henderson Land Group and the Group including high rise commercial/residential complexes and both high rise and low rise residential estates in Hong Kong. Owing to the long-term relationship between HPAL and the Group established during previous projects, the appointment of HPAL as sales manager of the TCS Property will enhance work efficiency and effective communication and HPAL was also the sales agent of the Proposed TCS Development previously.

The Directors (including the independent non-executive Directors) are of the opinion that the terms of each of (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement have been negotiated and arrived at on an arm's length basis, the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group and the terms of each of (a) the 2015 TCS Project Management Agreement (including the TCS PMA Annual Caps); (b) the 2015 TCS Prime Cost Contract (including the TCS PCC Annual Caps); (c) the TCS Sales Management Agreement (including the TCS SMA Annual Caps); and (d) the Letter Agreement (including the annual caps thereunder) are fair and reasonable and in the interests of the Company and its shareholders as a whole.

A connected transaction committee comprising all the independent non-executive Directors and Mr. Wong Man Kong, Peter, a non-executive Director (the “**Connected Transaction Committee**”) was set up by the Board to review and approve, among others, the continuing connected transactions in respect of each of (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement. Mr. Wu King Cheong is a common director of all of the Company, Henderson Land and Miramar. Mr. Leung Hay Man is a common director of both the Company and Henderson Land. Mr. Ho Hau Chong, Norman is a common director of both the Company and Miramar. All of them did not take part in voting on the resolutions approving the relevant transactions at the meeting of the Connected Transaction Committee.

Dr. Lee Shau Kee and Mr. Li Ning are regarded as materially interested in (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement through their interest or deemed interest in shares in Henderson Land and through Henderson Land’s interest in Miramar. As they were not members of the Connected Transaction Committee, they did not participate in the meeting of the Connected Transaction Committee where (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement and the transactions contemplated thereunder were reviewed and approved.

F. Listing Rules Implications

HREAL is a direct wholly-owned subsidiary of Henderson Land and Heng Tat and HPAL are wholly-owned subsidiaries of Henderson Land. Henderson Land is a substantial shareholder (as defined in the Listing Rules) of the Company, which indirectly holds approximately 33.4% of the issued shares of the Company. Therefore, each of HREAL, Heng Tat and HPAL is a connected person of the Company under the Listing Rules. The entering into of (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement by Jet Legend and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the transactions contemplated under (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement, when aggregated together and with the previous continuing connected transaction in respect of the arrangement of the Premises for the same purpose for one-month period, exceed 0.1% but are less than 5% on an annual basis, and those transactions are on normal commercial terms, such transactions are only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

Details of the transactions under (a) the 2015 TCS Project Management Agreement; (b) the 2015 TCS Prime Cost Contract; (c) the TCS Sales Management Agreement; and (d) the Letter Agreement will be included in the next published annual report of the Company. The Company will also observe the annual review and other requirements regarding continuing connected transactions under Chapter 14A of the Listing Rules, if and when applicable, from time to time.

GENERAL INFORMATION

The principal activities of the Group are property development, property investment, ferry, shipyard and related businesses, travel business and securities investment.

Henderson Land is an investment holding company and the principal activities of its subsidiaries are property development and investment, construction, hotel operation, finance, department store operation, project management, investment holding and property management.

The principal activity of HREAL is project management.

The principal activity of Heng Tat is building construction.

The principal activity of HPAL is property sales agency services.

The principal business of Shahdan is property leasing.

DEFINITIONS

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

“2011 Announcement”	the announcement of the Company dated 15 March 2011 in which, among other things, the terms of the 2011 TCS Project Management Agreement and the 2011 TCS Prime Cost Contract were summarized;
“2011 TCS Prime Cost Contract”	the prime cost contract dated 15 March 2011 entered into between Jet Legend and Heng Tat in respect of, among other things, the appointment of Heng Tat as the main contractor of the Proposed TCS Development, as disclosed in the 2011 Announcement. The 2011 TCS Prime Cost Contract was later supplemented and amended by the Supplemental TCS Prime Cost Contract, as disclosed in the 2013 Announcement;
“2011 TCS Project Management Agreement”	the project management agreement dated 15 March 2011 entered into between Jet Legend and HREAL in respect of, among other things, the appointment of HREAL as the project manager of the Proposed TCS Development, as disclosed in the 2011 Announcement. The 2011 TCS Project Management Agreement was later supplemented and amended by the Supplemental TCS Project Management Agreement, as disclosed in the 2013 Announcement;
“2013 Announcement”	the announcement of the Company dated 11 January 2013 in which, among other things, the terms of the Supplemental TCS Project Management Agreement and the Supplemental TCS Prime Cost Contract were summarized;

“2015 TCS Prime Cost Contract”	the prime cost contract dated 30 October 2015 entered into between Jet Legend and Heng Tat in respect of, among other things, the appointment of Heng Tat as the main contractor of the Proposed TCS Development, principal terms of which are summarized under the section headed “B. The 2015 TCS Prime Cost Contract” in this announcement;
“2015 TCS Project Management Agreement”	the project management agreement dated 30 October 2015 entered into between Jet Legend and HREAL in respect of, among other things, the appointment of HREAL as the project manager of the Proposed TCS Development, principal terms of which are summarized under the section headed “A. The 2015 TCS Project Management Agreement” in this announcement;
“Board”	the board of Directors;
“Company”	Hong Kong Ferry (Holdings) Company Limited 香港小輪 (集團) 有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 50);
“Completion Date”	the earlier of 4 January 2017 and the date on which the last residential unit in the TCS Property to be sold is sold;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Henderson Land”	Henderson Land Development Company Limited 恒基兆業地產有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 12);
“Henderson Land Group”	Henderson Land and its subsidiaries;
“Heng Tat”	Heng Tat Construction Company Limited 恒達建築有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Henderson Land;
“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;
“HPAL”	Henderson Property Agency Limited 恒基物業代理有限公司, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of HREAL;

“HREAL”	Henderson Real Estate Agency Limited 恒基兆業地產代理有限公司, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of Henderson Land;
“HREAL Group”	HREAL and its subsidiaries, including HPAL;
“Jet Legend”	Jet Legend Limited 晉樂有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“Letter Agreement”	the letter agreement dated 30 October 2015 entered into between Jet Legend and HPAL in respect of the leasing of the Premises for the period from 5 November 2015 to the Completion Date, for use as show flats and sales office of the TCS Property;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Miramar”	Miramar Hotel and Investment Company, Limited 美麗華酒店企業有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 71);
“Miramar/HPAL Agreement”	the agreement entered into between Shahdan as landlord and HPAL as tenant in respect of the tenancy of Shops 501-502 and 503A-C, 5th Floor, Miramar Shopping Centre (of which the Premises form part) dated 10 July 2014, as disclosed in the announcement of Miramar dated 10 July 2014;
“Miramar Shopping Centre”	Miramar Shopping Centre, 132 Nathan Road, Tsimshatsui, Kowloon, Hong Kong;
“Premises”	Portions of Shops 501-502 and 503A-C, 5th Floor, Miramar Shopping Centre;
“Proposed TCS Development”	the comprehensively planned development consisting of residential component together with ancillary supporting facilities on the TCS Property;
“Shahdan”	Shahdan Limited 正信有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Miramar;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental TCS Prime Cost Contract”	the supplemental prime cost contract dated 11 January 2013 entered into between Jet Legend and Heng Tat in respect of, among other things, the revision of the maximum annual aggregate amount of the TCS Prime Costs and Fees during the original term of the 2011 TCS Prime Cost Contract, as disclosed in the 2013 Announcement;

“Supplemental TCS Project Management Agreement”	the supplemental project management agreement dated 11 January 2013 entered into among Jet Legend, HREAL and HPAL in respect of, among other things, the transfer and novation to HPAL of the rights and obligations of HREAL relating to the project sales and marketing services of the Proposed TCS Development and the revision of the maximum annual aggregate amount of the TCS Project Management Fee during the original term of the 2011 TCS Project Management Agreement, as disclosed in the 2013 Announcement;
“TCS Prime Costs and Fees”	prime costs of all works carried out by Heng Tat itself or by any connected persons of the Company together with the 5% fee on all works of the Proposed TCS Development (including preliminaries, works carried out by the sub-contractors and Heng Tat and goods supplied by nominated suppliers) under the 2011 TCS Prime Cost Contract;
“TCS Project Management Fee”	the remuneration for the services to be provided by the HREAL Group (excluding any services to be provided by contractors, nominated sub-contractors, sub-contractors and suppliers who are not connected persons of the Company) under the 2011 TCS Project Management Agreement;
“TCS Property”	all that piece or parcel of ground registered in the Land Registry of Hong Kong as New Kowloon Inland Lot Nos. 48 sB RP, sB ssl RP, RP, sI & sH;
“TCS Sales Management Agreement”	the sales management agreement dated 30 October 2015 entered into between Jet Legend and HPAL in respect of, among other things, the appointment of HPAL as the sales manager in respect of the TCS Property; and
“%”	per cent.

By Order of the Board
Yuen Wai Kuen
Company Secretary

Hong Kong, 30 October 2015

As at the date of this announcement, the executive directors of the Company are Dr. Lam Ko Yin, Colin (Chairman) and Mr. Li Ning; the non-executive directors are Mr. Au Siu Kee, Alexander, Mr. Lau Yum Chuen, Eddie, Dr. Lee Shau Kee and Mr. Wong Man Kong, Peter; and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Mr. Leung Hay Man, Ms. Wong Yu Pok, Marina and Mr. Wu King Cheong.