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**MAJOR TRANSACTION  
SUPPLEMENTAL AGREEMENT  
RELATING TO THE DISPOSAL OF  
A PROPERTY HOLDING COMPANY  
AND  
FURTHER UPDATE ON FINANCIAL PERFORMANCE**

**I. SUPPLEMENTAL AGREEMENT**

References are made to the announcement of the Company dated 31 August 2018 (the “**Announcement**”) and the circular of the Company dated 26 October 2018 (the “**Circular**”), in relation to, among other things, the disposal of the Target. Terms used herein shall have the same meanings as those defined in the Announcement, unless the context requires otherwise.

**The Amendments**

On 25 August 2019, the Seller, the Purchaser, the Guarantor and the Target entered into a supplemental agreement to the Sale and Purchase Agreement (the “**Supplemental Agreement**”), pursuant to which the parties have mutually agreed to amend certain terms of the Sale and Purchase Agreement (the “**Amendments**”). The Principal terms of the Amendments are as follows:

- (1) The Consideration will be settled in the following manner:
  - (a) within 3 days of signing of the Supplemental Agreement, RMB155 million (being 10% of the Consideration) (the “**First Payment**”) paid into the Control Account by the Purchaser shall be transferred to the Designated Account;
  - (b) within 30 days of signing of the Supplemental Agreement, the Purchaser shall pay RMB400 million (being approximately 25.8% of the Consideration) (the “**Second Payment**”) to the Designated Account;

- (c) the Seller and the Purchaser have agreed that the remaining Consideration in the amount of RMB995 million (the “**Remaining Consideration**”) shall be paid to the Designated Account in installments as follows:

<b>Payment Date</b>	<b>Amount of the Remaining Consideration</b>
31 December 2019	RMB195 million
30 May 2020	RMB400 million
31 August 2020	RMB400 million

- (d) the Purchaser shall pay the Seller interest on the Remaining Consideration (or any unpaid amount) (the “**Interest**”) at a rate as follows:

<b>Duration</b>	<b>Interest rate per annum</b>
From the Completion Date to 31 December 2019 (both days inclusive)	5%
1 January 2020 to 28 February 2020 (both days inclusive)	6%
1 March 2020 to 30 April 2020 (both days inclusive)	7%
1 May 2020 to 30 June 2020 (both days inclusive)	8%
1 July 2020 to 31 August 2020 (both days inclusive)	9%

The Interest will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 and shall be paid together with each installment payment of the Remaining Consideration. If the Remaining Consideration is paid in full on or before 31 December 2019, no interest will be payable.

- (2) Within 10 Business Days of receiving the First Payment and the Second Payment and the fulfillment of the Purchaser’s obligation in paragraph (3) below, the Seller shall complete the procedures in relation to the registration of the transfer of Sale Shares with the local administration for industry and commerce bureau.
- (3) Upon making the Second Payment, (a) the Seller and the Purchaser shall enter into a share pledge agreement (the “**Share Pledge Agreement**”), pursuant to which the Sale Shares shall be pledged by the Purchaser to the Seller to secure the payment of the Remaining Consideration and the Share Pledge Agreement shall become effective on the Completion Date; and (b) the Target and the Seller shall enter into a property mortgage agreement (the “**Property Mortgage Agreement**”), pursuant to which the Property shall be mortgaged by the Purchaser to the Seller to secure the payment of the Remaining Consideration and the Property Mortgage Agreement shall become effective on the Completion Date.

- (4) The Seller and the Purchaser confirmed that the Seller shall procure the Target not to distribute or otherwise dispose of the rental receivable of the Target for the period from 1 January 2019.

### **Reasons for Entering into the Supplemental Agreement**

The Amendments provide for early release of the amount in the Control Account and there is no longer any requirement of Control Account and the Escrow Account for the receipt of the Consideration. The Amendments allow greater flexibility to the Purchaser for settlement of the Consideration and the interest and security arrangement seek to protect the interest of the Seller and incentivize the Purchaser to settle the Remaining Consideration as soon as possible. Therefore, the Directors consider that the terms of the Supplemental Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### **Information of the Purchaser**

To the best of Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Purchaser and its ultimate benefit owner(s) is an Independent Third Party. The ultimate beneficial owner of the Purchaser is Ms. Xie Haiyan (謝海燕).

## **II. FURTHER UPDATE ON FINANCIAL PERFORMANCE**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is also made to the announcement of the Company dated 28 June 2019 in relation to the update on financial performance (the "**June Announcement**").

Further to the information disclosed in the June Announcement, the Board wishes to update the Shareholders and potential investors that based on the information currently available to the Company and the preliminary assessment by the Company's management with reference to the unaudited consolidated management accounts of the Company for the six months ended 30 June 2019, the Company is expected to record a substantial decrease in the revenue from the property investment segment for the six months ended 30 June 2019, as compared with a revenue of approximately HK\$48.9 million in the property investment segment for the corresponding period in 2018. The Board considers that the aforesaid decrease was attributable to the decrease in the rental income from the Property, which may have an adverse impact on the Group's financial performance for the six months ended 30 June 2019.

The Group is actively looking for property investment and development opportunities to strengthen the revenue stream of this segment.

The Company has yet to finalise the interim results of the Company for the six months ended 30 June 2019. The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the information currently available that includes the unaudited consolidated management accounts of the Company for the six months ended 30 June 2019, which have not been reviewed by the Company's auditors or the audit committee of the Board. Details of the Company's financial performance will be disclosed in the interim results announcement of the Company which will be issued on or before 31 August 2019.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Tai United Holdings Limited**  
**Chen Weisong**  
*Chief Executive Officer*

Hong Kong, 25 August 2019

As at the date of this announcement, the Board comprises the following Directors:

*Executive Directors:*

Mr. Chen Weisong (*Chief Executive Officer*)

Dr. Kwong Kai Sing Benny

*Independent non-executive Directors:*

Dr. Mr. Gao Bin

Ms. Liu Yan

Mr. Tang King Shing