

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.



ZHONG HUA INTERNATIONAL HOLDINGS LIMITED

中華國際控股有限公司

(Incorporated In Bermuda with limited liability)

(Stock Code: 1064)

TENTH SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LONG STOP DATE OF THE ACQUISITION OF THE TARGET COMPANY AND LITIGATION PROGRESS UPDATE

The Tenth Supplemental Agreement

On 2 June 2015, the Group and the Vendor entered into the Tenth Supplemental Agreement to extend the Long Stop Date for completion of the Agreement (as amended by the Extension Agreements) from 30 June 2015 to 30 June 2016.

Other than the extension of the Long Stop Date, all the terms and conditions of the Agreement (as amended by the Extension Agreements and the Tenth Supplemental Agreement) remain valid and binding on the parties thereto.

Litigation Progress Update

The Company would like to inform its shareholders and investors that no new developments of the Appeal took place since 24 March 2015, the date of the Annual Report 2014.

THE TENTH SUPPLEMENTAL AGREEMENT

Reference is made to the announcement of Zhong Hua International Holdings Limited (the “Company”) dated 26 October 2007 and the circular dated 26 November 2007 (the “Circular”) in relation to, among other things, the acquisition of the Target Company. Reference is also made to the announcements of the Company dated 31 March 2009, 2 April 2009, 29 June 2009, 17 December 2009, 22 June 2010, 24 June 2011, 28 June 2012, 26 June 2013 and 23 June 2014 regarding the extension of the Long Stop Date

(collectively the “Extension Announcements”) in connection with the acquisition of the Target Company. Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Circular and the Extension Announcements.

As disclosed in the Extension Announcements, the Group entered into the Second Supplemental Agreement, the Third Supplemental Agreement, the Fourth Supplemental Agreement, the Fifth Supplemental Agreement, the Sixth Supplemental Agreement, the Seventh Supplemental Agreement, the Eighth Supplemental Agreement and the Ninth Supplemental Agreement (collectively the “Extension Agreements”) with the Vendor on 31 March 2009, 29 June 2009, 17 December 2009, 22 June 2010, 24 June 2011, 28 June 2012, 26 June 2013 and 23 June 2014 respectively to extend the Long Stop Date for completion of the Second, the Third and the Fourth Tranches in relation to the Acquisition to 30 June 2009, 31 December 2009, 30 June 2010, 30 June 2011, 30 June 2012, 30 June 2013, 30 June 2014 and 30 June 2015 respectively.

Since June 2014, the Group and the Vendor have not yet concluded any revised terms for the settlement of the consideration for, and completion timetable in relation to the aforesaid uncompleted tranches under, the Agreement. As such, the Group and the Vendor, on 2 June 2015, entered into the tenth supplemental agreement (the “Tenth Supplemental Agreement”) to further extend the Long Stop Date to 30 June 2016 in order to give sufficient time for the parties to the Agreement to explore any opportunity to arrive any revised terms for the settlement of the consideration for, and completion timetable in relation to the uncompleted tranches, under the Agreement.

As mentioned in the Extension Announcements, the Deferred Interest of approximately RMB22.9 million (equivalent to approximately HK\$26 million) is payable by the Group to the Vendor under the terms of the Agreement due to the failure to complete the Second Tranche and the Third Tranche on their respective original expected completion dates. No Deferred Interest, however, is required to be paid in respect of the Fourth Tranche according to the terms of the Agreement. For the avoidance of doubt, despite the extension of the Long Stop Date pursuant to the Extension Agreements and the Ninth Supplemental Agreement, no additional Deferred Interest shall be chargeable for the period from 1 April 2009 to 30 June 2016, both days inclusive.

The Directors consider that the entering into of the Tenth Supplemental Agreement to further extend the Long Stop Date to 30 June 2016 is in the interest of the Company and its Shareholders as a whole as the Group are given more time to proceed with the Acquisition while no additional Deferred Interest chargeable for the period from 1 April 2009 to 30 June 2016, both days inclusive.

Other than the extension of the Long Stop Date to 30 June 2016 pursuant to the Tenth Supplemental Agreement, the Directors confirm that all the terms and conditions of the Agreement (as amended by the Extension Agreements and the Tenth Supplemental Agreement) remain valid and binding on the parties thereto.

As at the date of this announcement, save for the Extension Agreements and the Tenth Supplemental Agreement, no other revised terms in respect of the Agreement have been agreed. In the event that there are material variation to the terms of the Agreement (as amended by the Extension Agreements and the Tenth Supplemental Agreement), the Company will comply with the relevant Listing Rules requirements and make disclosure as and when it is appropriate.

LITIGATION PROGRESS UPDATE

Reference is made to the annual report of the Company dated 24 March 2015 (the “Annual Report 2014”) in relation to, amongst other things, an appeal filed by a third party as the appellant against 廣州市正大房地產開發有限公司 (Guangzhou Zheng Da Real Estate Development Company Limited (“GZ Zheng Da”) and Zheng Da Real Estate Development Company Limited (正大房地產開發有限公司) (“HK Zheng Da”) as the appellees at Guangzhou Municipal Middle People’s Court (廣州市中級人民法院) in August 2009 (the “Appeal”). HK Zheng Da is the Target Company referred to in the Tenth Supplemental Agreement.

The Company would like to inform its shareholders and investors that no new developments of the Appeal took place since 24 March 2015, the date of the Annual Report 2014 and therefore the facts and information about the Appeal as stated in the Annual Report 2014 remain valid. Shareholders and investors are urged to refer to the Annual Report 2014 for background and details of the Appeal.

By Order of the Board
Zhong Hua International Holdings Limited
Ho Kam Hung
Executive Director

Hong Kong, 2 June 2015

As at the date of this announcement, the board of directors of the Company comprises:(i) Mr. Ho Kam Hung as executive director; (ii) Mr. Young Kwok Sui as non-executive director; and (iii) Mr. Lawrence K. Tam, Ms. Wong Miu Ting, Ivy and Mr. Wong Kui Fai as independent non-executive directors.