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**NEW SYNERGIES INVESTMENTS
COMPANY LIMITED**

(Incorporated in Hong Kong with limited liability)

**CHINA ASSETS (HOLDINGS)
LIMITED**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 170)

**MONTHLY UPDATE ON
(1) PROPOSAL FOR THE PRIVATISATION OF
CHINA ASSETS (HOLDINGS) LIMITED
BY THE OFFEROR BY WAY OF
A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
CHINA ASSETS (HOLDINGS) LIMITED**

Reference is made to (i) the joint announcement of China Assets (Holdings) Limited (the “**Company**”) and New Synergies Investments Company Limited (the “**Offeror**”) dated 3 July 2017 (the “**Joint Announcement**”) in relation to, among other things, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance and the proposed withdrawal of listing of the Company; (ii) the joint announcement of the Company and the Offeror dated 21 July 2017 in relation to the delay in despatch of scheme document (the “**July Announcement**”); and (iii) the announcement of the Company dated 14 August 2017 in relation to appointment of Nuada Limited as the Independent Financial Adviser. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

As stated in the July Announcement, as more time is required for finalising the Scheme Document and to accommodate the timetable of the High Court, the Company has applied to the Executive and the Executive has granted its consent to extend the date of despatch of the Scheme Document to a date no later than 6 September 2017.

The Board would like to update the Shareholders and potential investors of the Company that further to the July Announcement and the appointment of Nuada Limited as the Independent Financial Adviser with effect from 14 August 2017, the Company is still in the course of finalising the information in relation to the Proposal and the Scheme to be included in the Scheme Document.

Further announcement(s) will be made by the Company and/or the Offeror in accordance with the Listing Rules and the Takeovers Code (as the case may be) on the status and progress in connection with the Proposal and the Scheme and the despatch of the Scheme Document as and when appropriate.

Warnings:

Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor and/or other professional advisers.

By order of the Board
China Assets (Holdings) Limited
Lo Yuen Yat
Chairman

Hong Kong, 18 August 2017

As at the date of this announcement, the sole director of the Offeror is Mr. Lo Yuen Yat.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement (other than those expressed by the Directors (excluding Mr. Lo Yuen Yat)) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the executive directors of the Company are Mr. Lo Yuen Yat and Mr. Cheng Sai Wai; the non-executive directors are Mr. Yeung Wai Kin, Mr. Zhao Yu Qiao and Ms. Lao Yuan Yuan; and the independent non-executive directors are Mr. Fan Jia Yan, Mr. Wu Ming Yu and Dr. David William Maguire.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Offeror and parties acting in concert with it (excluding the non-executive Directors)) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.