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Overseas Chinese Town (Asia) Holdings Limited
華僑城(亞洲)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

SUPPLEMENTAL ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement (the “**Announcement**”) of the Company dated 28 December 2016 in relation to the Continuing Connected Transactions Agreements. Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company wishes to provide the Shareholders and the public with additional information in relation to the pricing policies of certain Continuing Connected Transactions Agreements as follows:

(1) CARTONS SALE AND PURCHASE AGREEMENT

The selling price of the cartons of each sale transaction contemplated under the Cartons Sale and Purchase Agreement will be determined by the quantity of the cartons ordered by OCT Group and its associates and the price of the relevant type of cartons. The price of the relevant type of cartons will be determined by the quotations obtained from not less than three cartons suppliers (including the Company) through tender process held by OCT Group every year; the historical transaction figures; and the estimated increase in selling price of the cartons of approximately 10 to 20% due to estimated increase in prices of raw materials, labour costs etc.. In determining the bidding price to be tendered, the Company has considered the then market price of similar products, the costs of raw materials, labour and production, etc., and such bidding price will not be lower than the price offered by the Company to other independent third parties.

(2) PROPERTY MANAGEMENT AGREEMENT

The management fee payable by OCT Shanghai Land pursuant to the Property Management Agreement will be determined by the total area of the Shanghai Suhewan Project of the Group for which the property management services is required, the number and costs of labour to be incurred by OCT Property Service Shanghai Branch for provision of such property management services (including the salaries and benefits of the security guards, cleaning staff, customer service staff, etc.). The salary of each labour is expected to range from approximately RMB60,000 to RMB120,000 per year. It is expected that the total area of the Shanghai Suhewan Project which requires property management services will decrease in the coming years due to completion and sale of the properties under the project and the staff required for providing property management service will decrease by around 10 to 20 staffs per year. In determining the Service fee under the Property Management Agreement, OCT Shanghai Land has reviewed and considered the experience and service quality of OCT Property Service Shanghai Branch, the service requirement under the Property Management Agreement and the service fees of available comparable property management companies.

(3) ELECTRICAL AND MECHANICAL SERVICES CONSULTATION AGREEMENT

The consultation fee payable by OCT Shanghai Land under each consultation services contemplated under the Electrical and Mechanical Services Consultation Agreement will be determined by the total area of OCT Shanghai Land's project for which the electrical and mechanical services consultation service is required. It is estimated that 2 to 3 staff will be assigned to the project and the salary of each staff per year is expected to range from approximately RMB300,000 to RMB350,000. In determining the service fee under the Electrical and Mechanical Services Consultation Agreement, OCT Shanghai Land has reviewed and considered the experience and service quality of OCT Electricity, the service requirement under the Electrical and Mechanical Services Consultation Agreement and the service fees of available comparable electrical and mechanical services and consultation companies.

(4) PROPERTY MANAGEMENT FRAMEWORK AGREEMENT

The management fee payable by Chengdu OCT pursuant to the Property Management Framework Agreement will be determined by the total area of the Chengdu OCT's project for which the property management services is required, the number and costs of labour to be incurred by OCT Property Service Chengdu Branch for provision of such property management services (including the salaries and benefits of the security guards, cleaning staff, customer service staff, etc.), and the increase in the area which requires property management services due to the expected completion of construction of new properties under the Chengdu OCT's project in the coming three years. The salary of each labour is expected to range from approximately RMB60,000 to RMB80,000 per year. It is expected that number of staff will increase by around 20 to 30 staff per year in the coming years due to the increase of the area which requires property management services under the Chengdu OCT project. In determining the service fee under the Property Management Framework Agreement, Chengdu OCT has

reviewed and considered the experience and service quality of OCT Property Service Chengdu Branch, the service requirement under the Property Management Framework Agreement and the service fees of available comparable properties management companies.

(5) ELECTRICITY CONSULTATION SERVICES AGREEMENT

The inspection, maintenance and management service of OCT Electricity Chengdu Branch under the Electricity Consultation Services Agreement is mainly provided for the power monitoring system of the Chengdu OCT's project, which is mainly affected by factors such as the construction progress of the Chengdu OCT's project, the number of power distribution rooms and power distribution facilities to be built or installed for fulfilling the electricity demand from the newly constructed properties under the Chengdu OCT's project. It is anticipated that there will be an increase of 10 power distribution rooms each year due to the expansion of the Chengdu's OCT project and there will be around 6 consultation services projects every year. The estimated consultation fee for each consultation services project is approximately RMB500,000. The inspection, maintenance and management service fee of each power distribution room is expected to range from approximately RMB90,000 to RMB100,000. The estimated costs for the additional power distribution facilities to be built or installed is approximately RMB1,500,000. In determining the service fee under the Electricity Consultation Services Agreement, Chengdu OCT has reviewed and considered the experience and service quality of OCT Electricity Chengdu Branch, the service requirement under the Electricity Consultation Services Agreement and the service fees of available comparable electricity consultation companies.

(6) THEME SHOW FRAMEWORK AGREEMENT

Chengdu OCT entered into the Theme Show Framework Agreement with OCT International Media mainly for the purpose of renewing and improving the existing entertainment programs and introducing new entertainment programs in its Theme Park. Since service providers with similar expertise and experience are lacking, Chengdu OCT will refer to the production fee of its existing programs, and the production fees of similar programs provided by OCT International Media to other independent third parties when determining the production fee under the Theme Show Framework Agreement. It is anticipated the number of existing entertainment program to be renewed and new entertainment programs to be introduced in the years 2017, 2018 and 2019 will be one, two to three and two to three respectively. The estimated total fees for renewing and improving each existing entertainment program will range from approximately RMB4,500,000 to RMB5,500,000. The estimated total fees for each newly established program will range from approximately RMB8,000,000 to RMB10,000,000.

(7) KONKA FRAMEWORK AGREEMENT

The purchase price of the relevant LED Equipment, Television and Other Electronic Products and Service will be determined by the market price of such products and service offered by Konka E-display to other customers. The annual cap for 2019 is significantly higher than the

annual caps for both 2017 and 2018 because Chengdu OCT intends to renew all existing LED Televisions in area under its management, and to install new LED Televisions in its newly constructed properties in 2019. Chengdu OCT had sought and compared quotations from at least 3 suppliers of similar products and services in price setting process.

(8) ENTERTAINMENT FACILITIES FRAMEWORK AGREEMENT

Depending on the type and nature of the relevant entertainment facilities and services under each transaction contemplated under the Entertainment Facilities Framework Agreement, the purchase price payable by Chengdu OCT Happy Valley Branch to OCT Culture for each transaction will be determined by the relevant market price of such facilities or raw materials involved, and such market price will be fixed after considering the quotations provided by at least 3 facilities suppliers of similar scale. It is anticipated that Chengdu OCT Happy Valley Branch will acquire one entertainment facility. The amount of annual cap for 2017 is determined with reference to the first instalment of the purchase price and the maintenance service fee of such entertainment facility. The annual caps for 2018 and 2019 are determined with reference to remaining instalments of the purchase price and the maintenance service fee of such entertainment facility.

(9) COOPERATION AGREEMENT

The discount rate for each ticket offered by Chengdu OCT Happy Valley Branch to OCT Creative Culture Hotel Chengdu Branch will range from approximately 30% to 50%, which is similar to those given to independent third parties for similar transactions.

(10) CHENGDU TENANCY I

It is expected that Chengdu OCT will share at approximately 25% of the turnover (before tax) of the Hotel as the rental under Chengdu Tenancy I. The estimated rental per month will range from RMB167,000 to RMB260,000.

(11) TRAVEL CONSULTATION AGREEMENT

The consultation fee payable by Chengdu OCT Happy Valley Branch under the Travel Consultation Agreement depends on the then market price of the relevant services to be provided by OCT Tourism under each of the specific transactions contemplated thereunder, the parties shall obtain such market price from quotations provided by other similar service providers. It is anticipated that one new tourism project will be established per year. Service cost for such new tourism project is expected to range from RMB3,000,000 to RMB5,000,000. The service costs will be fixed after considering the quotations provided by around 2 to 3 service providers.

To safeguard the interest of the Group, the Company will continue to supervise the implementation of each of the Continuing Connected Transactions Agreements on a regular basis in order to ensure terms of such agreements be complied with relevant regulatory guidelines (if applicable) and market practice, and will not deviate from terms of the relevant Continuing Connected Transactions Agreement and ensure the transaction amounts will not exceeds the relevant annual caps.

The Directors (including the independent non-executive Directors) are of the view that the pricing policies of the aforesaid Continuing Connected Transactions Agreements are on normal commercial terms and in the interests of the Company and its Shareholders.

By order of the Board of
Overseas Chinese Town (Asia) Holdings Limited
Yao Jun
Chairman

Hong Kong, 6 February 2017

As at the date of this announcement, the Board comprises seven Directors, namely: Mr. Yao Jun, Ms. Xie Mei and Mr. Lin Kaihua as executive Directors; Mr. Zhou Ping as non-executive Director; Mr. Lu Gong, Ms. Wong Wai Ling and Professor Lam Sing Kwong Simon as independent non-executive Directors.