

## CONTINUING CONNECTED TRANSACTIONS (CONTINUED)

### Services and floor space supplied by the HKT Limited Group to HKT Solutions Holdings Limited and its subsidiaries (collectively the “Solutions Group”) (continued)

#### (11) Licensed access to floor space

Under the licence agreement dated December 27, 2013, PCCW Solutions has been afforded certain limited access rights to floor space for it and members of the Solutions Group at a number of HKTC's Premises. Pursuant to a licence agreement signed between HK Telecom and HKTC, HKTC granted to HK Telecom a licence to, among other things, install, store, operate and maintain equipment, machinery, chattels and installations at HKTC's Premises. HKTC continues to meet and defray all costs, expenses and outgoings of HKTC's Premises but HK Telecom is responsible for reimbursing HKTC the outgoings on a periodic basis. HKTC is also required to pay the amount of any income or profit received or to be received by HKTC to HK Telecom in respect of HKTC's Premises. Accordingly, the licence fees paid by the Solutions Group are passed on by HKTC to HK Telecom pursuant to the aforesaid arrangement. In effect, therefore, these licensing arrangements are akin to direct arrangements between HK Telecom and the Solutions Group.

### Services supplied by the Solutions Group to the HKT Limited Group

#### (12) Solutions services

The Solutions Group provides the following customized solutions to the HKT Limited Group pursuant to the following agreements:

##### (a) Data Centre and Managed Services (“DCMS”)

Pursuant to a bureau services agreement dated December 27, 2013 between PCCW Solutions and HK Telecom (as subsequently amended on December 23, 2016), PCCW Solutions provides certain DCMS services to HK Telecom and its designated affiliates. These services include help desk services, problem management, change management, system and database support, information technology security services, data centre services, backup management, service level management, disaster recovery and technical platform services.

##### (b) Information Technology Systems Integration (“ITSI”)

Pursuant to two agreements dated December 27, 2013 each between PCCW Solutions and HK Telecom (as subsequently amended on December 23, 2016), PCCW Solutions provides the following services to HK Telecom and its designated affiliates:

- certain application management services (such as application support and maintenance, production acceptance testing and application release management); and
- certain system development services (such as information technology system design, development and implementation).

##### (c) Business Process and Logistics Operation (“BPLO”)

Under the BPLO services agreement dated December 27, 2013 between Power Logistics Limited (“Power Logistics”), a company in the Solutions Group, and HK Telecom (as subsequently amended on December 23, 2016), Power Logistics provides a range of different business processing, order fulfillment and logistical services to the HKT Limited Group. These services include warehouse and stock management, logistics services, transportation services, printing and lettershopping services, delivery, mass distribution, document imaging and data entry services.

#### (13) Sub-contracting agreement

On December 27, 2013, PCCW (Macau), Limitada (“PCCW Macau”), a company within the HKT Limited Group, and PCCW-HKT Technical Services Limited (“TSL”), an indirect wholly-owned subsidiary of PCCW, entered into a sub-contracting agreement (as subsequently amended on December 23, 2016). PCCW Macau has contracted with various third parties for the provision of solutions services with various operators in Macau such as information technology related systems within hotels and casinos. Rather than performing the work itself, PCCW Macau has sub-contracted the work to TSL. Accordingly, the work is carried out by TSL and all fees received in respect of the work are passed on by PCCW Macau to TSL after PCCW Macau has deducted sub-contracting fees.