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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

LOAN TRANSACTION

On 26th February, 2016, the Lender (an indirect wholly-owned subsidiary of the Company) entered into the Loan Agreement with the Borrower, pursuant to which, the Lender agreed to, among other things, make available to the Borrower Loan A1 on the terms and subject to the conditions therein.

On 7th April, 2016, the Lender entered into the Supplemental Agreement with the Borrower, pursuant to which the Lender agreed to, among other things, make available to the Borrower Loan A2 on the terms and subject to the conditions therein.

On 28th July, 2016, the Lender entered into the Second Supplemental Agreement with the Borrower, pursuant to which the Lender agreed to, among other things, make available to the Borrower Loan B on the terms and subject to the conditions therein. As at the date of the Second Supplemental Agreement, the outstanding amount of Loan A is HK\$285,000,000.

Transaction B, either on a stand-alone basis or when aggregated with Transaction A1 and Transaction A2, constitutes a discloseable transaction for the Company on the basis that the relevant Percentage Ratio(s) exceeds 5% but is less than 25%.

TRANSACTION A1

On 26th February, 2016, the Lender (an indirect wholly-owned subsidiary of the Company) entered into the Loan Agreement with the Borrower, pursuant to which, the Lender agreed to, among other things, make available to the Borrower Loan A1 on the terms and subject to the conditions therein.

Loan Agreement

Date: 26th February, 2016

Parties: (1) the Lender as the lender for the Loan Agreement
(2) the Borrower as the borrower for the Loan Agreement

Principal terms of the Loan Agreement

The principal terms of the Loan Agreement are as follows:

Loan amount:	Loan A1
Term:	6 months from the drawdown date of Loan A1
Interest rate:	6% per annum
Security:	the Debenture and the Share Mortgage
Purpose:	Loan A1 shall be applied and used by the Borrower solely for investment purpose but shall not be used in any ways to facilitate the acquisition of securities listed on any stock exchange and/or the continued holding of those securities and/or applied in such ways so as to render the provision of Loan A1 by the Lender to the Borrower to be within the definition of “securities margin financing” under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

The Debenture

The Loan is secured by the Debenture by way of first fixed and floating charge over all the undertaking, property and assets of the Borrower created by the Borrower in favour of the Lender.

The Debenture and all security constituted or pursuant to the Debenture shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

The Share Mortgage

The Loan is secured by the Share Mortgage by way of first fixed mortgage of the Mortgaged Shares created by the Mortgagor in favour of the Lender.

The Lender, as mortgagee of the Share Mortgage, shall have rights, among other things, to dispose of the Mortgaged Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

TRANSACTION A2

On 7th April, 2016, the Lender entered into the Supplemental Agreement with the Borrower, pursuant to which the Lender agreed to, among other things, make available to the Borrower Loan A2, being an additional loan in the amount of HK\$10,000,000 at the interest rate of 6% per annum for a period of 6 months from the drawdown date of Loan A2, which shall be applied and used by the Borrower for the same purpose as Loan A1, on the terms and subject to the conditions therein.

TRANSACTION B

On 28th July, 2016, the Lender entered into the Second Supplemental Agreement with the Borrower, pursuant to which the Lender agreed to, among other things, make available to the Borrower Loan B on the terms and subject to the conditions therein. As at the date of the Second Supplemental Agreement, the outstanding amount of Loan A is HK\$285,000,000.

The Second Supplemental Agreement

Date: 28th July, 2016

Parties: (1) the Lender as the lender for the Second Supplemental Agreement
(2) the Borrower as the borrower for the Second Supplemental Agreement

Based on the confirmations of the Borrower and the Mortgagor, and to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower, the Mortgagor and their respective ultimate beneficial owners, are all third parties independent of the Company and its connected persons.

Principal terms of the Second Supplemental Agreement

Pursuant to the Second Supplemental Agreement, the Loan Agreement as amended and/or supplemented by the Supplemental Agreement has now been amended and supplemented, inter alia, as follows:

Loan amount: the aggregate of:

- (i) Loan A; and
- (ii) Loan B

Term: (i) in relation to Loan A, 6 months from the drawdown date of Loan A; and
(ii) in relation to Loan B, 2 months from the drawdown date of Loan B

Interest rate: (i) in relation to Loan A, 6% per annum; and
(ii) in relation to Loan B, 12% per annum

Purpose: Loan A and Loan B shall be applied and used by the Borrower solely for investment purpose but shall not be used in any ways to facilitate the acquisition of securities listed on any stock exchange and/or the continued holding of those securities and/or applied in such ways so as to render the provisions of Loan A and Loan B by the Lender to the Borrower to be within the definition of “securities margin financing” under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

Save for the amendment made by the Second Supplemental Agreement, the provisions of the Loan Agreement as amended and/or supplemented by the Supplemental Agreement and the rights and obligations thereunder shall remain in full force and effect.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The terms of the Second Supplemental Agreement, including the interest rates applicable, were arrived at after arm's length negotiations between the Lender and the Borrower. The Second Supplemental Agreement was entered into by the Lender having regard to (i) the costs of borrowing in providing Loan B to the Borrower; (ii) the interest income to be generated by Transaction B; and (iii) the underlying securities. In addition, Transaction B is part of the ordinary course of business of the Lender. In view of the above, the Directors are of the view that the terms of the Second Supplemental Agreement are on normal commercial terms and Transaction B is fair and reasonable, and in the interests of the Company and its shareholders taken as a whole.

INFORMATION ABOUT THE COMPANY, THE LENDER, THE BORROWER AND THE MORTGAGOR

The Company

The Company is incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of the Company is investment holding. The Group is engaged principally in the development of apartments, villas, office buildings and commercial properties, property investment and property management in the PRC.

The Lender

The Lender is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. The principal business activity of the Lender is provision of money lending services. The Lender holds a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Borrower

The Borrower is a company incorporated in the Cayman Islands with limited liability. The principal business activity of the Borrower is equity investment holding.

The Mortgagor

The Mortgagor is a company incorporated in the PRC with limited liability and is the sole shareholder of the Borrower. The principal business activity of the Mortgagor is equity investment holding.

LISTING RULES IMPLICATIONS

Transaction B, either on a stand-alone basis or when aggregated with Transaction A1 and Transaction A2, constitutes a discloseable transaction for the Company on the basis that the relevant Percentage Ratio(s) exceeds 5% but is less than 25%.

DEFINITIONS

“Board”	the board of Directors
“Borrower”	the borrower under the Loan Agreement, the Supplemental Agreement and the Second Supplemental Agreement and the chargor under the Debenture
“Company”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“connected persons”	having the meaning ascribed to it under the Listing Rules
“Debenture”	the debenture created by the Borrower in favour of the Lender by way of first fixed and floating charge over all the undertaking, property and assets of the Borrower
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Join View Development Limited, a company incorporated in Hong Kong with limited liability, being the lender under the Loan Agreement, the Supplemental Agreement and the Second Supplemental Agreement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the aggregate amount of loan owing to the Lender by the Borrower under the Loan Agreement as amended and/or supplemented by the Supplemental Agreement and the Second Supplemental Agreement and upon drawdown of Loan B, the aggregate of Loan A and Loan B
“Loan A”	Loan A1 and Loan A2
“Loan A1”	the loan in the amount of HK\$275,000,000 made available by the Lender to the Borrower on the terms and subject to the conditions set out in the Loan Agreement

“Loan A2”	the additional loan in the amount of HK\$10,000,000 made available by the Lender to the Borrower on the terms and subject to the conditions set out in the Supplemental Agreement
“Loan Agreement”	the loan agreement entered into between the Lender as the lender and the Borrower as the borrower dated 26th February, 2016, pursuant to which the Lender has agreed to make available Loan A1 to the Borrower pursuant to the terms therein
“Loan B”	the additional loan in the amount of HK\$500,000,000 made available by the Lender to the Borrower on the terms and subject to the conditions set out in the Second Supplemental Agreement
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“Mortgaged Shares”	all issued shares of the Borrower
“Mortgagor”	the mortgagor under the Share Mortgage
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Taiwan, Hong Kong, Macau Special Administrative Region of the People’s Republic of China
“Second Supplemental Agreement”	the second supplemental agreement to the Loan Agreement entered into between the Lender as the lender and the Borrower as the borrower dated 28th July, 2016, pursuant to which the Lender has agreed to make available Loan B to the Borrower pursuant to the terms therein
“Share Mortgage”	the mortgage created by the Mortgagor as mortgagor in favour of the Lender as mortgagee over the Mortgaged Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the first supplemental agreement to the Loan Agreement entered into between the Lender as the lender and the Borrower as the borrower dated 7th April, 2016, pursuant to which the Lender has agreed to make available Loan A2 to the Borrower pursuant to the terms therein

“Transaction A1”	the transaction contemplated under the Loan Agreement
“Transaction A2”	the transaction contemplated under the Supplemental Agreement
“Transaction B”	the transaction contemplated under the Second Supplemental Agreement
“%”	per cent.

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

Hong Kong, 28th July, 2016

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.