

*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 HOUSEHOLD HOLDINGS LIMITED**

### **中國家居控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 692)**

## **UPDATE ON MAJOR TRANSACTION IN RELATION TO ACQUISITION OF CHINA AEROSPACE-THEMED TOURISM TOWNSHIP PROJECT AND COMPLETION OF MAJOR TRANSACTION**

Reference is made to the announcements dated 9 December 2016, 7 March 2017 and 30 April 2017 (the “**Announcements**”) and the circular dated 28 April 2017 of China Household Holdings Limited (the “**Company**”) in relation to the acquisition of the entire issued share capital of Shenzhou Aerospace Town Holdings Company Limited (the “**Circular**”). Capitalised terms used herein shall have the same meanings as defined in the Announcements and the Circular unless the context requires otherwise.

As disclosed in the Announcements and the Circular, the Company, the Vendor and the Purchaser (the “**Parties**”) entered into a sale and purchase agreement (as supplemented from time to time) (the “**Agreement**”) in relation to the acquisition of the entire issued share capital of Shenzhou Aerospace Town Holdings Company Limited.

As disclosed in the Announcements and the Circular, pursuant to the terms of the Agreement, among other things:

- (a) the Consideration shall be paid by way of issuing the Convertible Bonds or Promissory Notes to the Vendor by stages within 5 business days after (i) 1/4 of all the land relating to China Aerospace-Themed Tourism Township Project (the “**Land**”) is injected into the Target Group and Purchaser is reasonably satisfied that the Target Group has legally owned the Land, (ii) each time after the Purchaser is reasonably satisfied that the Land is legally owned by the Target Group, and (iii) the Vendor has not breached any terms of the Agreement;
- (b) the first HK\$150,000,000 of the Consideration will be paid by way of issuing Convertible Bonds, while the remaining HK\$1,200,000,000 will be paid by way of issuing Promissory Notes; and
- (c) Completion is conditional upon, among other things, the approval for the listing of, and permission to deal in, the Conversion Shares having been granted by the Listing Committee of the Stock Exchange (the “**Listing Approval**”).

As of the date of this announcement, the Company has made an application for the Listing Approval but the Listing Approval has not been granted.

The Company announces that, on 24 August 2017, the Parties agreed to, notwithstanding any provisions contained in the Agreement, proceed to Completion on 24 August 2017. The Parties have reached such agreement after considering that (1) as none of the Land has been injected to the Target Group, the Purchaser has not become obliged under the terms of the Agreement to pay the Consideration by way of issuing the Convertible Bonds or Promissory Notes to the Vendor and (2) more time is required to obtain the Listing Approval. For the avoidance of doubt, the Company shall only issue the Convertible Bonds upon the Listing Approval having been granted. The Parties also confirm that the Vendor shall have a lien over the Sale Share by operation of law, and that the Vendor may keep the physical share certificate in respect of the Sale Share, until the issuance of the Convertible Bonds.

Save as disclosed above, all other terms of the Agreement shall remain unchanged and continue to be in full force and effect.

Given that the Company is able to proceed with Completion, the Directors are of the view that the above arrangement is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **COMPLETION**

The Board is pleased to announce that, save as the approval for the listing of, and permission to deal in, the Conversion Shares having been granted by the Listing Committee of the Stock Exchange, all the Conditions Precedent had been fulfilled on 24 August 2017 and Completion took place on even date upon the confirmation between the Parties as abovementioned. Following Completion, the Target Company is an indirect wholly owned subsidiary of the Company. Accordingly, the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

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

By order of the board of directors  
**China Household Holdings Limited**  
**Fu Zhenjun**  
*Executive Director*

Hong Kong, 24 August 2017

*As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Luo Jianhua (Chairman), Mr. Huang Hongzhao (Chief Executive), Mr. Fu Zhenjun, Mr. Kuang Yuanwei, Mr. Li Zhixiong and Mr. Zheng Jianhua, one non-executive director, Mr. Li Dikang, and three independent non-executive Directors, namely Mr. Lin Xuebin, Dr. Loke Yu and Mr. Yu Bingguang.*