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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)

DISCLOSEABLE TRANSACTION

PURCHASES OF WEALTH MANAGEMENT PRODUCTS

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On 9 August 2018, Sino Rock Tyco, a non-wholly owned subsidiary of the Company, entered into the New ICBC Wealth Management Agreement with Industrial and Commercial Bank of China, pursuant to which the Company has agreed to purchase wealth management products of RMB140,000,000 (equivalent to approximately HK\$160,860,000).

On 3 May 2018, Sino Rock Tyco entered into the Historical ICBC Wealth Management Agreement No.1 with Industrial and Commercial Bank of China and purchased wealth management product of RMB30,000,000 (equivalent to approximately HK\$34,470,000).

On 4 May 2018, Sino Rock Tyco entered into the Historical ICBC Wealth Management Agreement No.2 with Industrial and Commercial Bank of China and purchased wealth management product of RMB10,000,000 (equivalent to approximately HK\$11,490,000).

LISTING RULES IMPLICATION

As none of the applicable percentage ratio(s) in relation to the purchases of wealth management product as contemplated under the Historical ICBC Wealth Management Agreement No.1, when calculated on an aggregated basis with Historical ICBC Wealth Management Agreement No.2, exceeded 5%, the purchases of wealth management products as contemplated under the Historical ICBC Wealth Management Agreement No.1 and the Historical ICBC Wealth Management Agreement No.2 did not at the time constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

However, the applicable percentage ratios for the transactions constituted under the New ICBC Wealth Management Agreement, when calculated on an aggregated basis with the Historical ICBC Wealth Management Agreement No.1 and Historical ICBC Wealth Management Agreement No.2, exceed 5% but are under 25%. Accordingly, the purchases of such wealth management products constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

BACKGROUND

The Board announced that on 3 May 2018, 4 May 2018 and 9 August 2018, Sino Rock Tyco, a non-wholly owned subsidiary of the Company, entered into the Historical ICBC Wealth Management Agreement No.1, the Historical ICBC Wealth Management Agreement No.2 and the New ICBC Wealth Management Agreement with ICBC, pursuant to which Sino Rock Tyco agreed to purchase wealth management products of RMB30,000,000, RMB10,000,000 and RMB140,000,000 respectively.

The material terms of the Historical ICBC Wealth Management Agreement No.1, the Historical ICBC Wealth Management Agreement No.2 and the New ICBC Wealth Management Agreement are set out as follows:

HISTORICAL TRANSACTIONS

1. Historical ICBC WEALTH MANAGEMENT AGREEMENT NO.1

Date : 3 May 2018

Parties : (i) Sino Rock Tyco; and

(ii) Industrial and Commercial Bank of China

ICBC is a licensed bank incorporated under the laws of the PRC. To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that ICBC and its ultimate beneficial owner are third parties independent of the Group and its connected persons.

Product name : ICBC Wealth Management Principal Guaranteed “Sui Xin E” (Directional) 2017 No.3

Type of product : Principal-protected and floating income structured product

Principal amount : RMB30,000,000 (equivalent to approximately HK\$34,470,000)

Term : 96 days, from 3 May 2018 to 6 August 2018

Interest commencement date : 4 May 2018 and 6 August 2018, respectively
and maturity date

Risk level of the product : Minimal risk
(internal risk assessment
by ICBC)

Annualised rate of return of : 3.7%
product

Early termination : Industrial and Commercial Bank of China has the right of early termination whereas the Company is not entitled to the right of early termination unless there is any subsequent amendment or addition to the such Historical ICBC Wealth Management Agreement made by ICBC with which the Company disagrees.

Repayment of principal and return upon maturity : The principal and the corresponding return were repaid in a lump sum one day after the date of redemption.

2. Historical ICBC WEALTH MANAGEMENT AGREEMENT NO.2

Date : 4 May 2018

Parties : (i) Sino Rock Tyco; and

(ii) Industrial and Commercial Bank of China

ICBC is a licensed bank incorporated under the laws of the PRC. To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that ICBC and its ultimate beneficial owner are third parties independent of the Group and its connected persons.

Product name : ICBC Principal Guaranteed “Sui Xin E” No.2 Corporate Account Extension Wealth Management Product

Type of product : Principal-protected and floating income structured product

Principal amount : RMB10,000,000 (equivalent to approximately HK\$11,490,000)

Term : 95 days, from 4 May 2018 to 6 August 2018

Interest commencement date : 5 May 2018 and 6 August 2018, respectively
and maturity date

Risk level of the product : Minimal risk
(internal risk assessment
by ICBC)

Annualised rate of return of : 3.5%
product

Early termination : Industrial and Commercial Bank of China has the
right of early termination whereas the Company is
not entitled to the right of early termination unless
there is any subsequent amendment or addition to
such Historical ICBC Wealth Management Agreement
made by ICBC with which the Company disagrees.

Repayment of principal and : The principal and the corresponding return were
return upon maturity repaid in a lump sum one day after the date of
redemption.

NEW ICBC WEALTH MANAGEMENT AGREEMENT

Date : 9 August 2018

Parties : (i) Sino Rock Tyco; and

(ii) Industrial and Commercial Bank of China

ICBC is a licensed bank incorporated under the laws of the PRC. To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that ICBC and its ultimate beneficial owner are third parties independent of the Group and its connected persons.

Product name	:	ICBC RMB-denominated structured deposit (exchange rate linked) product for corporate client 7-day rolling 2014
Type of product	:	Principal-protected and floating income structured product
Principal amount	:	RMB140,000,000 (equivalent to approximately HK\$ 160,860,000)
Term	:	7 days revolving until redemption Upon the expiry of each 7-day investment cycle, the next cycle will commence unless Sino Rock Tyco exercises its right of redemption.
Interest commencement date	:	10 August 2018
Risk level of product (internal risk assessment by ICBC)	:	Minimal risk
Investment returns	:	Principal amount x expected annualised rate of return x actual number of days during the investment period/365
Expected annualised rate of return of product	:	The expected annualised rate of return on the product is linked to weekly fluctuations of the Euro/USD Spot Exchange Rate from Monday 5 a.m. (Sydney local time) to Friday 5 p.m. (New York local time) during the 7-day investment cycle (the “ Exchange Rate ”). If the Exchange Rate falls within the range of Exchange Rate movements as delineated by ICBC during each investment cycle, the expected annualised rate of return will be set at 2.90% for that investment cycle.

On the other hand, if the Exchange Rate falls outside the range of Exchange Rate movements as delineated by ICBC during each investment cycle, the expected annualised rate of return will be adjusted to 1.80% for that investment cycle.

- Early termination : The Company is not entitled to the right of early termination during the 7-day investment cycle whereas Industrial and Commercial Bank of China has such right.
- Repayment of principal and return upon maturity : The principal would be repaid in a lump sum on the date of redemption and the return would be repaid on the day after the expiry of each investment cycle.

The principal amounts of the Historical ICBC Wealth Management Agreement No.1, the Historical ICBC Wealth Management Agreement No.2 and the New ICBC Wealth Management Agreement were determined after taking into account the risk level of the wealth management products, terms of investment, type of investment return and expected annualised return rate. The purchases of the wealth management products were fully funded by the internal resources of the Group.

REASONS FOR AND BENEFITS OF THE INVESTMENT

Reasonable investment of temporarily idle funds helps enhance the overall financial returns of the Company, which is consistent with the core objectives of the Group to ensure capital safety and liquidity. Not only are the wealth management products under the Historical ICBC Wealth Management Agreement No.1, the Historical ICBC Wealth Management Agreement No.2 and the New ICBC Wealth Management Agreement 100% principal-protected, they offer better potential returns to the Company when compared to the fixed-term deposit interest rates normally offered by commercial banks in the PRC.

The Directors (including the independent non-executive Directors) consider that the Historical ICBC Wealth Management Agreement No.1, the Historical ICBC Wealth Management Agreement No.2 and the New ICBC Wealth Management Agreement 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 Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As none of the applicable percentage ratio(s) in relation to the purchase of wealth management product as contemplated under the Historical ICBC Wealth Management Agreement No.1, when calculated on an aggregated basis with Historical ICBC Wealth Management Agreement No.2, exceeded 5%, the purchase of wealth management product as contemplated under the Historical ICBC Wealth Management Agreement No.1 and the Historical ICBC Wealth Management Agreement No.2 did not at the time constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

However, the applicable percentage ratios for the transactions constituted under the New ICBC Wealth Management Agreement, when calculated on an aggregated basis with the Historical ICBC Wealth Management Agreement No.1 and Historical ICBC Wealth Management Agreement No.2, exceed 5% but are under 25%. Accordingly, the purchases of such wealth management products constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

INFORMATION ABOUT THE PARTIES

The Group

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

Industrial and Commercial Bank of China

It is a licensed bank in the PRC principally engaged in the provision of corporate and personal banking, assets management and other financial services.

DEFINITIONS

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

“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)
“connected person(s)”	have the meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	have the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Exchange Rate”	shall have the meaning as disclosed in the section headed “NEW ICBC WEALTH MANAGEMENT AGREEMENT” in this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Historical ICBC Wealth Management Agreement No.1”	ICBC Wealth Management Product Sale Contract entered into between Sino Rock Tyco and ICBC on 3 May 2018
“Historical ICBC Wealth Management Agreement No.2”	ICBC Wealth Management Product Sale Contract entered into between Sino Rock Tyco and ICBC on 4 May 2018
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons

“Industrial and Commercial Bank of China”/“ICBC”	Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the shares of which are listed on both the Shanghai Stock Exchange (Stock code: 601398) and The Stock Exchange of Hong Kong Limited (Stock code: 1398)
“New ICBC Wealth Management Agreement”	ICBC Wealth Management Product Sale Contract entered into between Sino Rock Tyco and ICBC on 9 August 2018
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Shareholder(s) of the Company
“Sino Rock Tyco”	廣東中岩泰科建設有限公司 (Guangdong Sino Rock Tyco Construction Co., Ltd.), a company incorporated in the PRC with limited liability and is indirectly owned as to 80% by the Company and directly owned as to 20% by 佛山市南海金融高新區投資控股有限公司 (Nanhai Financial Hi-Tech Zone Investment Holdings Co., Ltd.*), a company incorporated in the PRC with limited liability and an Independent Third Party
“%”	per cent.

On behalf of
China Investments Holdings Limited
HE Xiangming
Chairman

Hong Kong, 13 August 2018

As at the date of this announcement, the Board consists of five executive Directors, namely Mr. HE Xiangming (Chairman), Mr. LIN Pingwu (Managing Director), Mr. YOU Guang Wu (Director), Mr. HUANG Zhihe (Deputy Managing Director) and Ms. WANG Xin (Deputy Managing Director) and three independent non-executive Directors, namely Mr. CHAN Kwok Wai, Mr. CHEN Da Cheng and Mr. DENG Hong Ping.

For the purpose of this announcement, amounts denominated in RMB have been translated into HK\$ at an exchange rate of RMB1 = HK\$1.149. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

** For identification purpose only*