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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)

VOLUNTARY ANNOUNCEMENT

THE AMENDED SIXTH CAPITAL INJECTION TO CANTON GREENGOLD FINANCIAL LEASING LTD.*

INTRODUCTION

On 20 October 2021, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment, ZCXK, CIH Finance, Lianzhifu Investment and Greengold Leasing entered into the Sixth Capital Injection Agreement in relation to the Sixth Capital Injection. Pursuant to the Sixth Capital Injection Agreement, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment and ZCXK agreed to increase the registered capital of Greengold Leasing from RMB760,732,600.00 to RMB1,193,042,475.35, with a new contribution of RMB432,309,875.35 (equivalent to approximately HK\$468,191,595.00) in cash to the capital of Greengold Leasing. ZCXK, CIH Finance and Greengold Leasing are subsidiaries of the Company.

On 31 December 2021, ZCXK entered into the Share Transfer Agreement with Sino Rock Tyco (a subsidiary of the Company) to replace ZCXK with Sino Rock Tyco as holder of the relevant interests, pursuant to which ZCXK agreed to transfer and Sino Rock Tyco agreed to take all of ZCXK's then equity interests in Greengold Leasing and its capital injection obligations arising under the Sixth Capital Injection Agreement. As of 31 March 2022, Sino Rock Tyco has paid RMB233,000,000.00 as capital injection funds pursuant to the aforesaid, pending the approvals of the relevant PRC authorities to complete the process.

* For identification purpose only

On 26 June 2023, as the relevant approvals for the capital injection could not be obtained, ZCXK entered into the Termination Agreement with Sino Rock Tyco to terminate the Share Transfer Agreement, pursuant to which ZCXK's original equity interests in Greengold Leasing were restored. Further, the RMB233,000,000.00 capital injection paid by Sino Rock Tyco will be returned to Sino Rock Tyco by Greengold Leasing before the end of June 2023. In consequence of this, the parties have to adjust for the absence of the RMB233,000,000.00 injection by entering into the Amended Sixth Capital Injection Agreement.

THE AMENDED SIXTH CAPITAL INJECTION AGREEMENT

On 26 June 2023, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment, ZCXK, CIH Finance, Lianzhifu Investment and Greengold Leasing entered into the Amended Sixth Capital Injection Agreement to amend the framework of the Sixth Capital Injection. Pursuant to the Amended Sixth Capital Injection Agreement, as ZCXK will no longer be able to make the contribution to the capital of Greengold Leasing as originally intended under the Sixth Capital Injection Agreement, the parties have agreed to adjust for the absence of such injection.

LISTING RULES IMPLICATION

As the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Sixth Capital Injection was less than 5%, the Sixth Capital Injection Agreement and the transactions of the Group contemplated thereunder did not constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules. Since the parties were bound to follow the New Policy Documents and has no discretion to complete the Sixth Capital Injection Agreement according to its original terms in the absence of the requisite consent from the PRC authorities, the Amended Sixth Capital Injection Agreement is required and as the original Sixth Capital Injection did not constitute a discloseable transaction, the present matter is not regarded as a transaction under the Listing Rules. To keep the Shareholders informed, this announcement is made by the Company as a voluntary announcement.

INTRODUCTION

On 20 October 2021, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment, ZCXK, CIH Finance, Lianzhifu Investment and Greengold Leasing entered into the Sixth Capital Injection Agreement in relation to the Sixth Capital Injection. Pursuant to the Sixth Capital Injection Agreement, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment and ZCXK agreed to increase the registered capital of Greengold Leasing from RMB760,732,600.00 to RMB1,193,042,475.35, with a new contribution of RMB432,309,875.35 (equivalent to approximately HK\$468,191,595.00) in cash to the capital of Greengold Leasing. ZCXK, CIH Finance and Greengold Leasing are subsidiaries of the Company.

On 31 December 2021, ZCXX entered into the Share Transfer Agreement with Sino Rock Tyco (a subsidiary of the Company) to replace ZCXX with Sino Rock Tyco as holder of the relevant interests, pursuant to which ZCXX agreed to transfer and Sino Rock Tyco agreed to take all of ZCXX's then equity interests in Greengold Leasing and its capital injection obligations arising under the Sixth Capital Injection Agreement. As of 31 March 2022, Sino Rock Tyco has paid RMB233,000,000.00 as capital injection funds pursuant to the aforesaid, pending the approvals of the relevant PRC authorities to complete the process.

On 26 June 2023, as the relevant approvals for the capital injection could not be obtained, ZCXX entered into the Termination Agreement with Sino Rock Tyco to terminate the Share Transfer Agreement, pursuant to which ZCXX's original equity interests in Greengold Leasing were restored. Further, the RMB233,000,000.00 capital injection paid by Sino Rock Tyco will be returned to Sino Rock Tyco by Greengold Leasing before the end of June 2023. In consequence of this, the parties have to adjust for the absence of the RMB233,000,000.00 injection by entering into the Amended Sixth Capital Injection Agreement.

Set out below is a summary of the principal terms of the Amended Sixth Capital Injection Agreement.

THE AMENDED SIXTH CAPITAL INJECTION AGREEMENT

Date:

26 June 2023

Parties:

- (1) Yueqiao Construction Investment;
- (2) Dali Water Supply;
- (3) Huaxing Glass;
- (4) Zhizao Investment;
- (5) CIH Finance, a wholly-owned subsidiary of the Company;
- (6) ZCXX, a wholly-owned subsidiary of the Company;
- (7) Lianzhifu Investment; and
- (8) Greengold Leasing, a subsidiary of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Lianzhifu Investment, Zhizao Investment and their ultimate beneficial owners are third parties independent of the Group and its connected persons.

The Amended Sixth Capital Injection

Pursuant to the terms of the Amended Sixth Capital Injection Agreement, as ZCXX will no longer be able to make the contribution to the capital of Greengold Leasing as originally intended under the Sixth Capital Injection Agreement, the parties have agreed to adjust for the absence of such injection.

The equity-holding structures of Greengold Leasing with reference to the registered capital and the paid-up capital are illustrated below:

Equity holder(s) of Greengold Leasing before the Amended Sixth Capital Injection	Registered capital (RMB)	Approximate percentage	Paid-up capital (RMB)	Approximate percentage
Sino Rock Tyco	403,396,531.10	33.812%	403,396,531.10	33.812%
CIH Finance	325,000,000.00	27.241%	325,000,000.00	27.241%
Yueqiao Construction Investment	102,145,000.00	8.562%	102,145,000.00	8.562%
Dali Water Supply	102,146,900.00	8.562%	102,146,900.00	8.562%
Huaxing Glass	106,060,244.25	8.890%	106,060,244.25	8.890%
Zhizao Investment	102,146,900.00	8.562%	102,146,900.00	8.562%
Lianzhifu Investment	52,146,900.00	4.371%	52,146,900.00	4.371%
Total	<u>1,193,042,475.35</u>	<u>100%</u>	<u>1,193,042,475.35</u>	<u>100%</u>
Equity holder(s) of Greengold Leasing after the Amended Sixth Capital Injection	Registered capital (RMB)	Approximate percentage	Paid-up capital (RMB)	Approximate percentage
CIH Finance	325,000,000.00	33.691%	325,000,000.00	33.691%
ZCXX	175,000,000.00*	18.141%	175,000,000.00*	18.141%
Yueqiao Construction Investment	102,145,000.00	10.589%	102,145,000.00	10.589%
Dali Water Supply	102,146,900.00	10.589%	102,146,900.00	10.589%
Huaxing Glass	106,060,244.25	10.995%	106,060,244.25	10.995%
Zhizao Investment	102,146,900.00	10.589%	102,146,900.00	10.589%
Lianzhifu Investment	52,146,900.00	5.406%	52,146,900.00	5.406%
Total	<u>964,645,944.25</u>	<u>100%</u>	<u>964,645,944.25</u>	<u>100%</u>

* Including the premium payment of RMB4,603,468.90 which was injected as premium with the original capital injection, and was returned together as capital due to this share exit.

Basis of determining the amount of the Amended Sixth Capital Injection

The amount of the Sixth Capital Injection and the Amended Sixth Capital Injection was determined with reference to the net asset value of Greengold Leasing of RMB735,287,064.26 (equivalent to approximately HK\$796,315,890.59) as at 31 December 2020 and then funding needs.

Timing for the Amended Sixth Capital Injection

The Amended Sixth Capital Injection was completed as at the date of the agreement.

INFORMATION ON GREENGOLD LEASING

Greengold Leasing, established in the PRC on 19 December 2017, is principally engaged in the provision of finance, including through finance leasing, with a focus on environmental protection projects in the PRC.

According to the audited financial statements of Greengold Leasing, the net asset value of Greengold Leasing was approximately RMB1,228,989,096.00 (equivalent to approximately HK\$1,330,995,190.96) as at 31 December 2022, its net profits for the year ended 31 December 2021 before and after taxation were approximately RMB76,019,914.00 (equivalent to approximately HK\$82,329,566.86) and RMB59,848,149.00 (equivalent to approximately HK\$64,815,545.37) respectively and its net profits for the year ended 31 December 2022 before and after taxation were approximately RMB127,131,813.00 (equivalent to approximately HK\$137,683,753.48) and RMB95,578,324.00 (equivalent to approximately HK\$103,511,324.89) respectively.

INFORMATION ON THE PARTIES TO THE AMENDED SIXTH CAPITAL INJECTION AGREEMENT

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

CIH Finance, a wholly-owned subsidiary of the Company, is principally engaged in finance and project investment.

ZCXK, a wholly-owned subsidiary of the Company, is principally engaged in investment holding.

Yueqiao Construction Investment, a company incorporated in the PRC with limited liability, is principally engaged in assets management.

Dali Water Supply, a company incorporated in the PRC, is principally engaged in real estate rental.

Huaxing Glass, a company incorporated in the PRC with limited liability, is principally engaged in the research and development, design and manufacturing of daily glass products.

Lianzhifu Investment, a company incorporated in the PRC with limited liability, is principally engaged in property and equity investment.

Zhizao Investment, a company incorporated in the PRC with limited liability, is principally engaged in project investment and management.

FINANCIAL EFFECT OF THE AMENDED SIXTH CAPITAL INJECTION

Upon completion of the Amended Sixth Capital Injection, Greengold Leasing will remain a subsidiary of the Company according to the relevant accounting standards. The financial results of Greengold Leasing will continue to be consolidated by the Group. Therefore, it is expected that the Group will not record any gain or loss from the deemed disposal in the consolidated income statement of the Group. As the RMB233,000,000.00 capital injection will be returned to Sino Rock Tyco by Greengold Leasing and both of them are subsidiaries of the Group, the amendment to Sixth Capital Injection will have no impact on the consolidated financial position of the Group.

USE OF THE SIXTH CAPITAL INJECTION AMOUNTS

The amounts of the Amended Sixth Capital Injection provided by Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass and Zhizao Investment will be used by Greengold Leasing in its ordinary course of business.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE AMENDED SIXTH CAPITAL INJECTION AGREEMENT

The principal business of Greengold Leasing continues to develop rapidly. The Company believes that the businesses of Greengold Leasing will be further strengthened with a broader equity holder base pooling resources and capabilities together while sharing in the associated risks. The Sixth Capital Injection was aimed to provide further source of capital for Greengold Leasing to develop its existing businesses while lightening the Group's financial load, and the Group planned to continue to evaluate the funding needs of Greengold Leasing from time to time.

In the process of Greengold Leasing’s consultation with the relevant financial supervisory authority pursuant to the requirements of Article 47 of “Notice of the Interim Measures for the Supervision and Administration of Financial Leasing Companies”, the Guangdong Financial Supervisory Authority published the “Implementation Rules for the Supervision and Management of Financial Leasing Companies in Guangdong Province” on 28 July 2022, and the “Consultation Requirements for Changes to Registrations” (Exposure Draft) (collectively, the “**New Policy Documents**”). By virtue of the requirements under the New Policy Documents, required consent from the relevant financial supervisory authority in relation to the Sixth Capital Injection and the Share Transfer Agreement have not been obtained, and the procedures for registering the relevant capital injection changes have not been completed. Thus, in order to comply with the requirements under the New Policy Documents, the parties entered into the Amended Sixth Capital Injection to amend the terms of the Sixth Capital Injection Agreement and facilitate the Termination Agreement to terminate the Share Transfer Agreement.

The Directors are of the view that the terms of the Amended Sixth Capital Injection Agreement (as well as the Termination Agreement) are on normal commercial terms and fair and reasonable and the Amended Sixth Capital Injection and the transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATION

As the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Sixth Capital Injection was less than 5%, the Sixth Capital Injection Agreement and the transactions of the Group contemplated thereunder did not constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules. Since the parties were bound to follow the New Policy Documents and has no discretion to complete the Sixth Capital Injection Agreement according to its original terms in the absence of the requisite consent from the PRC authorities, the Amended Sixth Capital Injection Agreement is required and as the original Sixth Capital Injection did not constitute a discloseable transaction, the present matter is not regarded as a transaction under the Listing Rules. To keep the Shareholders informed, this announcement is made by the Company as a voluntary announcement.

DEFINITIONS

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

“Amended Sixth Capital Injection”	the injection of RMB203,913,344.25 (equivalent to approximately HK\$220,838,151.82) by Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass and Zhizao Investment pursuant to the terms of the Amended Sixth Capital Injection Agreement
“Amended Sixth Capital Injection Agreement”	the capital injection agreement dated 26 June 2023 entered into amongst Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment, ZCXX, CIH Finance, Lianzhifu Investment and Greengold Leasing in relation to the Amended Sixth Capital Injection
“Board”	the board of Directors of the Company
“CIH Finance”	CIH Finance Investments Holdings Limited (中國興業金融投資控股有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary 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)
“Dali Water Supply”	Foshan City Nanhai Dali Water Supply Company* (佛山市南海大瀝自來水公司), a collectively-owned enterprise incorporated in the PRC
“Director(s)”	the director(s) of the Company
“Greengold Leasing”	Canton Greengold Financial Leasing Limited* (廣東綠金融資租賃有限公司) (formerly known as Canton Risen Financial Leasing Co., Ltd.* (廣東粵盛科融資租賃有限公司)), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Huaxing Glass”	Foshan Huaxing Glass Co., Ltd.* (佛山華興玻璃有限公司), a company incorporated in the PRC with limited liability
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Lianzhifu Investment”	Foshan City Nanhai District Lianzhifu Investment Co., Ltd.* (佛山市南海區聯智富投資有限公司), a company incorporated in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Policy Documents”	has the meaning ascribed to it under the section headed “REASONS FOR AND BENEFITS OF ENTERING INTO OF THE AMENDED SIXTH CAPITAL INJECTION AGREEMENT” in this announcement
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Share Transfer Agreement”	The share transfer agreement dated 31 December 2021 entered into between ZCXX and Sino Rock Tyco, pursuant to which ZCXX agreed to transfer and Sino Rock Tyco agreed to take all of ZCXX’s then equity interests in Greengold Leasing and its capital injection obligations arising under the Sixth Capital Injection Agreement
“Sino Rock Tyco”	Guangdong Sino Rock Tyco Construction Co., Ltd.* (廣東中岩泰科建設有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Sixth Capital Injection”	the injection of RMB432,309,875.35 (equivalent to approximately HK\$468,191,595.00) by Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment and ZCXX in cash to the capital of Greengold Leasing pursuant to the terms of the Sixth Capital Injection Agreement

“Sixth Capital Injection Agreement”	the capital injection agreement dated 20 October 2021 entered into amongst Yueqiao Construction Investment, Dali Water Supply, Huaxing Glass, Zhizao Investment, ZCXX, CIH Finance, Lianzhifu Investment and Greengold Leasing in relation to the Sixth Capital Injection
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Termination Agreement”	the agreement dated 26 June 2023 entered into between ZCXX and Sino Rock Tyco to terminate the Share Transfer Agreement
“Yueqiao Construction Investment”	Foshan City Yueqiao Construction Investment Co., Ltd.* (佛山市粵樵建設投資有限公司) (formerly known as Foshan City Yueqiao Assets Management Co., Ltd.* (佛山市粵樵資產管理有限公司)), a company incorporated in the PRC with limited liability
“Zhizao Investment”	Foshan City Nanhai Zhizao Investment Co., Ltd.* (佛山市南海智造投資有限公司), a company incorporated in the PRC with limited liability
“ZCXX”	Zhong Chuang Xing Ke (Shenzhen) Investments Co., Ltd* (中創興科(深圳)投資有限公司), a wholly foreign-owned enterprise incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent

On behalf of
China Investments Holdings Limited
HE Xiangming
Chairman

Hong Kong, 27 June 2023

As at the date of this announcement, the Board consists of three executive Directors, namely Mr. HE Xiangming (Chairman), Mr. FU Weiqiang (President) and Mr. YOU Guang Wu and three independent non-executive Directors, namely Mr. CHAN Kwok Wai, Mr. DENG Hong Ping and Mr. PENG Xinyu.

For the purpose of this announcement, amounts denominated in RMB have been translated into HK\$ at the indicative exchange rate of RMB1 = HK\$1.083.

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