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## **CHINA INVESTMENTS HOLDINGS LIMITED**

**中國興業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 132)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY**

The Board is pleased to announce that, on 25 July 2017, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser and the Agent, pursuant to which the Vendor has agreed to sell the Property to the Purchaser for the consideration of HK\$33,800,000.

As one of the applicable percentage ratios in respect of the Disposal calculated under Chapter 14 of the Listing Rules is more than 5% and all the applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the requirements of notification and announcement under Chapter 14 of the Listing Rules.

The Board is pleased to announce that, on 25 July 2017, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser and the Agent with respect to the Disposal of the Property.

## **THE PROVISIONAL AGREEMENT**

Date: 25 July 2017

Parties: (i) Greenswood Property Limited (建和物業有限公司), an indirect wholly-owned subsidiary of the Company, as the vendor;

(ii) China Queen Investment Limited (中崑投資有限公司), as the purchaser; and

(iii) Flourish Property Agency (C. I. S.) Limited, as the agent.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser, the Agent and their respective ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

### **The Disposal**

Pursuant to the Provisional Agreement, the Vendor has agreed to sell the Property to the Purchaser and the Vendor and the Purchaser will enter into the Formal Agreement on or before 8 August 2017.

The Property will be sold on an "as is" basis and subject to the existing tenancy.

### **The Consideration**

The amount of the Consideration of HK\$33,800,000 is payable by the Purchaser in cash in three installments as follows:–

- (i) an initial deposit of HK\$1,690,000 has been paid by the Purchaser to the Vendor's solicitors as stakeholder upon the execution of the Provisional Agreement;
- (ii) a further deposit of HK\$1,690,000 will be paid by the Purchaser to the Vendor's solicitors as stakeholder on or before 8 August 2017, being the latest date for the execution of the Formal Agreement; and
- (iii) the balance of the Consideration of HK\$30,420,000 will be paid by the Purchaser to the Vendor upon completion of the Disposal which is expected to take place on or before 31 October 2017.

If the Purchaser fails to complete the purchase of the Property in accordance with the terms contained in the Provisional Agreement, the Vendor shall be entitled to terminate the Provisional Agreement and forfeit the initial deposit and (if paid) the further deposit. If the Vendor, after receiving any deposit, fails to complete the Disposal in the manner contained in the Provisional Agreement, the Vendor shall refund all deposit(s) paid by the Purchaser.

The Consideration was determined after arm's length negotiation with reference to the valuation of the Property by an independent property valuer in the amount of HK\$27,800,000 as at 30 June 2017, as well as the property market sales conditions in non-residential properties at nearby locations.

### ***Agent's commission***

The Vendor will pay to the Agent an amount of HK\$300,000 (representing less than 1% of the Consideration) as the commission for the Agent within 7 days after the completion of the Disposal.

## **INFORMATION ON THE PROPERTY**

The property is located at Portion A on the Ground Floor of Kai Yip Factory Building, Nos.15-17 Sam Chuk Street, San Po Kong, Kowloon, Hong Kong.

The Property was accounted for as a non-current asset of the Group. The book value of the Property as at 31 December 2016, as shown in the audited financial statements of the Vendor for the year ended 31 December 2016, was HK\$19,000,000. The Property is subject to an existing tenancy and was rented out for the two financial years ended 31 December 2016, and generated net rental income of HK\$793,680 and HK\$787,470 respectively for the two years ended 31 December 2016.

An unaudited estimated gain of approximately HK\$14,450,000 (after deducting the estimated transaction costs of approximately HK\$350,000 for the Disposal) representing the difference between the net Consideration amount (after deducting the estimated transaction costs) and the book value of the Property as at 31 December 2016 is expected to accrue to the Group upon completion of the Disposal. The actual unaudited gain arising from the Disposal will be calculated by deducting the book value of the Property as at the date of completion of the Disposal from the net Consideration amount.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

In view of the recent highs in property prices in Hong Kong, the Board is of the opinion that it is a good timing to dispose of the Property and cash-in the investment in the Property at a gain. The proceeds from the Disposal will also further enhance the Group's financial position.

The Directors consider that the terms of the Provisional Agreement and the Disposal are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **USE OF PROCEEDS OF THE DISPOSAL**

The net proceeds from the Disposal of approximately HK\$33,450,000 will be used as working capital and for general corporate and investment purposes of the Group.

## **INFORMATION OF THE VENDOR AND THE GROUP**

The Vendor is an indirect wholly-owned subsidiary of the Company and its principal activity is property investment.

The Group is principally engaged in hotel investment, management and operation, and property investments in both properties held for sale and investment properties.

## **INFORMATION OF THE PURCHASER**

The Purchaser, to the best of the Directors' knowledge, is principally engaged in investment.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios in respect of the Disposal calculated under Chapter 14 of the Listing Rules is more than 5% and all the applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the requirements of notification and announcement under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions shall have the respective meanings ascribed adjacently below, unless the context requires otherwise:

“Agent”	Flourish Property Agency (C. I. S.) Limited, the selling agent for the Property
“Board”	the board of Directors
“Company”	China Investments Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00132)
“Consideration”	the consideration of HK\$33,800,000 for the sale of the Property
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Disposal
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to it under the Listing Rules

“Property”	Portion A on the Ground Floor of Kai Yip Factory Building, Nos.15-17 Sam Chuk Street, San Po Kong, Kowloon, Hong Kong
“Provisional Agreement”	the provisional sale and purchase agreement dated 25 July 2017 entered into among the Vendor, the Purchaser and the Agent in relation to the Disposal
“Purchaser”	China Queen Investment Limited (中崑投資有限公司), a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Greenswood Property Limited (建和物業有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

On behalf of  
**China Investments Holdings Limited**  
**HE Xiangming**  
*Chairman*

Hong Kong, 26 July 2017

*As at the date of this announcement, the Board consists of five executive Directors, namely Mr. HE Xiangming (Chairman), Mr. LIN Pingwu (Managing Director), Mr. YOU Guang Wu (Director), Mr. HUANG Zhihe (Deputy Managing Director) and Ms. WANG Xin (Deputy Managing Director) and three independent non-executive Directors, namely Mr. CHAN Kwok Wai, Mr. CHEN Da Cheng and Mr. DENG Hong Ping.*

\* *For identification purpose only*