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萬達酒店發展有限公司
WANDA HOTEL DEVELOPMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 169)

**SUPPLEMENTAL AGREEMENT
IN RELATION TO
DISPOSAL OF LONDON PROPERTY PROJECT**

Reference is made to the announcement of the Company dated 16 January 2018 and the circular of the Company dated 15 March 2018 in relation to the Disposal. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Circular.

The Board wishes to advise that, as at the date of this announcement, one of the conditions to Completion, being the release or waiver of the relevant restrictions in relation to the Ping An Bank Loan by the Ping An Bank, has not been fulfilled.

As a result, on 12 June 2018 (after Hong Kong trading hours), the Company and the Purchaser have entered into the Supplemental Agreement to vary the Completion arrangement and payment terms which effectively mean that whilst the Consideration is unchanged, the Purchaser will effectively provide a loan of £90,000,000 (equivalent to approximately HK\$946.8 million) to Wanda One (UK) for the purpose of repayment of the Ping An Bank Loan and the Purchaser shall settle the remainder of the Consideration of £8,740,752.06 (equivalent to approximately HK\$91.9 million) and the Debt (as revised below) as per the timing indicated below. A guarantee executed by Guangzhou R&F Properties in favour of the Company in respect of the payment obligations of the Purchaser in relation to the Supplemental Agreement shall be provided to the Company on the Completion Date.

INTRODUCTION

Reference is made to the announcement of the Company dated 16 January 2018 and the circular of the Company dated 15 March 2018 in relation to the Disposal. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Circular.

The Board wishes to advise that, as at the date of this announcement, one of the conditions to Completion, being the release or waiver of the relevant restrictions in relation to the Ping An Bank Loan by the Ping An Bank, has not been fulfilled.

SUPPLEMENTAL AGREEMENT TO THE SALE AND PURCHASE AGREEMENT AND THE SHAREHOLDER LOAN REPAYMENT AGREEMENT

On 12 June 2018 (after Hong Kong trading hours), the Company and the Purchaser have entered into the Supplemental Agreement. Principal terms of the Supplemental Agreement are set out below:—

Completion arrangement and payment terms

Pursuant to the Supplemental Agreement, among other things, the parties have amended the Completion arrangement and payment terms as follows:—

- (i) on the next Business Day upon entering into the Supplemental Agreement (i.e. 13 June 2018), the Purchaser shall, subject to the terms contained therein, provide a loan of £90,000,000 (equivalent to approximately HK\$946.8 million) (the “**PABL Loan**”) to Wanda One (UK) for the purpose of repayment of the Ping An Bank Loan;
- (ii) on the next Business Day upon entering into the Supplemental Agreement (i.e. 13 June 2018), the Purchaser shall, subject to the terms contained therein, pay to the Company an aggregate amount of £35,840,604.44 (equivalent to approximately HK\$377.0 million) (the “**Partial Payment**”), being the balance of the Consideration in the amount of £8,740,752.06 (equivalent to approximately HK\$91.9 million) and the partial repayment of the Debt in the amount of £27,099,852.38 (equivalent to approximately HK\$285.1 million);
- (iii) upon such provision or payment as set out in paragraph (i) and (ii) being made by the Purchaser, certain completion documents (the “**Completion Documents**”) being reviewed and confirmed by the Purchaser shall be delivered to the Company’s Solicitors immediately for the purpose of Completion on the Completion Date;
- (iv) upon receiving the PABL Loan, the Company shall procure Wanda One (UK) to repay the Ping An Bank Loan, together with the relevant interest, within 7 Business Days from the date of such receipt. Within 10 Business Days from the date of the Ping An Bank Loan repayment, the Company shall obtain release of the guarantee provided by Dalian Wanda Commercial in relation to the Ping An Bank Loan from Ping An Bank (the “**Guarantee Release**”);
- (v) on the respective dates of receiving the PABL Loan and the Ping An Bank Loan repayment, the Company shall procure the Project Companies to conduct certain administrative works for preparation of the Completion handover in accordance with the terms of the Supplemental Agreement;

- (vi) the Completion Date shall be on the 11th Business Day of the date of the Ping An Bank Loan repayment (inclusive of the date of the Ping An Bank Loan repayment), or the next Business Day upon obtaining the Guarantee Release (whichever is earlier), whereby (a) a guarantee executed by Guangzhou R&F Properties in favour of the Company in respect of the payment obligations of the Purchaser as set out in paragraph (vii) and (viii) below shall be provided to the Company; and (b) all the Completion Documents shall be released to the Purchaser in accordance with the terms of the Supplemental Agreement;
- (vii) £30,000,000 (equivalent to approximately HK\$315.6 million) of the Debt shall be repaid by the Purchaser to the Company before 31 December 2018;
- (viii) £60,000,000 (equivalent to approximately HK\$631.2 million) of the Debt shall be repaid by the Purchaser to the Company before 31 March 2019;
- (ix) Upon providing the Completion Documents to the Purchaser for review, and performance of the Company's obligations in accordance with paragraph (iii) above, if the Purchaser fails to perform its obligations in accordance with paragraph (i) and (ii) above, the Purchaser shall pay an interest at the daily interest rate of 0.05% to the Company in respect of the outstanding PABL Loan and Partial Payment in accordance with the terms of the Supplemental Agreement. In the event that any PABL Loan or the Partial Payment is not provided to Wanda One (UK) or paid to the Company for over ten days from the date on which the Completion Documents are delivered to the Company's Solicitors, the Company shall be entitled to terminate the Disposal and all transaction documents between the Purchaser and the Company and forfeit the Deposits absolutely, and all rights and obligations of the Parties under each of the Sale and Purchase Agreement, the Shareholder Loan Repayment Agreement and the Supplemental Agreement shall cease and terminate accordingly;
- (x) if the Ping An Bank Loan is not repaid by Wanda One (UK) in accordance with paragraph (iv) above, the Company shall procure the PABL Loan to be returned to the Purchaser within 9 Business Days from the date of receipt of the PABL Loan by Wanda One (UK); and the Purchaser shall be entitled to terminate the Disposal and all transaction documents between the Company and the Purchaser. Within 3 Business Days of such termination being notified, the total amount paid or released to the Company and the PABL Loan shall be fully refunded to the Purchaser, and an amount equal to the sum of the Deposits shall be paid by the Company to the Purchaser, and all rights and obligations of the Parties under each of the Sale and Purchase Agreement, the Shareholder Loan Repayment Agreement and the Supplemental Agreement shall cease and terminate accordingly;
- (xi) if the Company has delayed in the performance of its obligations in accordance with paragraph (v) above, the Company shall pay an interest at the daily interest rate of 0.05% to the Purchaser in respect of the total amount already paid by the Purchaser in accordance with the terms of the Supplemental Agreement. In the event that performance of such obligations has been delayed for over ten days, the Purchaser shall be entitled to terminate the Disposal and all transaction documents between the Purchaser and the Company. Within 3 Business

Days of such termination being notified, the total amount paid or released to the Company and the PABL Loan shall be fully refunded to the Purchaser, and an amount equal to the sum of the Deposits shall be paid by the Company to the Purchaser, and all rights and obligations of the Parties under each of the Sale and Purchase Agreement, the Shareholder Loan Repayment Agreement and the Supplemental Agreement shall cease and terminate accordingly;

- (xii) If the Completion Documents are not released in accordance with paragraph (vi) above, the Company shall pay an interest at the daily interest rate of 0.05% to the Purchaser in respect of the total amount already paid by the Purchaser in accordance with the terms of the Supplemental Agreement. In the event that performance of such obligations has been delayed for over ten days, the Purchaser shall be entitled to terminate the Disposal and all transaction documents between the Purchaser and the Company. Within 3 Business Days of such termination, the total amount paid or released to the Company and the PABL Loan shall be fully refunded to the Purchaser, and an amount equal to the sum of the Deposits shall be paid by the Company to the Purchaser, and all rights and obligations of the Parties under each of the Sale and Purchase Agreement, the Shareholder Loan Repayment Agreement and the Supplemental Agreement shall cease and terminate accordingly; and
- (xiii) Upon performance of the Company's obligations in accordance with paragraph (i) to (vi) and paragraph (ix) to (xii) above (if applicable), if the Purchaser fails to perform its respective obligations in accordance with paragraph (vii) and (viii) above, the Purchaser shall pay an interest at the daily interest rate of 0.05% to the Company in respect of the relevant amount of Debt owing to the Company in accordance with the terms of the Supplemental Agreement.

The Company has been informed by Wanda HK that it has also entered into a similar agreement in respect of its sale of 40% stake in the Target Company.

Consideration

The Consideration in respect of the Sale Shares Disposal, being £35,609,277.96 (equivalent to approximately HK\$374,591,799.50) has remained unchanged.

The amount of Debt is expected to revise from £159,526,879.25 (equivalent to approximately HK\$1,678,143,006.27) to £161,298,272.08 (equivalent to approximately HK\$1,696,777,173.14) as at 13 June 2018, being the date of provision of the PABL Loan and payment of the Partial Payment by the Purchaser, which includes:—

- (a) the Existing Loan of £ 129,583,833.01 (equivalent to approximately HK\$1,363,157,131.34);
- (b) the Additional Loan of £ 12,000,000.00 (equivalent to approximately HK\$126,234,000.00);
- (c) the Existing Interest of £19,484,302.08 (equivalent to approximately HK\$204,965,115.73);
and
- (d) the Additional Interest of £230,136.99 (equivalent to approximately HK\$2,420,926.07).

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 16 January 2018 in relation to the Disposal
“Company’s Solicitors”	Reed Smith Richards Butler
“Circular”	the circular of the Company dated 15 March 2018 in relation to the Disposal
“Deposits”	£47,066,945.61 (equivalent to approximately HK\$495,120,734.34), being the aggregate amount of (i) the Deposit; and (ii) part of the Existing Loan and the Existing Interest, in the aggregate amount of £44,198,419.71 (equivalent to approximately HK\$464,945,276.14), which have been repaid on the date of the Shareholder Loan Repayment Agreement
“Guangzhou R&F Properties”	Guangzhou R&F Properties Co., Ltd., a joint stock limited company incorporated in the People’s Republic of China with limited liability, whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 2777)
“Supplemental Agreement”	the supplemental agreement entered into on 12 June 2018 between the Company and the Purchaser supplemental to the Sale and Purchase Agreement and the Shareholder Loan Repayment Agreement
“Wanda One (UK)”	Wanda One (UK) Ltd., a company with limited liability incorporated under the laws of the United Kingdom, one of the Project Companies

For the purpose of this announcement and for illustration purpose only, the exchange rate between £ and HK\$ is 1 : 10.5195 and no representation is made that any amount in £ or HK\$ could have been or could be converted at such rates or at any other rates.

By Order of the Board
Wanda Hotel Development Company Limited
Ding Benxi
Chairman

Hong Kong, 12 June 2018

As at the date of this announcement, Mr. Ding Benxi (Chairman), Mr. Zhang Lin and Mr. Hui Yung, Chris are the non-executive Directors; Mr. Ning Qifeng is the executive Director; and Mr. He Zhiping, Mr. Liu Jipeng and Dr. Xue Yunkui are the independent non-executive Directors.