

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **China Investments Holdings Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

---



**CHINA INVESTMENTS HOLDINGS LIMITED**

**中國興業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 132)**

**MAJOR TRANSACTION  
ENTERING INTO A FINANCE LEASE AS THE LESSOR**

---

A letter from the Board is set out on pages 3 to 7 of this circular.

The transactions being the subject matter of this circular have been approved by written shareholders' approval pursuant to the Listing Rules and this circular is being despatched to the Shareholders for information only.

25 April 2022

\* For identification purpose only

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	3
<b>APPENDIX I - FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II - GENERAL INFORMATION</b> .....	II-1

---

## DEFINITIONS

---

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

“Assets”	shall have the meaning as disclosed in the section headed “INFORMATION ON THE ASSETS” in this circular
“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)
“Director(s)”	the director(s) of the Company
“Existing Finance Lease 1”	the finance lease agreement and incidental documentation dated 25 November 2021 entered into between Greengold Leasing and the Lessee, the details of which have been disclosed in the announcement of the Company dated 25 November 2021
“Existing Finance Lease 2”	the finance lease agreement and incidental documentation dated 14 January 2022 entered into between Greengold Leasing and the Lessee, the details of which have been disclosed in the announcement of the Company dated 14 January 2022
“Existing Finance Leases”	collectively, the Existing Finance Lease 1 and the Existing Finance Lease 2
“Finance Lease”	the finance lease agreement dated 17 March 2022 entered into between Greengold Leasing and the Lessee in relation to the transfer of ownership and lease back of the Assets
“Greengold Leasing”	Canton Greengold Financial Leasing Ltd.* (廣東綠金融租賃有限公司)(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
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Incidental Documentation”	the transfer agreement incidental to the Finance Lease

---

## DEFINITIONS

---

“Independent Third Party(ies)”	(an) independent third party(ies) not connected with the Group and any Director, chief executive or substantial shareholder of the Group or any of its subsidiaries or their respective associate of any of them as defined in the Listing Rules
“Latest Practicable Date”	19 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Lessee”	Foshan City Nanhai District Xiqiao Town Qiaoyou Assets Management Co., Ltd.* (佛山市南海區西樵鎮樵有資產管理有限公司), a company incorporated in the PRC with limited liability, which is ultimately controlled by the Public Assets Office of Xiqiao Town, Nanhai District, Foshan City* (佛山市南海區西樵鎮公有資產管理委員會辦公室), and an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this circular, 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
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

\* For identification purpose only

---

## LETTER FROM THE BOARD

---



### CHINA INVESTMENTS HOLDINGS LIMITED

中國興業控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 132)**

*Executive Directors:*

He Xiangming (*Chairman*)  
Fu Weiqiang (*Managing Director*)  
You Guang Wu (*Director*)  
Huang Zhihe (*Deputy Managing Director*)  
Wang Xin (*Deputy Managing Director*)  
Cheng Weidong (*Deputy Managing Director*)

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Independent Non-executive Directors:*

Chan Kwok Wai  
Chen Da Cheng  
Deng Hong Ping

25 April 2022

*To the Shareholders*

Dear Sir or Madam,

### **MAJOR TRANSACTION ENTERING INTO A FINANCE LEASE AS THE LESSOR**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 17 March 2022 in relation to the entering into of the Finance Lease with the Lessee to obtain the ownership of the Assets for the consideration of RMB35,000,000 (equivalent to approximately HK\$43,120,000), which would be leased back to the Lessee for its use and possession for a term of 5 years.

The purpose of this circular is to provide you with, among other things, further information on the Finance Lease and Incidental Documentation and other information as required under the Listing Rules.

---

## LETTER FROM THE BOARD

---

### THE FINANCE LEASE AND INCIDENTAL DOCUMENTATION

Set out below is a summary of the principal terms of the Finance Lease and Incident Documentation:

#### **Date of the Finance Lease:**

17 March 2022

The Finance Lease will take effect upon compliance of the applicable requirements of the Listing Rules by the Company.

#### **Parties:**

- (1) Greengold Leasing, a subsidiary of the Company, as the lessor; and
- (2) the Lessee.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Lessee and its ultimate beneficial owner are Independent Third Parties.

#### **Transfer of Assets and consideration**

Greengold Leasing will be transferred the unencumbered ownership of the Assets from the Lessee on an "as-is" basis at the consideration of RMB35,000,000 (equivalent to approximately HK\$43,120,000) in cash, payable within 12 months from the date of the Finance Lease. The transfer agreement was entered into between Greengold Leasing and the Lessee on the date of the Finance Lease, effecting the terms of the Finance Lease in relation to the transfer of the Assets from the Lessee to Greengold Leasing above.

Such consideration amount was determined following arm's length negotiations by the parties to the Finance Lease with reference to the original cost of the Assets of approximately RMB41,634,000 (equivalent to approximately HK\$51,293,000), and their state, which were reviewed by Greengold Leasing's experienced leasing team. The consideration amount for the ownership of the Assets will be funded through the internal resources of the Group.

#### **Lease period**

Greengold Leasing will lease back the Assets to the Lessee for its use and possession for a term of 5 years commencing from the day the consideration for the Assets transfer has been paid by Greengold Leasing.

#### **Payments under the Finance Lease**

The total amount of lease payments for the Finance Lease is approximately RMB41,581,000 (equivalent to approximately HK\$51,228,000), comprising (a) the lease principal payment of RMB35,000,000 (equivalent to approximately HK\$43,120,000) and (b) the aggregate lease interest of approximately RMB6,581,000 (equivalent to approximately HK\$8,108,000). Both the lease principal and interest will be paid every three months over the lease period.

---

## LETTER FROM THE BOARD

---

The terms of the Finance Lease, including the lease principal and interest, were determined after arm's length negotiations between the parties to the Finance Lease with reference to the lending and interest rate environment including the prime lending rate published by the National Interbank Funding Center from time to time (for reference purpose, the prevailing prime lending rate was 3.7% as at the date of the Finance Lease), and adjustments taking into account the principal amount of the Finance Lease and availability of funds, the interest risk of financing and servicing costs over the lease period, the credit risks associated and the targeted overall return and risk tolerance of the Group for the Finance Lease on a case by case basis.

### **Termination and transfer of the Assets to the Lessee**

The Lessee may terminate the Finance Lease provided that all outstanding amounts due thereunder and a compensation equivalent to 20% of the total outstanding lease interest amount as at the time of early termination have been settled. At the end of the lease period or in the event of an early termination of the Finance Lease, subject to the settlement of all outstanding amounts due, the Lessee had agreed to purchase the Assets at a nominal purchase price of RMB1 (equivalent to approximately HK\$1.232).

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AND INCIDENTAL DOCUMENTATION**

The entering into of the Finance Lease and Incidental Documentation is part of Greengold Leasing's ordinary and usual course of business and is expected to provide a stable revenue and cashflow to the Group.

The Directors consider that the Finance Lease and Incidental Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

### **FINANCIAL EFFECTS OF THE FINANCE LEASE ARRANGEMENTS**

The Finance Lease is expected to attribute approximately RMB6,581,000 (equivalent to approximately HK\$8,108,000) to the Group's turnover, from the aggregate interest income over the whole period of such Finance Lease.

As at the date when the consideration for the Assets transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB35,000,000 (equivalent to approximately HK\$43,120,000) in respect of such Finance Lease, and decreased cash and cash equivalents of RMB35,000,000 (equivalent to approximately HK\$43,120,000) of the Group. As the consideration will be funded through internal resources, the Finance Lease will have no impact on the liabilities of the Group.

---

## LETTER FROM THE BOARD

---

### INFORMATION ON THE ASSETS

The Assets comprise certain designated equipment and facilities of Feihongguan\* (飛鴻館) situated in Xiqiao Town, Nanhai District, Foshan City, Guangdong Province.

The Lessee will bear any maintenance, taxation and other costs and levies associated with the Assets.

### LISTING RULES IMPLICATION

Reference is made to (1) the discloseable transaction announcement of the Company dated 25 November 2021 in relation to the entering into of the Existing Finance Lease 1, and (2) the discloseable transaction announcement of the Company dated 14 January 2022 in relation to the entering into of the Existing Finance Lease 2. The Lessee of the Finance Lease is the same party as that in the Existing Finance Leases.

As one of the applicable percentage ratios for the transactions contemplated under the Finance Lease and Incidental Documentation, when calculated on an aggregate basis with the transactions under the Existing Finance Leases, exceeds 25% but all of them are less than 100%, the entering into of such transactions constitutes a major transaction for the Company under the Listing Rules and is subject to the announcement, circular and shareholders' approval requirements under the Listing Rules.

No Shareholder is materially interested in the Finance Lease and Incidental Documentation and no Shareholder is required to abstain from voting at a general meeting of the Company approving the transactions contemplated under the Finance Lease and Incidental Documentation, and the Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written approval of the transactions contemplated under the Finance Lease and Incidental Documentation from Prize Rich Inc., a Shareholder holding 1,222,713,527 issued ordinary shares of the Company (representing 71.41% of its entire issued share capital). As such, the Company is exempted from convening a general meeting to approve the transactions contemplated under the Finance Lease and Incidental Documentation.

### PRINCIPAL BUSINESSES OF THE PARTIES

#### The Group

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

#### Greengold Leasing

Greengold Leasing is a subsidiary of the Company, which is principally engaged in the provision of finance, including through finance leasing, with a focus on environmental protection projects in the PRC.

---

## LETTER FROM THE BOARD

---

### **The Lessee**

The Lessee is a limited liability company established in the PRC and is principally engaged in asset operation and management in Foshan City, Guangdong Province.

### **RECOMMENDATIONS**

The Directors consider that the terms of the Finance Lease and Incident Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable, and in the best interests of the Group and the Shareholders as a whole.

### **ADDITIONAL INFORMATION**

Your attention is drawn to the financial and general information as set out in the appendices to this circular.

On behalf of  
**China Investments Holdings Limited**  
**HE Xiangming**  
*Chairman*

\* *For identification purpose only*

**1. FINANCIAL INFORMATION OF THE GROUP**

Details of the audited consolidated financial information of the Group for each of the three years ended 31 December 2019, 2020 and 2021 are disclosed in the following annual reports of the Company for the years ended 31 December 2019 and 2020 and the annual results announcement of the Company for the year ended 31 December 2021 respectively, which have been published and are available on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company (<http://chinainvestments.tonghair.com>):

- the annual report 2019 of the Company for the year ended 31 December 2019 which was published on 15 May 2020 (available on: <http://www1.hkexnews.hk/listedco/listconews/sehk/2020/0515/2020051500659.pdf>), please refer to pages 70 to 239 in particular;
- the annual report 2020 of the Company for the year ended 31 December 2020 which was published on 29 April 2021 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0429/2021042901219.pdf>), please refer to pages 75 to 273 in particular; and
- the annual results announcement of the Company for the year ended 31 December 2021 which was published on 30 March 2022 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0330/2022033003480.pdf>), please refer to pages 1 to 24 in particular.

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 28 February 2022, the Group had outstanding interest bearing bank loans of approximately HK\$3,258,364,000 (comprising secured and guaranteed bank loans of approximately HK\$3,254,512,000) which were secured by the pledge of investment properties of HK\$396,250,000, plant, property and equipment of HK\$437,778,000, bank deposit of HK\$151,813,000, finance lease receivables and future interest receivable of HK\$2,140,354,000, paid-up capital of a non-wholly owned subsidiary of HK\$251,549,000 and a future rental receivable from the properties. Among such loans, a small number of them are having a maturity profile in the near term (maturing in 2022) and the rest are in the midterm (maturing in 2023, 2024, 2025 and 2026) to long term (maturing in 2027, 2028, 2035, 2046 and 2047).

The Group had unsecured and unguaranteed interest bearing loans from its immediate holding company and non-controlling interest of approximately HK\$136,000,000 and HK\$31,942,000 respectively, all of which will mature in 2022 and 2024. The Group also had unguaranteed interest bearing loans from other independent third parties of approximately HK\$309,048,000 (comprising secured loans of approximately HK\$222,353,000 by the pledge of finance lease receivables and future interest receivable of HK\$239,456,000). All loans will mature in 2022 and 2023.

The Group had outstanding secured and guaranteed asset backed securities of approximately HK\$475,643,000 by the pledge of finance lease receivables and future interest receivable of HK\$551,008,000 and unsecured and guaranteed other bonds of approximately HK\$371,549,000.

In addition, the Group had unsecured and unguaranteed lease liabilities and outstanding convertible notes of approximately HK\$1,116,083,000 and aggregate principal amount of HK\$166,232,000 issued by the Company will mature on 13 October 2024 respectively.

Save as aforesaid or otherwise disclosed herein, as at the close of business on 28 February 2022, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

### **3. MATERIAL ADVERSE CHANGE**

At the Latest Practicable Date, the Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up.

### **4. WORKING CAPITAL**

The Directors, after due and careful enquiry, are of the opinion that, taking into account the existing cash and bank balances, other internal resources and available existing unutilised credit facilities, the Group has sufficient working capital for its present requirements and to satisfy its requirements for at least the next 12 months from the date of publication of this circular in the absence of unforeseen circumstances.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

Although the Group faces the impact of economic uncertainty worldwide and in China brought about by epidemic rebounds, coupled with the fact that the economic sanctions against Russia triggered by the war in Ukraine in early 2022 are expected to impact the global economy and bring more uncertainties, the Group will continue to proactively adjust business layouts based on market trends to rise to potential challenges ahead and navigate through adversities. With experience accumulated during the course of transformation and upgrade over past years, the Group will strive to constantly enhance its business activities, and steadily develop wellness elderly care, financial leasing, industrial parks/property investment, big data and civil explosives businesses.

In respect of the wellness elderly care business, the year of 2021 marked a breakthrough year. Capitalizing on the reorganization of the welfare center of Nanhai District, the Group took over Foshan City Nanhai District Taoyuan Nursing Home Company Limited and Foshan City Nanhai District Taoyuan Rehabilitation Hospital Co., Limited by virtue of entrusted management, thereby not only successfully extending the institutional elderly care services, but also fully gaining the recognition and support of the People's Government of Nanhai District for the Group's elderly care business. In the context of the "national strategy of proactively addressing population aging" proposed in the Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development, and the Long-Range Objectives Through the Year 2035\*, Nanhai District attaches great importance to the elderly care efforts, and will focus on the construction and improvement of the elderly care service system. It is believed that, on top of taking over and operating the welfare center of Nanhai District and Jiujiang Nursing Home, the Group can further take the initiative to expand cooperation with the towns (sub-districts) under

the People's Government of Nanhai District. Regarding Nanhai as the core, the Group will establish business presence in Foshan and achieve radiative effect on Guangdong, aiming to build a first-class wellness elderly care industry investment group in the Greater Bay Area. The Group will continue to develop a three-tier elderly care system comprising institutions, communities and households, and strive to build "Taoyuan" wellness elderly care brand as the industry benchmark through the premium elderly model of "integrating medical and care services", thereby developing the wellness elderly care business into the core business of the Group.

In respect of the financial leasing business, despite the challenges posed by ever-intensifying market competition and volatile COVID-19 pandemic, the Group will continue to "abide by the general strategy of focusing on stability while seeking progress", stick to the direction of professionalism in green environmental protection financial leasing, and comprehensively build up the core competitiveness of financial leasing in the environmental protection segment, striving to grow into a leading environmental-friendly finance leasing company in China. The Group will continue to carry out the marketing of state-owned enterprises, municipal environmental protection and green energy projects in Foshan and various districts, and selectively develop high-quality environmental protection and green energy projects commissioned by state-owned enterprises and municipal government in the Greater Bay Area and the Pan-Pearl River Delta region, while continuously diversifying financing channels, including equity and debt financing, aiming to enhance the financial strength of the financial leasing business so as to meet the capital needs for future business development.

In respect of the property and industrial park business, building on its solid foundation in the property development and investment sector and leveraging its experience in such fields, the Group will continue to focus on developing the new energy industrial park in Danzao Town, Nanhai District, Foshan City, China, by rapidly completing all construction and acceptance works for the first phase of the project, so that it can be rented and delivered for use. At the same time, the Group will continue to increase its investment and promotion efforts, progressively introduce enterprises to settle in, maintain full communication with the settled enterprises, strengthen the service awareness of the team, and strictly supervise the quality of property management services. In addition, the Group will effectively provide support and services to the settled enterprises to generate stable rental income and related incomes for the Group, aiming to develop it into one of the main sources of stable profit for the Group as soon as practical.

In respect of big data business, by taking advantage of the opportunities arising from the new smart city construction plan in Nanhai District, the Group will continue its development efforts in the big data industry projects, and actively carry out project operation and derivative business development from the perspective of marketization, endeavor to secure new projects, explore new markets and ensure rapid overall business growth, thereby creating a growth engine to our profitability in the future.

In respect of civil explosives business, the Group will earnestly complete technological upgrade and transformation as soon as practicable, increase its revenue by releasing excessive mixed assembly production capacity, and proactively adopt cost reduction measures to substantially improve its future performance and contribute steady revenue streams to the Group in the future.

In addition, the Group will aggressively explore opportunities in prospect projects to seek leapfrog development of the business of the Company, thereby delivering good returns to the Shareholders.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests and short positions of directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

#### *Long positions in the Shares*

Name of Director	Capacity	Nature of interest	Number of Shares held	Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
He Xiangming	Beneficial owner	Personal	1,441,000	0.08%

Note: 1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, none of the Directors and chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests and short positions of the Shareholders in the Shares, underlying Shares of the Company**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the interests and short positions of the Shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:-

Name of Shareholder	Capacity of Shareholder	Number of Shares/underlying Shares		Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
		Long position	Short position	
廣東南海控股 投資有限公司 (Guangdong Nanhai Holding Investment Co., Ltd.*)	Corporate interest	1,441,439,842 <sup>2</sup>	–	84.18%

- Notes:
- The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.
  - These 1,441,439,842 Shares comprises (i) 1,222,713,527 Shares held by Prize Rich Inc. which was wholly-owned by Guangdong Nanhai Holding Investment Co., Ltd.\* (廣東南海控股投資有限公司); and (ii) 218,726,315 new Shares to be allotted and issued by the Company to Prize Rich Inc. upon the exercise of conversion rights attaching to the convertible bonds issued by the Company to Prize Rich Inc. pursuant to an acquisition agreement as part of the consideration.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept under Section 336 of the SFO.

As at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### 3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or his or her respective close associates was considered to have an interest in a business which competes or was likely to compete, either directly or indirectly, with the business of the Group other than those business to which the Directors or his or her close associates were appointed to represent the interests of the Company and/or the Group.

### 4. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date,

- (a) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up. It is noted that Greengold Leasing holds 1.26% equity interests of Shenzhen Weicheng Investment Partnership (Limited Partnership)\* (深圳市偉成投資合夥企業(有限合夥)) under an entrustment agreement for certain Directors and the employees of Greengold Leasing which, notwithstanding such arrangement, is expected to be recognised as the Group's financial assets at fair value through profit or loss in the consolidated financial statements of the Company.

### 5. MATERIAL CONTRACTS

The following are contracts entered into by the members of the Group within the two years immediately preceding the date of this circular and which is or may be material or of significance:

- (a) the acquisition agreement dated 22 June 2020 entered into between Foshan City Nanhai Canmanage Investments Holdings Limited\* (佛山市南海康美投資有限公司) (“**Nanhai Canmanage**”) and Foshan City Nanhai District Lianhua Asset Operation & Management Co., Ltd.\* (佛山市南海區聯華資產經營管理有限公司) (“**Nanhai Lianhua**”) in relation to the acquisition of 2% equity interest in Guangdong Tiannuo Civil Explosives Co., Ltd.\* (廣東天諾民爆有限公司) by Nanhai Canmanage from Nanhai Lianhua at a cash consideration of RMB6,675,763.37;
- (b) the agreement dated 26 August 2021 entered into between Guangdong Taoyuan Comprehensive Health Operation Co., Ltd.\* (廣東桃苑大健康產業運營有限公司) (“**Guangdong Taoyuan**”) and State-owned Assets Supervision and Administration Bureau of Nanhai District, Foshan City\* (佛山市南海區國有資產監督管理局) in relation to the handover of a comprehensive services building for the disabled to Guangdong Taoyuan for operation, management and use for the payment of no more than RMB56,350,000 for a term of 40 years; and

- (c) the engineering, procurement and construction agreement dated 8 November 2021 entered into between Guangdong Taoyuan and the consortium (the “**Consortium**”) comprising Guangdong Province Building and Construction Building and Construction Co., Ltd.\* (廣東省構建工程建設有限公司)(as the leader), Guangdong Jianya Interior Design and Engineering Co., Ltd.\* (廣東建雅室內工程設計施工有限公司) and Zhongyu Design Co., Ltd.\* (中譽設計有限公司) in relation to the engagement of the Consortium as the general contractor for design, procurement and construction works for the renovation and refurbishment of a comprehensive services building for the disabled at a consideration of RMB70,902,702.37.

## 6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

## 7. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one (1) year without payment of compensation (other than statutory compensation).

## 8. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The branch share registrar of the Company is Tricor Progressive Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
- (c) The Company’s head office and principal place of business in Hong Kong is at Unit 501, Wing On Plaza, 62 Mody Road, Tsimshatsui, Kowloon, Hong Kong.
- (d) The company secretary of the Company is Mr. Lo Tai On, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (e) The English text of this circular shall prevail over the Chinese text in the case of inconsistency.

## 9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published and displayed on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://chinainvestments.tonghaiir.com>) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the Finance Lease and Incidental Documentation; and
- (b) this circular.

\* For identification purpose only