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天安中國投資有限公司

TIAN AN CHINA INVESTMENTS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 28)

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION

SUPPLEMENTAL AGREEMENT IN RELATION TO DISPOSAL OF AN INDIRECT NON WHOLLY-OWNED SUBSIDIARY

Reference is made to the Announcement and the Circular.

The Board wishes to announce that the Supplemental Agreement was entered into on 8th May, 2014 among Sea Vanguard, TACHP, the Company, Lead Step and Mr. Fong to revise the payment schedule of the remaining amount of the Total Balance (being part of the Consideration) as set out in the Agreement.

Reference is made to the announcement of Tian An China Investments Company Limited (the “**Company**”) dated 10th June, 2011 (the “**Announcement**”) and the circular of the Company dated 13th July, 2011 (the “**Circular**”) in respect of the termination and sale and purchase agreement dated 10th June, 2011 entered into among Sea Vanguard Limited (“**Sea Vanguard**”), Tian An China Hotel and Property Investments Company Limited (“**TACHP**”), the Company, Lead Step Holdings Limited (“**Lead Step**”) and Mr. Fong Kai Shing (“**Mr. Fong**”) relating to the sale and purchase of Asia Coast Investments Limited by Sea Vanguard to Lead Step (the “**Agreement**”). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Circular, the Total Balance in the amount of HK\$510,000,000 or its equivalent in other currency together with the interest accrued thereon shall be payable by Lead Step to Sea Vanguard by 8 successive quarterly payments of not less than HK\$30,000,000 each (which shall include the interest payable on the outstanding Total Balance accrued up to the date of payment) and each of such payments shall be made on the last day of each quarter (and if that day is not a Business Day, payment shall be due on the next Business Day) (the “**Instalment Payment Day**”) with the first payment to be made on the last day of the three month period following the Completion Date. It was also disclosed in the Circular that Lead Step agreed to pay interest accrued on the outstanding Total Balance at the rate of 1% per month up to the date of actual full payment of the Total Balance.

For the payment of the outstanding Total Balance and the interest accrued thereon, as at the date of this announcement, Lead Step has paid to Sea Vanguard an amount of HK\$219,500,000 or its equivalent in other currency (which includes the outstanding balance for the Consideration in the amount of HK\$97,696,904.73 or its equivalent in other currency and the relevant interest together with the default interest on the outstanding Total Balance in a total amount of HK\$121,803,095.27 or its equivalent in other currency) and an aggregate amount of HK\$436,550,429.49 or its equivalent in other currency (which includes the remaining balance for the Consideration in the amount of HK\$412,303,095.27 or its equivalent in other currency) is still outstanding (the “**Remaining Balance**”) under the Agreement.

SUPPLEMENTAL AGREEMENT

In view of the financial condition of Lead Step and taking into account the recent prevailing property market in Mainland, the Board is of the opinion that revising the payment schedule of the remaining amount of the Total Balance is more beneficial to the Company than terminating the Agreement. As such, on 8th May, 2014, a supplemental agreement was entered into among Sea Vanguard, TACHP, the Company, Lead Step and Mr. Fong (the “**Supplemental Agreement**”) to revise the payment schedule of the remaining amount of the Total Balance (being part of the Consideration) as set out in the Agreement, pursuant to which the parties thereto agreed that the Remaining Balance in the amount of HK\$436,550,429.49 or its equivalent in other currency together with interest as set out below shall be payable by Lead Step to Sea Vanguard in two portions and the payment terms of the Remaining Balance shall be as follows:

- (a) a portion of the Remaining Balance in the amount of HK\$89,906,628.95 or its equivalent in other currency (the “**Portion A**”) (which includes the outstanding balance for the Consideration in the amount of HK\$85,665,000 or its equivalent in other currency up to the date of the Supplemental Agreement (the “**Outstanding Principal Amount in Portion A**”) together with the interest payable on the Outstanding Principal Amount in Portion A accrued from the original last Instalment Payment Day, being 30th September, 2013 (the “**Original Last Instalment Payment Day**”), up to the date of actual full payment of relevant instalment of Portion A at the rate of 1.5% per month (the “**Portion A Interest**”) shall be payable by Lead Step to Sea Vanguard by 3 quarterly instalments in the following manner:
- (i) a sum of not less than HK\$10,000,000 or its equivalent in other currency should be payable on or before 30th June, 2014 as the first instalment;
 - (ii) a sum of not less than HK\$30,000,000 or its equivalent in other currency should be payable on or before 30th September, 2014 as the second instalment;
 - (iii) the remaining of the Outstanding Principal Amount in Portion A should be payable on or before 30th December, 2014 as part of the third instalment; and

each of the above instalment payments shall include the Portion A Interest; and

- (b) in addition to the settlement of Portion A, the outstanding amount of the Remaining Balance in the amount of HK\$346,643,800.54 or its equivalent in other currency (the “**Portion B**”) (which includes the outstanding balance for the Consideration in the amount of HK\$326,638,095.27 or its equivalent in other currency up to the date of the Supplemental Agreement (the “**Outstanding Principal Amount in Portion B**”)) shall be payable by Lead Step to Sea Vanguard by 8 quarterly instalments of not less than HK\$30,000,000 or its equivalent in other currency each for the first 7 instalments and the remaining of the Outstanding Principal Amount in Portion B shall be fully settled as part of the last instalment, which each of such instalment payments shall include the interest payable on the Outstanding Principal Amount in Portion B accrued from the Original Last Instalment Payment Day up to the date of actual full payment of relevant instalment of Portion B at the rate of 1% per month (the “**Portion B Interest**”) and be made on the last day of each quarter (and if that day is not a Business Day, payment shall be due on the next Business Day) with the first payment to be made on or before 30th June, 2014.

Save as disclosed above, all other terms of the Agreement shall remain unchanged.

On behalf of the Board
Tian An China Investments Company Limited
Edwin Lo King Yau
Executive Director

Hong Kong, 8th May, 2014

As at the date of this announcement, the Board comprises Mr. Song Zengbin (Deputy Chairman), Mr. Patrick Lee Seng Wei (Managing Director), Mr. Ma Sun (Deputy Managing Director), Mr. Edwin Lo King Yau and Mr. Tao Tsan Sang being the Executive Directors; Mr. Lee Seng Hui (Chairman), Dr. Moses Cheng Mo Chi and Mr. Lee Shu Yin being the Non-Executive Directors; and Mr. Francis J. Chang Chu Fai, Mr. Jin Hui Zhi, Mr. Ngai Wah Sang and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.