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Chuang's Consortium International Limited
(莊士機構國際有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 367)



Chuang's China Investments Limited
(莊士中國投資有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 298)

MAJOR TRANSACTION

**VERY SUBSTANTIAL
DISPOSAL**

JOINT ANNOUNCEMENT

PROPOSED DISPOSAL OF PROPERTIES HOLDING COMPANIES

AND

RESUMPTION OF TRADING

THE SP AGREEMENT

The respective Boards of Chuang's China and Chuang's Consortium are pleased to announce that on 25 August 2016 (after trading hours), the Vendor (a wholly-owned subsidiary of Chuang's China), the Purchaser, Chuang's China (as guarantor of the Vendor) and the Purchaser's Guarantor entered into the SP Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the Sale Shares (being the entire issued share capital of the Target Company) and the Sale Loan at an aggregate consideration of approximately RMB1,330.4 million (equivalent to approximately HK\$1,545.9 million), subject to the Adjustment.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, the Vendor is a direct wholly-owned subsidiary of Chuang's China and Chuang's China is a non-wholly-owned subsidiary of, and owned as to approximately 56% by, the Chuang's Consortium Group.

Chuang's China

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is above 75% for Chuang's China, the Disposal constitutes a very substantial disposal of Chuang's China and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, amongst other things, further information on the Disposal, a valuation report on the Project Site and the Inventory, other information as required under the Listing Rules and the notice for convening the Chuang's China SGM will be despatched to the Chuang's China Shareholders on or before 28 September 2016 in order to allow sufficient time for Chuang's China to prepare the necessary information to be included in the circular.

Chuang's Consortium

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is above 25% but less than 75% for Chuang's Consortium, the Disposal constitutes a major transaction for Chuang's Consortium and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Chuang's Consortium Directors having made all reasonable enquiries, none of the Chuang's Consortium Shareholders has a material interest in the Disposal. Accordingly, no Chuang's Consortium Shareholders will be required to abstain from voting if Chuang's Consortium were to convene a general meeting for approving the Disposal. Pursuant to Rule 14.44 of the Listing Rules, in lieu of holding a general meeting, shareholders' written approval has been obtained from EHL, HAL and HKIL, being a closely allied group of Chuang's Consortium Shareholders which, as at the date of this joint announcement, held 727,629,332, 76,003,017 and 207,608,072 Chuang's Consortium Shares respectively, representing a total of approximately 60.1% of the entire issued share capital of Chuang's Consortium, approving the Disposal. EHL is a company wholly-owned by Mr. Chuang, the chairman and an executive director of Chuang's Consortium. HAL is a company wholly-owned by Mrs. Siu, a sister of Mr. Chuang. The Chuang's Consortium Shares held by HKIL are held on trust of which Mr. Chuang and Mrs. Siu are discretionary objects. As such, Chuang's Consortium is not required to convene a special general meeting for this purpose.

A circular containing, amongst other things, further information on the Disposal, a valuation report on the Project Site and the Inventory and other information as required under the Listing Rules will be despatched to the Chuang's Consortium Shareholders on or before 28 September 2016 in order to coincide with the despatch of the circular of Chuang's China.

GENERAL

Completion is subject to the satisfaction of the Condition and therefore, may or may not take place. Shareholders and potential investors of Chuang's China and Chuang's Consortium are advised to exercise caution when dealing in the shares of Chuang's China and Chuang's Consortium respectively.

RESUMPTION OF TRADING

Trading in the shares of Chuang's China was halted with effect from 9:00 a.m. on 26 August 2016 at the request of Chuang's China, pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of Chuang's China on the Stock Exchange with effect from 9:00 a.m. on 29 August 2016.

Trading in the shares of Chuang's Consortium was halted with effect from 9:00 a.m. on 26 August 2016 at the request of Chuang's Consortium, pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of Chuang's Consortium on the Stock Exchange with effect from 9:00 a.m. on 29 August 2016.

INTRODUCTION

The respective Boards of Chuang's China and Chuang's Consortium are pleased to announce that on 25 August 2016 (after trading hours), the Vendor (a wholly-owned subsidiary of Chuang's China), the Purchaser (a wholly-owned subsidiary of Country Garden), Chuang's China (as guarantor of the Vendor) and the Purchaser's Guarantor entered into the SP Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the Sale Shares (being the entire issued share capital of the Target Company) and the Sale Loan at an aggregate consideration of approximately RMB1,330.4 million (equivalent to approximately HK\$1,545.9 million), subject to the Adjustment.

THE SP AGREEMENT

1. Date

25 August 2016 (after trading hours)

2. Parties

The Vendor: Chuang's China Realty Limited;

The Vendor's Guarantor: Chuang's China;

The Purchaser: View Glory Enterprises Limited; and

The Purchaser's Guarantor: Angel View International Limited

The Purchaser and the Purchaser's Guarantor are companies incorporated in the British Virgin Islands with limited liability. As at the date of this joint announcement, both the Purchaser and the Purchaser's Guarantor are indirect wholly-owned subsidiaries of Country Garden.

To the best of each of the Chuang's China Directors' and the Chuang's Consortium Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser, the Purchaser's Guarantor and their ultimate beneficial owners are third parties independent of Chuang's China and Chuang's Consortium and their respective connected persons (as defined in the Listing Rules); (ii) the Purchaser is principally engaged in investment holding; and (iii) the Purchaser's Guarantor is principally engaged in investment holding and rendering of property related sales services.

Chuang's China and the Purchaser's Guarantor were joined as parties to the SP Agreement to guarantee the payment performance of the Vendor and the Purchaser respectively under the SP Agreement.

3. Assets to be disposed of

Pursuant to the SP Agreement, the assets to be disposed of by the Vendor comprise the Sale Shares (being the entire issued share capital of the Target Company beneficially owned by the Vendor) and the Sale Loan (being the entire shareholder's loan owing by the Target Company to the Vendor at Completion).

The assets of the Target Group, at Completion, will comprise (a) the Project Site; (b) the Inventory; and (c) the remaining bank balances held in the regulated bank accounts of the Target Group arise from presale proceeds that will be released upon handover of Presold Properties to buyers ("**Regulated Fund**"). The liabilities of the Target Group, at Completion, will comprise (a) the Sale Loan; (b) the payables in relation to Phase I, Phase II and Phase III of the Project including, inter alia, the associated construction costs and selling expenses and other sundry payables ("**Other Payables**"); and (c) the tax obligation in relation to Phase I, Phase II and Phase III of the Project and the transfer of the Retained Assets out of the Target Group ("**Tax Liabilities**").

The Vendor has conditionally agreed to sell the Sale Shares and the Sale Loan to the Purchaser free from encumbrances but together with all rights attached, accrued or accruing thereto as at the Completion Date and together with all dividends and distributions declared made or paid or agreed to be made or paid thereon or in respect thereof on or after the Completion Date.

4. Consideration and Adjustment

The Consideration under the SP Agreement is approximately RMB1,330.4 million (equivalent to approximately HK\$1,545.9 million), subject to the Adjustment, which shall be satisfied in cash by the Purchaser to the Vendor in the following manners:

- (a) RMB300 million (equivalent to approximately HK\$348.6 million), being the initial deposit of the Consideration ("**Deposit**"), has been paid upon signing of the SP Agreement; and

- (b) approximately RMB1,030.4 million (equivalent to approximately HK\$1,197.3 million), being the remaining balance of the Consideration, together with the Adjustment (if any), shall be paid on the Completion Date. The Purchaser's Guarantor shall guarantee such obligation of the Purchaser.

Pursuant to the SP Agreement, the Vendor and the Purchaser agreed that the Adjustment will be made to the Consideration upon Completion, in the event that there are subsequent reduction to Regulated Fund and payment of Other Payables and Tax Liabilities during the period from the SP Agreement Date up to the Completion Date (“**Period**”). The maximum upward Adjustment (if any) will not be more than approximately RMB63.9 million (equivalent to approximately HK\$74.3 million), representing the entire amount of Other Payables and a portion of Tax Liabilities that may be settled before Completion. The maximum downward Adjustment (if any) will not be more than approximately RMB6.1 million (equivalent to approximately HK\$7.1 million), representing the entire amount of Regulated Fund.

The Consideration (together with the Adjustment, if any) was arrived at after arm's length negotiations between the Vendor and the Purchaser with reference to the net asset value of the Target Group at Completion, adjusting for the market value of the Project Site and the Inventory after taking into account market prices of similar properties in nearby area. Therefore, the Consideration (together with the Adjustment, if any) is approximately equal to the market value of the Project Site and the Inventory plus the amount of Regulated Fund and minus the amount of Other Payables and Tax Liabilities.

5. Retained Assets

Pursuant to the SP Agreement, the ownership of the Retained Assets currently owned by the Target Group shall be retained by the Vendor. The Purchaser shall assist the subsidiaries of the Target Group to transfer the title of ownership of the Retained Assets to designated company(ies) of the Vendor after Completion if such Retained Assets have not been transferred out of the Target Group prior to Completion.

6. Condition precedent

Completion shall be conditional on the obtaining of all necessary approvals from the Chuang's China Shareholders and the Chuang's Consortium Shareholders for the SP Agreement and the transactions contemplated thereunder and the obtaining of the necessary consent for the transactions contemplated under the SP Agreement pursuant to the Listing Rules.

Profit Stability Investments Limited (“**Profit Stability**”), a wholly-owned subsidiary of Chuang's Consortium, has irrevocably undertaken that it will vote not less than 50% of the issued shares of Chuang's China in favour of the resolution(s) to be proposed at the Chuang's China SGM to approve the SP Agreement and the transactions contemplated thereunder. Currently, Profit Stability owns approximately 56% interest in Chuang's China.

7. Completion

Completion shall take place on the tenth Business Day following the date on which the Condition has been satisfied (or on such other day as the Vendor and the Purchaser mutually agree in writing).

Upon Completion, the Target Group will cease to be subsidiaries of Chuang's China and Chuang's Consortium and, therefore, the assets, liabilities and results of the Target Group (except for those arising from the Presold Properties and the Retained Assets) will cease to be consolidated into the consolidated financial statements of the Chuang's China Group and the Chuang's Consortium Group.

8. Other terms

Pursuant to the SP Agreement, it was agreed, inter alia, that:

- (a) the Vendor shall be responsible for filing the tax documents in relation to the Disposal under the SP Agreement pursuant to the Public Notice No. 7 Tax and the Purchaser shall be responsible for settlement of the relevant tax. The Purchaser's Guarantor shall guarantee such obligation of the Purchaser;
- (b) the Vendor shall be responsible for fulfillment of the handover work of the Presold Properties not later than six months after Completion;
- (c) during the Period, the Purchaser shall make advances ("**Advances**"), if required, to the Target Group for the purpose of settling the construction costs relating to Blocks 15 to 20 of the Project Site. Such Advances shall not exceed approximately RMB30.0 million (equivalent to approximately HK\$34.9 million); and
- (d) at the request of the Purchaser, the Vendor shall procure the Target Group to enter into contracts ("**Contracts**") relating to the Project Site prior to Completion. In this respect, the Purchaser shall bear all such expenditures ("**Project Site Expenses**") arising therefrom.

9. Termination

The SP Agreement may be terminated when any of the following events occurs:

- (a) if the Condition is not satisfied on or before the Long Stop Date, either the Purchaser or the Vendor may terminate the SP Agreement and, in such event, the Vendor shall return the Deposit to the designated bank account of the Purchaser in full and the Vendor's Guarantor shall guarantee such obligation of the Vendor; or
- (b) when the Purchaser fails to fulfill its obligations under the SP Agreement to proceed with Completion, provided that the Condition has been satisfied and the Vendor has not breached the terms under the SP Agreement, the Vendor may terminate the SP Agreement immediately by informing the Purchaser in writing. In such event, the Deposit shall be forfeited upon such termination as compensation

payable to the Vendor, and the Purchaser shall indemnify the Vendor against all losses arising from the Contracts. Furthermore, the Vendor is not required to refund the Advances and the Project Site Expenses (if any) to the Purchaser; or

- (c) when the Vendor fails to fulfill its obligations under the SP Agreement to proceed with Completion, provided that the Condition has been satisfied and the Purchaser has not breached the terms of the SP Agreement, the Purchaser may terminate the SP Agreement immediately by informing the Vendor in writing. In such event, the Vendor shall return the Deposit to designated bank account of the Purchaser in full and pay an amount equivalent to the amount of the Deposit to the Purchaser as compensation upon such termination and the Vendor's Guarantor shall guarantee such obligation of the Vendor.

In the case of termination under 9(a) or 9(c) above, the Vendor shall also refund the Advances and the Project Site Expenses (if any) to the Purchaser in full.

INFORMATION ON THE TARGET COMPANY, THE TARGET GROUP AND THE PROJECT

The Target Company is incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Vendor. The Target Company is principally engaged in investment holding and owns the Project through its wholly-owned subsidiaries. Subsidiaries of the Target Company are the owners of the land use rights of the Project, the intended use of which is for commercial and residential use. In the past years, the Target Group has completed the development of Phase I, Phase II and Phase III (comprising Blocks 1 to 14 and the Presold Properties) of the Project with aggregate GFA of approximately 280,000 sq. m., of which most of them have been sold or pre-sold.

At Completion, the principal assets of the Target Group are (i) the Project Site, with developable GFA of approximately 323,492.86 sq. m., of which basement construction works for Blocks 15 to 20 of Phase IV are in progress; and (ii) the Inventory, comprising the unsold residential and commercial properties with total GFA of approximately 17,815 sq. m. and 445 carparking spaces of Phase I, Phase II and Phase III of the Project.

A summary of the consolidated financial information of the Target Group for the two years ended 31 March 2016 is set out below:

	For the years ended	
	31 March	
	2016	2015
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Net profit before taxation and extraordinary items	12.8	70.7
Net (loss)/profit after taxation and extraordinary items	(12.1)	49.5

The consolidated net asset value of the Target Group (excluding the amount due to the Vendor of approximately HK\$510.1 million) as at 31 March 2016 amounted to approximately HK\$221.4 million.

INFORMATION ON THE VENDOR, THE CHUANG'S CHINA GROUP AND THE CHUANG'S CONSORTIUM GROUP

The Vendor is a company incorporated in the Bermuda with limited liability and is a direct wholly-owned subsidiary of Chuang's China. The Vendor is principally engaged in investment holding.

The Chuang's China Group is principally engaged in property development, investment and trading, hotel operation and management, manufacturing, sales and trading of goods and merchandises, including watch components and art pieces, and securities investment and trading. As at the date of this joint announcement, Chuang's China is a non-wholly-owned subsidiary of, and owned as to approximately 56% by, the Chuang's Consortium Group.

The Chuang's Consortium Group is principally engaged in property development, investment and trading, hotel operation and management, manufacturing, sales and trading of printed products, home finishing products, watch components and merchandises, securities investment and trading, development and operation of cemetery and information technology business.

REASONS FOR, AND BENEFITS OF, THE DISPOSAL

Chuang's China

The Project is one of the property development projects of the Chuang's China Group in the PRC, and its development is divided into different phases. As disclosed in the annual report of Chuang's China for the year ended 31 March 2016 ("**2016 Annual Report**"), the Chuang's China Group may, depending on the market conditions, dispose its entire interests in the Project which would allow the Chuang's China Group to unlock the stored value, and accelerate the return, in the Project. Furthermore, the Disposal will also enable the Chuang's China Group to realize cash and strengthen its financial position for future business expansion.

The net cash proceeds from the Disposal, after deducting the estimated expenses in relation to the Disposal, will amount to approximately RMB1,298.0 million (equivalent to approximately HK\$1,508.3 million). It is currently intended that the net proceeds will be applied as general working capital and for business development of the Chuang's China Group. As stated in the 2016 Annual Report, the Chuang's China Group will consolidate its development strategy to focus on property development in first tier cities as well as to further diversify to other businesses with steady income. The Chuang's China Group will identify opportunities for acquisition of investment properties at prime location, which will provide sustainable and stable income. Geographically, the Chuang's China Group will seek for opportunities not only in Hong Kong and the PRC but also to expand to other developed countries. Furthermore, the Chuang's China Group will proactively explore business innovations to achieve long-term sustainable development, and will focus on those ventures that require similar skill-sets of land acquisition, land planning and utilization.

Based on the Consideration of approximately RMB1,330.4 million (equivalent to approximately HK\$1,545.9 million) and the consolidated net asset value of the Target Group (excluding the amount due to the Vendor) as at 31 March 2016, the Chuang's China Group is expected to record an estimated net gain from the Disposal of approximately

HK\$1,243.0 million. Such net gain has taken into account the estimated expenses in relation to the Disposal, the realization of exchange reserve and the exclusion of the net asset value of the Presold Properties and the Retained Assets. However, the actual amount of net gain from the Disposal can only be determined at Completion.

On the basis of the above, the Chuang's China Directors are of the view that the terms of the SP Agreement are on normal commercial terms, fair and reasonable and are in the interests of Chuang's China and its shareholders as a whole.

Chuang's Consortium

Chuang's China is a 56% subsidiary of the Chuang's Consortium Group. Having considered the factors mentioned above, in particular, the Disposal will (i) unlock the stored value in the Project and accelerate the return in the Project; (ii) enhance the financial position of the Chuang's China Group; (iii) generate a net gain to the Chuang's China Group; and (iv) enable the Chuang's China Group to realize cash to pursue its business development plans, which is beneficial to the long-term development of the Chuang's China Group, the Chuang's Consortium Directors concur with the view of the Chuang's China Directors that the Disposal is in the interests of the shareholders of Chuang's China as a whole. Furthermore, the Disposal is expected to generate an estimated net gain of approximately HK\$694.0 million to the Chuang's Consortium Group (after deducting non-controlling interests and the estimated expenses in relation to the Disposal). However, the actual amount of net gain from the Disposal can only be determined at Completion.

On the basis of the above, the Chuang's Consortium Directors are of the view that the terms of the SP Agreement are on normal commercial terms, fair and reasonable and are in the interests of Chuang's Consortium and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, the Vendor is a direct wholly-owned subsidiary of Chuang's China and Chuang's China is a non-wholly-owned subsidiary of, and owned as to approximately 56% by, the Chuang's Consortium Group.

Chuang's China

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is above 75% for Chuang's China, the Disposal constitutes a very substantial disposal of Chuang's China and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Chuang's China Directors having made all reasonable enquiries, none of the Chuang's China Shareholders has a material interest in the Disposal and therefore, no Chuang's China Shareholders will be required to abstain from voting on the resolution(s) to be proposed at the Chuang's China SGM to approve the Disposal contemplated under the SP Agreement.

A circular containing, amongst other things, further information on the Disposal, a valuation report on the Project Site and the Inventory, other information as required under the Listing Rules and the notice for convening the Chuang's China SGM will be despatched to the Chuang's China Shareholders on or before 28 September 2016 in order to allow sufficient time for Chuang's China to prepare the necessary information to be included in the circular.

Chuang's Consortium

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is above 25% but less than 75% for Chuang's Consortium, the Disposal constitutes a major transaction for Chuang's Consortium and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Chuang's Consortium Directors having made all reasonable enquiries, none of the Chuang's Consortium Shareholders has a material interest in the Disposal. Accordingly, no Chuang's Consortium Shareholders will be required to abstain from voting if Chuang's Consortium were to convene a general meeting for approving the Disposal. Pursuant to Rule 14.44 of the Listing Rules, in lieu of holding a general meeting, shareholders' written approval has been obtained from Evergain Holdings Limited ("**EHL**"), Hilltop Assets Limited ("**HAL**") and H.K. International Limited ("**HKIL**"), being a closely allied group of Chuang's Consortium Shareholders which, as at the date of this joint announcement, held 727,629,332, 76,003,017 and 207,608,072 Chuang's Consortium Shares respectively, representing a total of approximately 60.1% of the entire issued share capital of Chuang's Consortium, approving the Disposal. EHL is a company wholly-owned by Mr. Alan Chuang Shaw Swee ("**Mr. Chuang**"), the chairman and an executive director of Chuang's Consortium. HAL is a company wholly-owned by Mrs. Siu Chuang Siu Suen ("**Mrs. Siu**"), a sister of Mr. Chuang. The Chuang's Consortium Shares held by HKIL are held on trust of which Mr. Chuang and Mrs. Siu are discretionary objects. As such, Chuang's Consortium is not required to convene a special general meeting for this purpose.

A circular containing, amongst other things, further information on the Disposal, a valuation report on the Project Site and the Inventory and other information as required under the Listing Rules will be despatched to the Chuang's Consortium Shareholders on or before 28 September 2016 in order to coincide with the despatch of the circular of Chuang's China.

GENERAL

Completion is subject to the satisfaction of the Condition and therefore, may or may not take place. Shareholders and potential investors of Chuang's China and Chuang's Consortium are advised to exercise caution when dealing in the shares of Chuang's China and Chuang's Consortium respectively.

RESUMPTION OF TRADING

Trading in the shares of Chuang's China was halted with effect from 9:00 a.m. on 26 August 2016 at the request of Chuang's China, pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of Chuang's China on the Stock Exchange with effect from 9:00 a.m. on 29 August 2016.

Trading in the shares of Chuang's Consortium was halted with effect from 9:00 a.m. on 26 August 2016 at the request of Chuang's Consortium, pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of Chuang's Consortium on the Stock Exchange with effect from 9:00 a.m. on 29 August 2016.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Adjustment”	adjustment which may have to be made in accordance with the terms of the SP Agreement to the Consideration
“Board(s)”	as the context may require, the board of directors of Chuang's China or Chuang's Consortium
“Business Day”	means a day (other than a Saturday, a Sunday or a public holiday in the PRC or Hong Kong or a day on which a tropical cyclone warning no. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in the PRC and Hong Kong are open for generally banking business in the PRC and Hong Kong throughout their normal business hours
“Chuang's China” or “Vendor's Guarantor”	Chuang's China Investments Limited (stock code: 298), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange. Chuang's China is a non-wholly-owned subsidiary of the Chuang's Consortium Group
“Chuang's China Directors”	directors of Chuang's China
“Chuang's China Group”	Chuang's China and its subsidiaries
“Chuang's China SGM”	the special general meeting of Chuang's China to be convened for the Chuang's China Shareholders to consider and, if thought fit, to approve, among other matters, the SP Agreement and the transactions contemplated thereunder

“Chuang’s China Shareholder(s)”	holder(s) of ordinary shares of HK\$0.05 each in the issued share capital of Chuang’s China
“Chuang’s Consortium”	Chuang’s Consortium International Limited (stock code: 367), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Chuang’s Consortium Directors”	directors of Chuang’s Consortium
“Chuang’s Consortium Group”	Chuang’s Consortium and its subsidiaries
“Chuang’s Consortium Share(s)”	ordinary share(s) of HK\$0.25 each in the issued share capital of Chuang’s Consortium
“Chuang’s Consortium Shareholder(s)”	holder(s) of the Chuang’s Consortium Shares
“Completion”	completion of the Disposal in accordance with the terms and conditions of the SP Agreement
“Completion Date”	the date of which Completion is to take place in accordance with the terms and conditions of the SP Agreement
“Condition”	the condition precedent to the Completion as set out in the sub-section headed “The SP Agreement – 6. Condition precedent” in this joint announcement
“Consideration”	the consideration payable by the Purchaser to the Vendor for the Sale Shares and the Sale Loan under the SP Agreement
“Country Garden”	Country Garden Holdings Company Limited (stock code: 2007), a company incorporated in Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Disposal”	the proposed disposal of the Sale Shares and the Sale Loan by the Vendor to the Purchaser pursuant to the terms and conditions of the SP Agreement
“GFA”	gross floor area
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Inventory”	the unsold residential and commercial properties with total GFA of about 17,815 sq. m. and the 445 unsold carparking spaces of Phase I, Phase II and Phase III of the Project
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 November 2016 or, if the Condition is not satisfied on 30 November 2016, be automatically extended to 31 December 2016 or such other date as the Vendor and the Purchaser may agree in writing
“PRC”	the People’s Republic of China
“Presold Properties”	the residential units of Blocks 29 to 31 of Phase III of the Project which have been pre-sold before the SP Agreement Date that will be retained by the Vendor
“Project”	comprising (i) the property development project known as “Chuang’s New City (莊士新都)” located at No. 8 Chuang’s Road, Shatian, Dongguan, the PRC comprising (a) administration building; (b) Phase I (Shatian Garden 沙田花園); (c) Phase II (Gold Coast 黃金海岸); and (d) Phase III (Blocks 1 to 14 and Blocks 29 to 31, Imperial Garden 濱江豪園), all of which are already developed by the Chuang’s China Group; and (ii) the Project Site
“Project Site”	comprises Phase IV of Chuang’s New City (莊士新都) located at No. 8 Chuang’s Road, Shatian, Dongguan, the PRC (Blocks 15 to 28 and Blocks 32 to 55), having an aggregate site area of approximately 151,966 sq. m. and GFA for future development of approximately 323,492.86 sq. m. (of which Blocks 15 to 20 are undergoing basement construction works)
“Public Notice No. 7 Tax”	tax payable in connection with the SP Agreement as required by 《國家稅務總局關於加強非居民企業股權轉讓所得稅管理的通知》(國稅函(2009)698號) (Notice of the State Administration of Taxation on Strengthening the Administration of Enterprise Income Tax on Non-resident Enterprises’ Equity Transfer Income (No. 698 [2009] of the State Administration of Taxation), 《國家稅務總局關於非居民企業所得稅管理若干問題的公告》(國家稅務總局公告2011年第24號) (Announcement of the State Administration of Taxation on Several Issues Concerning the Administration of Income Tax on Non-Resident Enterprises (Announcement of the State Administration of Taxation (No. 24 [2011])) and Public Notice No. 7 issued by the State Administration of Taxation of PRC on 3 February 2015

“Purchaser”	View Glory Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of Country Garden, being the Purchaser under the SP Agreement
“Purchaser’s Guarantor”	Angel View International Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of Country Garden, being the guarantor of the Purchaser under the SP Agreement
“Retained Assets”	comprising (i) the administration building with GFA of about 4,166 sq. m. located in the Project; (ii) 12 residential units of Phase I (Shatian Garden 沙田花園); (iii) 4 carparking spaces of Phase II (Gold Coast 黃金海岸); and (iv) 8 motor vehicles, all currently owned by the Target Group
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Loan”	the interest-free shareholder’s loan owing by the Target Company to the Vendor as at Completion
“Sale Shares”	two (2) shares representing the entire equity interest in the Target Company
“SP Agreement”	the conditional sale and purchase agreement dated 25 August 2016 entered into amongst the Vendor, the Purchaser, Chuang’s China and the Purchaser’s Guarantor in relation to the Disposal
“SP Agreement Date”	the date of the SP Agreement
“sq. m.”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Chuang’s Development (Dong Guan) Limited, a company incorporated in Hong Kong with limited liability and is directly wholly-owned by the Vendor
“Target Group”	the Target Company and its subsidiaries as at the date of the SP Agreement

“Vendor”

Chuang’s China Realty Limited, a company incorporated in Bermuda with limited liability and is directly wholly-owned by Chuang’s China, being the Vendor under the SP Agreement

“%”

per cent.

By order of the board of
Chuang’s Consortium International Limited
Albert Chuang Ka Pun
Joint Managing Director

By order of the board of
Chuang’s China Investments Limited
Albert Chuang Ka Pun
Managing Director

Hong Kong, 28 August 2016

As at the date of this joint announcement, Chuang’s Consortium’s board comprises Mr. Alan Chuang Shaw Swee, Mr. Albert Chuang Ka Pun, Mr. Chong Ka Fung, Mrs. Candy Kotewall Chuang Ka Wai, Mr. Wong Chung Wai and Mr. Chan Chun Man who are the executive directors of Chuang’s Consortium, and Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. Yau Chi Ming and Mr. David Chu Yu Lin who are the independent non-executive directors of Chuang’s Consortium.

As at the date of this joint announcement, Chuang’s China’s board comprises Miss Ann Li Mee Sum, Mr. Albert Chuang Ka Pun, Mr. Chong Ka Fung, Mr. Sunny Pang Chun Kit and Mr. Peter Lo Wing Cheung who are the executive directors of Chuang’s China, and Mr. Abraham Shek Lai Him, Mr. David Chu Yu Lin and Mr. Andrew Fan Chun Wah who are the independent non-executive directors of Chuang’s China.

For the purpose of this joint announcement, the translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 = HK\$1.162. Such translation should not be construed as a representation that the amount in question have been, could have been or could be converted at any particular rate or at all.