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CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

DISCLOSEABLE TRANSACTION DISPOSAL OF LAND IN CANADA

THE SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 24 December 2021, the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchasers, pursuant to which the Purchasers agreed to purchase the Land from the Vendor at a consideration of CA\$4,700,000 (approximately HK\$28,533,700).

IMPLICATION UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements (but not the Shareholders' approval requirement) under Chapter 14 of the Listing Rules.

BACKGROUND

The Board is pleased to announce that on 24 December 2021, the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchasers, pursuant to which the Purchasers agreed to purchase the Land from the Vendor. Details of the Sale and Purchase Agreement are set out below.

* *For identification purpose only*

THE SALE AND PURCHASE AGREEMENT

Date

24 December 2021 (after trading hours).

Parties

- (i) Purchasers: (1) 0866808 BC, a company established in Canada with limited liability; and
(2) Vanstruction Properties, a company established in Canada with limited liability.
- (ii) Vendor: China Properties Investment North America Inc, a company established in Canada with limited liability, and a wholly-owned subsidiary of the Company.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the Purchasers and their ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Subject Matter

Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell, and the Purchasers agreed to purchase, the Land. The Land is situated at 622 Foresthill Place, Port Moody, BC V3H-4B7, 004-887-166, Metro Vancouver in Canada. The preliminary valuation of the Land amounted to CA\$4,700,000 (approximately HK\$28,533,700).

The net revenue expected to be received by the Company from the Disposal amounted to CA\$1,118,000 (approximately HK\$6,787,000), being the difference between the Consideration receivable from the Disposal and the carrying amount of the Land after deduction of the related tax and other direct expenses. The net proceeds from the Disposal will be applied towards the general working capital of the Group and supplementing its operation needs, particularly for its principal business activities.

Consideration

The Consideration for the disposal of the Land is CA\$4,700,000 (approximately HK\$28,533,700).

The Consideration shall be paid by the Purchasers to the account specified by the Vendor in the following manner:

- (i) a deposit of 5% of the Consideration, i.e. CA\$235,000 (approximately HK\$1,427,000), shall be paid on 24 December 2021;

- (ii) an additional non-refundable deposit of CA\$20,000 (approximately HK\$121,000) shall be paid by 7 January 2022; and
- (iii) the balance of the Consideration of CA\$4,445,000 (approximately HK\$26,985,700) shall be paid in trust to the Purchasers' lawyer or notary several days before the date of Completion and to be released to the Vendor on Completion.

The Consideration was arrived at after arm's length negotiations between the Purchasers and the Vendor on normal commercial terms with reference to, among others, the prevailing market conditions, the location of the Land and the market prices of other comparable parcels of land and properties of similar size and in the vicinity.

Completion

Completion shall take place on 4 April 2022.

Option to purchase

The Vendor agrees to allow the Purchasers to register an option to purchase, on title. The total deposit of CA\$260,000 had been paid by the Purchasers and held in trust at the Purchasers' lawyer until the Vendor signs and executes the option to purchase. Once the option to purchase is registered on title, the total deposit amount will be released directly from the Purchasers' lawyer to the Vendor's lawyer. The Purchasers will provide a signed discharge of the option to purchase to the Vendor's lawyer and will be used if the Purchasers is in default of the Sale and Purchase Agreement. All costs associated to registering the option will be paid by the Purchasers.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Having considered that the Land was acquired by the Group in 2015 and the Group has yet to obtain relevant permits for building on and developing the Land, the Board is of the view that the Disposal will provide an opportunity for the Group to realize the value of the Land at a reasonably favourable price and hence consolidate the Group's financial position by helping to satisfy some of its operational needs. The Disposal is also beneficial to optimizing the Group's resource allocation as the proceeds from the Disposal will be used to replenish its working capital.

The Board considers that the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE GROUP AND THE VENDOR

The Company is an investment holding company and the principal activities of the Group are properties investment and money lending business.

The Vendor is a wholly-owned subsidiary of the Company which is principally engaged in property development.

INFORMATION ABOUT THE PURCHASERS

0866808 BC is a company established in Canada with limited liability which is principally engaged in investment holding and property development.

Vanstruction Properties is a company established in Canada with limited liability which is principally engaged in investment holding and property development.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements (but not the Shareholders' approval requirement) under Chapter 14 of the Listing Rules.

DEFINITION

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

“Board”	the board of Directors
“CA\$”	Canadian dollars, the lawful currency of Canada
“Company”	China Properties Investment Holdings Limited (中國置業投資控股有限公司*), a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange
“Completion”	the completion of the Disposal pursuant to the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of the Disposal
“Director(s)”	director(s) of the Company

“Disposal”	the disposal of the Land by the Vendor to the Purchasers pursuant to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Land”	the land situated at 622 Foresthill Place, Port Moody, BC V3H-4B7, 004-887-166, Metro Vancouver in Canada
“Purchasers”	0866808 BC and Vanstruction Properties
“Sale and Purchase Agreement”	the contract of purchase and sale dated 24 December 2021 entered into between the Purchasers and the Vendor in relation to the Disposal
“Share(s)”	share(s) of HK\$0.40 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Vanstruction Properties”	Vanstruction Properties Ltd., a company established in Canada with limited liability
“Vendor”	China Properties Investment North America Inc, a company established in Canada with limited liability, and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“0866808 BC”	0866808 BC Ltd., a company established in Canada with limited liability

“%”

per cent.

By Order of the Board
China Properties Investment Holdings Limited
Han Wei
Chairman

Hong Kong, 24 December 2021

As at the date of this announcement, the executive Directors are Mr. Han Wei, Mr. Au Tat On and Mr. Wang Linbo and the independent non-executive Directors are Mr. Tang Yiu Kay, Ms. Cao Jie Min and Mr. Liang Kuo Chieh.

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