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CHEVALIER INTERNATIONAL HOLDINGS LIMITED

其士國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 25)

DISCLOSEABLE TRANSACTION ACQUISITION OF THE PROPERTIES

THE ACQUISITION

On 3 November 2017, CPT Asia, an indirect wholly-owned subsidiary of the Company, submitted the Tender Offer indicating its interest to acquire the Properties from the Vendors at a consideration of HK\$333,800,000 through a public tender process. On 8 November 2017, the Vendors notified CPT Asia that they have accepted the Tender Offer.

The Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

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Parties

- (1) Vendors; and
- (2) CPT Asia, as purchaser

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors (other than Yip Siu Ling and Tam Siu Pik) are engaged in investment holding and the Vendors and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Consideration

The consideration payable by CPT Asia for the Properties is HK\$333,800,000, which has been paid/shall be payable in cash in the following manner:

- (1) HK\$12,000,000, being the initial deposit and part payment of the purchase price for the Properties, has been paid on the submission of the Tender Offer on 3 November 2017;
- (2) a further deposit of HK\$21,380,000 shall be payable on or before noon on 23 November 2017; and
- (3) the remaining balance of HK\$300,420,000 shall be payable on or before noon on 16 January 2018.

The consideration represents the successful tender price submitted by CPT Asia under a tender process conducted by the Vendors. The tender price for the Properties was determined by the Company taking into account the redevelopment potential in the area in which the Properties are situated and the overall prospect of the property market in Hong Kong.

Information of the Properties

The Properties comprise 12 units in 3-storey semi-detached houses built on a site with registered site area of approximately 7,840 sq. ft.. The site is located on the north side of Prince Edward Road West, Kowloon, Hong Kong within Ho Man Tin. To the best of the Directors' knowledge, 8 out of 12 units were leased to various tenants, who are independent third parties of the Company, with tenancy agreements expiring between March 2018 and December 2019 and the remaining units are either left vacant or occupied by the Vendors as at the date of this announcement. The total monthly rental based on subsisting tenancy agreements provided by the Vendors is approximately HK\$191,240. The Properties are being acquired together with the rights and benefits of the subsisting tenancy agreements.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company and the principal activities of its subsidiaries include construction and engineering, property investment, property development and operations, senior housing and car dealership.

The Acquisition is in the ordinary and usual course of the Group's business. The Group will consider redeveloping the site when the timing is appropriate. The Group intends to fund the consideration for the Acquisition and the future redevelopment costs by internal resources and borrowings to be arranged in due course.

The terms of the Acquisition are determined after having considered the requirements of the tender and the redevelopment potential in the area in which the Properties are situated and the overall prospect of the property market in Hong Kong. The Directors consider the Acquisition represents an opportunity for the Group to further expand its property investment and development business. The Directors consider the terms of the Acquisition to be fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Properties
“Board”	the board of Directors
“CPT Asia”	CPT Asia Holdings Limited, an indirect wholly-owned subsidiary of the Company
“Company”	Chevalier International Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 25)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Properties”	the residential properties situated on a site at Prince Edward Road West known as Nos. 292A, 292B, 292C and 292D Prince Edward Road West, Ho Man Tin, Kowloon with registered site area of approximately 7,840 sq. ft. and comprise 12 units in 3-storey semi-detached houses with gross floor area of approximately 12,691 sq.ft.
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender Offer”	the tender offer for the Acquisition submitted by CPT Asia on 3 November 2017 under the public tender conducted by the Vendors
“Vendors”	collectively, Glory Honour Limited, Kong Harvest Limited, Ronaldin Investment Company Limited, Pinewood Investments Limited, Yip Siu Ling and Tam Siu Pik, being the vendors of the Properties

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“sq. ft.” square feet

By Order of the Board
Chevalier International Holdings Limited
KUOK Hoi Sang
Chairman and Managing Director

Hong Kong, 8 November 2017

As at the date of this announcement, the Board comprises Messrs Kuok Hoi Sang (Chairman and Managing Director), Tam Kwok Wing (Deputy Managing Director), Ho Chung Leung, Ma Chi Wing and Miss Lily Chow as Executive Directors; Dr. Chow Ming Kuen, Joseph, Mr. Yang Chuen Liang, Charles, Professor Poon Chung Kwong and Mr. Irons Sze as Independent Non-Executive Directors; Dr. Ko Chan Gock, William and Mr. Chow Vee Tsung, Oscar as Non-Executive Directors.

* *For identification purpose only*