

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 PROPERTIES

The Board is pleased to announce that on 5 November 2019, the Vendors (all being indirect wholly-owned subsidiaries of the Company) entered into the Agreement with the Purchaser, pursuant to which the Vendors have agreed to sell the Properties to the Purchaser for the consideration of RMB27,280,000 (equivalent to approximately HK\$30,444,480).

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 5 November 2019, the Vendors (all being indirect wholly-owned subsidiaries of the Company) entered into the Agreement with the Purchaser with respect to the Disposal of the Properties.

THE AGREEMENT

Date: 5 November 2019

Parties: (i) the Vendors; and

(ii) the Purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is a third party independent of the Group and its connected persons.

The Properties will be sold to the Purchaser on an "as is" basis.

Consideration

The amount of consideration for the Disposal of RMB27,280,000 (equivalent to approximately HK\$30,444,480) was determined after arm's length negotiation between the Parties with reference to the book value of the Properties as at 31 December 2018, the expected property market sentiment, and that the Purchaser has agreed to bear all the associated tax and expenses in relation to the Disposal, including all rental tax, property tax and land use tax (inclusive of any overdue fine and penalties) with respect to the Properties accrued and payable by the Vendors.

Payment

The consideration will be payable by the Purchaser in cash in the following manner:

- (i) an initial 10% as deposit of the consideration (the "**Initial Deposit**"), upon the signing of the Agreement;
- (ii) a first installment amounting to 60% of the consideration (the "**First Installment**"), before the Parties apply for property rights transfer registration in relation to the Properties, which is expected to take place before 20 November 2019; and
- (iii) the remaining amount of consideration (the "**Final Installment**") to the Regulatory Account on the day of registration of transfer of property rights of the Properties.

If the Purchaser fails to pay the First Installment as scheduled, and fails to remedy the same within 15 days, the Vendors will be entitled to terminate the Agreement and forfeit the Initial Deposit.

Upon completion of all the procedures for transfer of property rights in relation to the Properties, the Final Installment will automatically be released from the Regulatory Account to the Vendors' designated bank account.

Delivery

The Vendors will deliver the Properties to the Purchaser on an "as is" basis when the Purchaser pays the Final Installment into the Regulatory Account.

INFORMATION ON THE PROPERTIES

The Properties comprise nos. 105, 202, 302 and 402 of Block B, Shantou Commercial Plaza, Jinsha East Road, Longhu District, Shantou City, PRC* with gross floor area of approximately 4,770.03 square meters.

The Properties were accounted for as properties held for sale of the Group. The book value of the Properties as at 31 December 2018, as shown in the audited financial statements of the Vendors for the year ended 31 December 2018, was HK\$29,026,000. The Properties are currently not subject to any tenancies but they were rented out for the two financial years ended 31 December 2018, and generated net rental income of RMB711,445 (equivalent to approximately HK\$793,973) and RMB761,246 (equivalent to approximately HK\$849,551) respectively for the two years ended 31 December 2018. Based on the valuation conducted by an independent property valuer, the Properties were valued at RMB34,038,330 (equivalent to approximately HK\$37,986,776) as at 1 October 2019.

Having taken into account of the book value of the Properties as at 31 December 2018 and the consideration receivable under the Disposal and other related costs, the Group expects to record an unaudited estimated gain of approximately HK\$419,000 upon completion of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Board considers that the Disposal represents a good timing and opportunity for the Group to realise the value of the Properties at a reasonable price and the proceeds from the Disposal will increase the general working capital of the Group.

The Directors consider that the terms of the 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\$30,444,480 will be used as working capital of the Group.

INFORMATION ON THE PARTIES

The Vendors

The Vendors are all indirect wholly-owned subsidiaries of the Company principally engaged in property investment.

The Group

The Group is principally engaged in hotel investment, management and operation, property investments in both properties held for sale and investment properties, wellness elderly care, finance leasing and big data businesses. Through its joint ventures and associates, the Group also participates and invests in fast-growing sectors, including electric utilities, civil explosives and finance leasing in the PRC.

The Purchaser

The Purchaser is a PRC citizen.

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, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:

“Agreement”	the sale and purchase agreement dated 5 November 2019 entered into between the Vendors and the Purchaser in relation to the Disposal
“Board”	the board of Directors of the Company

“Company”	China Investments Holdings Limited (中國興業控股有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 132)
“connected persons”	shall have the meaning as ascribed to it under the Listing Rules
“Director(s)”	directors of the Company
“Disposal”	the disposal of the Properties by the Vendors to the Purchaser
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the Vendors and the Purchaser
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong and the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Properties”	nos. 105, 202, 302 and 402 of Block B, Shantou Commercial Plaza, Jinsha East Road, Longhu District, Shantou City, PRC* with gross floor area of approximately 4,770.03 square meters
“Purchaser”	Mr. CAI Zesong, a PRC citizen
“Regulatory Account”	the special account for second-hand housing transaction funds supervision (二手房交易資金監管專用帳戶) in accordance with the regulations of the relevant authorities in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendors”

(i) Metropolitan Development Limited; (ii) Rich Horn Development Limited; (iii) Sino Sense Development Limited; and (iv) Trener Investment Limited, all being indirect wholly-owned subsidiaries of the Company incorporated in Hong Kong with limited liability

“%”

per cent

On behalf of
China Investments Holdings Limited
HE Xiangming
Chairman

Hong Kong, 6 November 2019

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 the purpose of this announcement, amounts denominated in RMB have been translated into HK\$ at the exchange rate of RMB1 = HK\$1.116. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

* *For identification purpose only*