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

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**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).

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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)****MAJOR TRANSACTIONS  
ENTERING INTO FINANCE LEASES AS THE LESSOR**

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A letter from the Board is set out on pages 5 to 13 of this circular.

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

19 November 2021

\* For identification purpose only

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## DEFINITIONS

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

“Assets A1”	shall have the meaning as disclosed in the section headed “(A) THE FINANCE LEASES A – Information on the Assets A” in this circular
“Assets A2”	shall have the meaning as disclosed in the section headed “(A) THE FINANCE LEASES A – Information on the Assets A” in this circular
“Assets A”	collectively, Assets A1 and Assets A2
“Assets B”	shall have the meaning as disclosed in the section headed “(B) THE FINANCE LEASE B – Information on the Assets B” 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 A1”	the finance lease agreement and incidental documentation dated 7 December 2020 entered into between Greengold Leasing and the Lessees A, the details of which have been disclosed in the announcement of the Company dated 8 December 2020
“Existing Finance Lease A2”	the finance lease agreement and incidental documentation dated 29 January 2021 entered into between Greengold Leasing and the Lessees A for the acquisition and leaseback consideration amount of RMB20,000,000
“Existing Finance Lease A3”	the finance lease agreement and incidental documentation dated 23 August 2021 entered into between Greengold Leasing and the Lessees A, the details of which have been disclosed in the announcement of the Company dated 25 August 2021
“Existing Finance Leases A”	collectively, the Existing Finance Lease A1, the Existing Finance Lease A2 and the Existing Finance Lease A3

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## DEFINITIONS

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“Existing Finance Lease B1”	the finance lease agreement and incidental documentation dated 3 March 2021 entered into between Greengold Leasing and the then lessee, the details of which have been disclosed in the announcement of the Company dated 4 March 2021
“Existing Finance Lease B2”	the finance lease agreement and incidental documentation dated 1 April 2021 entered into between Greengold Leasing and the then lessee, the details of which have been disclosed in the announcement of the Company dated 1 April 2021
“Existing Finance Leases B”	collectively, the Existing Finance Lease B1 and the Existing Finance Lease B2
“Finance Lease A1”	the finance lease agreement and the relevant Incidental Documentation A dated 29 October 2021 entered into between Greengold Leasing and the Lessees A in relation to the transfer of ownership and lease back of the Assets A1
“Finance Lease A2”	the finance lease agreement and the relevant Incidental Documentation A dated 29 October 2021 entered into between Greengold Leasing and the Lessees A in relation to the transfer of ownership and lease back of the Assets A2
“Finance Leases A”	collectively, the Finance Lease A1 and the Finance Lease A2
“Finance Lease B”	the finance lease agreement and the Incidental Documentation B dated 29 October 2021 entered into between Greengold Leasing and Lessee B in relation to the transfer of ownership and lease back of the Assets B
“Greengold Leasing”	Canton Greengold Financial Leasing Ltd.* (廣東綠金融資租賃有限公司) (formerly known as Canton Risen Financial Leasing Co., Ltd.* (廣東粵盛科融資租賃有限公司)), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guarantor A”	Foshan City Nanhai District Dali Land Resources Development Co.* (佛山市南海區大瀝土地資源開發公司), a collective enterprise incorporated in the PRC, which is ultimately controlled by the People’s Government of Dali Town, Nanhai District, Foshan City, and an Independent Third Party

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## DEFINITIONS

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“Guarantor B1”	Guangzhou Agile Solid Waste Treatment Co., Ltd.* (廣州雅居樂固體廢物處理有限公司), a company incorporated in the PRC with limited liability, which is ultimately controlled by Agile Group Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3383), and an Independent Third Party
“Guarantor B2”	Yulin City Xintao Environmental Technology Co., Ltd.* (玉林市新滔環保科技有限公司), a company incorporated in the PRC with limited liability, which is ultimately controlled by Agile Group Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3383), and an Independent Third Party
“Guarantors B”	Collectively, Guarantor B1 and Guarantor B2
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Incidental Documentation A”	the agreements incidental to the Finance Leases A, including the transfer agreements, the consultancy agreements and the guarantees
“Incidental Documentation B”	the agreements incidental to the Finance Lease B, including the transfer agreement, the consultancy agreement, the guarantee, the asset pledge agreement, the share pledge agreement and the receivables pledge agreement
“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”	16 November 2021, 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 A1”	Foshan City Nanhai Hengyuan Property Management Co., Ltd.* (佛山市南海恒源物業管理有限公司), a limited liability company incorporated in the PRC, which is ultimately controlled by the People’s Government of Yanbu Town, Nanhai District, Foshan City, and an Independent Third Party

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## DEFINITIONS

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“Lessee A2”	Foshan City Nanhai District Dali Town Yuansheng Water Treatment Co., Ltd.* (佛山市南海區大瀝鎮源生水處理有限公司), a limited liability company incorporated in the PRC, which is ultimately controlled by the People’s Government of Dali Town, Nanhai District, Foshan City, and an Independent Third Party
“Lessee A3”	Foshan City Nanhai District Dali Agricultural Machinery Co.* (佛山市南海區大瀝農業機械公司), a collective enterprise incorporated in the PRC, which is ultimately controlled by the Urban and Rural Coordination Bureau of Dali Town, Nanhai District, Foshan City, and an Independent Third Party
“Lessees A”	collectively, Lessee A1, Lessee A2 and Lessee A3
“Lessee B”	Guangxi Laibin Agile Energy Environmental Technology Co., Ltd.* (廣西來賓雅居樂節能環保科技有限公司), a company incorporated in the PRC with limited liability, which is ultimately controlled by Agile Group Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3383), 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

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## LETTER FROM THE BOARD

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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)

*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

19 November 2021

*To the Shareholders*

Dear Sir or Madam,

### MAJOR TRANSACTIONS ENTERING INTO FINANCE LEASES AS THE LESSOR

#### INTRODUCTION

Reference is made to the announcement of the Company dated 29 October 2021 in relation to the entering into of (i) the Finance Leases A with Lessees A to acquire the ownership of the Assets A for an aggregate consideration of RMB280,000,000 (equivalent to approximately HK\$340,760,000), which would be leased back to Lessees A for their use and possession for a term of 5 years; and (ii) the Finance Lease B with Lessee B to acquire the ownership of the Assets B for the consideration of RMB100,000,000 (equivalent to approximately HK\$121,700,000), which would be leased back to Lessee B 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 Leases A and Finance Lease B and other information as required under the Listing Rules.

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## LETTER FROM THE BOARD

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Set out below is a summary of the principal terms of the Finance Leases A and Finance Lease B:

### **(A) THE FINANCE LEASES A**

#### **Date:**

29 October 2021

The Finance Leases A 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;
- (2) the Lessees A; and
- (3) the Guarantor A (in relation to the relevant guarantee).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Lessees A, Guarantor A and their ultimate beneficial owners are Independent Third Parties.

#### **Transfer of the Assets A and consideration**

Greengold Leasing will be transferred the unencumbered ownership of Assets A1 and Assets A2 from Lessees A on an "as-is" basis at the consideration of RMB150,000,000 (equivalent to approximately HK\$182,550,000) and RMB130,000,000 (equivalent to approximately HK\$158,210,000) in cash pursuant to Finance Lease A1 and Finance Lease A2 respectively, payable within 12 months from the date of the Finance Leases A. The transfer agreements were entered into between Greengold Leasing and the Lessees A on the date of the Finance Leases A, effecting the terms of the Finance Leases A in relation to the transfer of the Assets A from the Lessees A to Greengold Leasing above.

Such consideration amount was determined following arm's length negotiations by the parties to the Finance Leases A with reference to the original cost of Assets A1 and Assets A2 of approximately RMB212,723,000 (equivalent to approximately HK\$258,884,000) and RMB188,143,000 (equivalent to approximately 228,970,000) respectively, and their state, which were reviewed by Greengold Leasing's experienced leasing team. The consideration amount for the acquisition of the Assets A will be funded through the internal resources of the Group and/or external loans.

#### **Lease period**

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



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## LETTER FROM THE BOARD

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### **Payments under the Finance Leases A**

In respect of Finance Lease A1, the total amount of lease payments is approximately RMB180,045,000 (equivalent to approximately HK\$219,115,000), comprising (a) the lease principal payment of RMB150,000,000 (equivalent to approximately HK\$182,550,000) and (b) the aggregate lease interest and other fees and expenses under the Incidental Documentation A of approximately RMB30,045,000 (equivalent to approximately HK\$36,565,000). Both the lease principal and interest will be paid quarterly over the lease period.

In respect of Finance Lease A2, the total amount of lease payments is approximately RMB158,712,000 (equivalent to approximately HK\$193,153,000), comprising (a) the lease principal payment of RMB130,000,000 (equivalent to approximately HK\$158,210,000) and (b) the aggregate lease interest and other fees and expenses under the Incidental Documentation A of approximately RMB28,712,000 (equivalent to approximately HK\$34,943,000). Both the lease principal and interest will be paid quarterly over the lease period.

The terms of the Finance Leases A, including the lease principal and lease interest, were determined after arm's length negotiations between the respective parties to the Finance Leases A with reference to the principal amount of the leases, the interest risk of financing, the prime lending rate published by the National Interbank Funding Center from time to time, the credit risks associated with the Finance Leases A and the targeted overall return of the Group for the Finance Leases A.

### **Termination and transfer of the Assets A to the Lessees A**

The Lessees A may terminate the Finance Leases A provided that all outstanding amounts due thereunder have been settled by them. At the end of the lease period or in the event of an early termination of the Finance Leases A, subject to the settlement of all outstanding amounts due, Lessees A had agreed to purchase the Assets A at a nominal purchase price of RMB100 each (equivalent to approximately HK\$121.7).

### **Guarantee deposits**

The Lessees A will pay interest-free deposits of RMB4,500,000 (equivalent to approximately HK\$5,477,000) and RMB3,900,000 (equivalent to approximately HK\$4,746,000) to Greengold Leasing on the same day the consideration for the Assets A transfer has been paid by Greengold Leasing to secure their payment obligations under Finance Lease A1 and Finance Lease A2 respectively.

### **Guarantees**

Guarantor A had executed guarantees on the date of the Finance Leases A guaranteeing Greengold Leasing the due and punctual settlement of any and all amount payable by the Lessees A under the Finance Leases A.

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## LETTER FROM THE BOARD

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### **Information on the Assets A**

Assets A1 comprise certain designated sections of sewage collection and treatment system situated in Dali Town, Nanhai District, Foshan City, Guangdong Province, the PRC.

Assets A2 comprise certain designated sections of sewage collection system situated in Dali Town, Nanhai District, Foshan City, Guangdong Province, the PRC.

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

### **(B) THE FINANCE LEASE B**

#### **Date:**

29 October 2021

The Finance Lease B 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;
- (2) the Lessee B; and
- (3) the Guarantors B (in relation to the relevant guarantee).

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

### **Transfer of the Assets B and consideration**

Greengold Leasing will be transferred the unencumbered ownership of the Assets B from Lessee B on an "as-is" basis at the consideration of RMB100,000,000 (equivalent to approximately HK\$121,700,000) in cash pursuant to the Finance Lease B, payable within 12 months from the date of the Finance Lease B. The transfer agreement was entered into between Greengold Leasing and Lessee B on the date of the Finance Lease B, effecting the terms of the Finance Lease B in relation to the transfer of the Assets B from Lessee B to Greengold Leasing above.

Such consideration amount was determined following arm's length negotiations by the parties to the Finance Lease B with reference to the original cost of the Assets B of approximately 141,548,000 (equivalent to approximately HK\$172,264,000), and their state, which were reviewed by Greengold Leasing's experienced leasing team. The consideration amount for the acquisition of the Assets B will be funded through the internal resources of the Group and/or external loans.

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## LETTER FROM THE BOARD

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### **Lease period**

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

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

The total amount of lease payments for the Finance Lease B is approximately RMB120,171,000 (equivalent to approximately HK\$146,248,000), comprising (a) the lease principal payment of RMB100,000,000 (equivalent to approximately HK\$121,700,000) and (b) the aggregate lease interest and other fees and expenses under the Incidental Documentation B of approximately RMB20,171,000 (equivalent to approximately HK\$24,548,000). Both the lease principal and interest will be paid quarterly over the lease period.

The terms of the Finance Lease B, including the lease principal and lease interest, were determined after arm's length negotiations between the parties to the Finance Lease B with reference to the principal amount of the lease, the interest risk of financing, the prime lending rate published by the National Interbank Funding Center from time to time, the credit risks associated with the Finance Lease B and the targeted overall return of the Group for the Finance Lease B.

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

Lessee B may terminate the Finance Lease B 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 B, subject to the settlement of all outstanding amounts due, Lessee B had agreed to purchase the Assets B at a nominal purchase price of RMB100 (equivalent to approximately HK\$121.7).

### **Guarantee deposit**

Lessee B will pay an interest-free deposit of RMB7,000,000 (equivalent to approximately HK\$8,519,000) to Greengold Leasing on the same day the consideration for the Assets B transfer has been paid by Greengold Leasing to secure its payment obligations under the Finance Lease B.

### **Guarantee**

The Guarantors B had executed a guarantee on the date of the Finance Lease B guaranteeing Greengold Leasing, effectively on a joint and several basis, the due and punctual settlement of any and all amount payable by Lessee B under the Finance Lease B.

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## LETTER FROM THE BOARD

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### **Pledges**

Pursuant to the asset pledge agreement entered into between Greengold Leasing and Lessee B, although the ownership of the Assets B shall be transferred to Greengold Leasing as lessor as part of the Finance Lease B, the Assets B are treated as security of payment obligations of Lessee B under the Finance Lease B and Lessee B may continue to utilize the Assets B during the lease term.

Guarantor B1 had executed a share pledge agreement, pledging 100% shareholding interests (representing RMB240,000,000 (equivalent to approximately HK\$292,080,000)) in Lessee B in favour of Greengold Leasing, as security of Lessee B's payment obligations under the Finance Lease B.

Additionally, Lessee B had executed a receivables pledge agreement in favour of Greengold Leasing, pledging its rights in receivables under an investment agreement for Sanjiangkou energy environmental ecological park and its supplemental agreement as security of Lessee B's payment obligations under the Finance Lease B.

### **Information on the Assets B**

Assets B comprise certain designated equipment and facilities for sewage treatment situated in Xiangzhou, Guangxi Province, the PRC.

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

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASES A AND FINANCE LEASE B**

The entering into of the Finance Leases A and Finance Lease B 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 Leases A and Finance Lease B 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 Leases A are expected to attribute approximately RMB58,757,000 (equivalent to approximately HK\$71,507,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Leases. On the other hand, the Group is expected to bear the aggregate loan interest payments of approximately RMB31,998,000 (equivalent to approximately HK\$38,942,000) to the Group's cost of sales in respect of secured external loans.

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## LETTER FROM THE BOARD

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As at the date when the consideration for the Assets A transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB280,000,000 (equivalent to approximately HK\$340,760,000) in respect of such Finance Leases, borrowings by the Group of RMB232,000,000 (equivalent to approximately HK\$282,344,000) and decreased cash and cash equivalents of RMB48,000,000 (equivalent to approximately HK\$58,416,000) of the Group.

The Finance Lease B is expected to attribute approximately RMB20,171,000 (equivalent to approximately HK\$24,548,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Lease. On the other hand, the Group is expected to bear the aggregate loan interest payments of approximately RMB9,801,000 (equivalent to approximately HK\$11,928,000) to the Group's cost of sales in respect of secured external loans.

As at the date when the consideration for the Assets B transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB100,000,000 (equivalent to approximately HK\$121,700,000) in respect of such Finance Lease, borrowings by the Group of RMB80,000,000 (equivalent to approximately HK\$97,360,000) and decreased cash and cash equivalents of RMB20,000,000 (equivalent to approximately HK\$24,340,000) of the Group.

### LISTING RULES IMPLICATION

As some of the applicable percentage ratios for the transactions contemplated under the Finance Leases A, whether or not they are calculated on a standalone basis or an aggregated basis with the transactions contemplated under the Existing Finance Leases A, exceed 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.

As one of the applicable percentage ratios for the transactions contemplated under the Finance Lease B, when calculated on an aggregated basis with the transactions contemplated under the Existing Finance Leases B, 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 Leases A and Finance Lease B and no Shareholder is required to abstain from voting at a general meeting of the Company approving the transactions contemplated under the Finance Leases A and Finance Lease B respectively, and the Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written approvals of the transactions contemplated under the Finance Leases A and Finance Lease B respectively 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 exempt from convening a general meeting to approve the transactions contemplated under the Finance Leases A and Finance Lease B.

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## LETTER FROM THE BOARD

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### 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.

#### The lessees

Lessee A1 is a limited liability company established in the PRC and is principally engaged in the business of property leasing in the PRC.

Lessee A2 is a limited liability company established in the PRC and is principally engaged in the investment, construction and operation management of sewage treatment and its ancillary facilities in the PRC.

Lessee A3 is a collective enterprise established in the PRC and is principally engaged in the business of property leasing in the PRC.

Lessee B is a limited liability company established in the PRC and is principally engaged in heat production and supply in the PRC.

#### The guarantors

Guarantor A is a collective enterprise established in the PRC and is principally engaged in the business of property leasing in the PRC.

Guarantor B1 is a limited liability company established in the PRC and is principally engaged in the treatment of solid waste in the PRC.

Guarantor B2 is a limited liability company established in the PRC and is principally engaged in sewage treatment, water supply and production of heat and energy in the PRC.

### RECOMMENDATIONS

The Directors consider that the terms of the Finance Leases A and Finance Lease B 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.

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

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

### ADDITIONAL INFORMATION IN RELATION TO THE ANNOUNCEMENT OF THE COMPANY DATED 5 NOVEMBER 2021

Reference is made to the announcement of the Company dated 5 November 2021 in relation to the entering into of the Finance Leases with the Lessee, to obtain the ownership of the Assets from the Lessee for an aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$182,550,000), which would be leased back to the Lessee for its use and possession for a term of 2 years (the “**Discloseable Transaction Announcement**”). Unless otherwise stated, capitalised terms used in this section shall have the same meanings as those defined in the Discloseable Transaction Announcement.

The Board wishes to provide the Shareholders with additional information on the shareholding of the Lessee and the Guarantors. So far as the Company is aware:

- (1) Guarantor 1 holds 36% equity interest in the Lessee and is ultimately owned as to 99% by Guarantor 7 and 1% by Xiao Shaoxia\* (蕭少霞) who is a PRC individual and Independent Third Party;
- (2) Guarantor 2 holds 24% equity interest in the Lessee and is ultimately owned as to 80% by Guarantor 6 and 20% by Zhang Lanyan\* (張蘭豔) who is a PRC individual and Independent Third Party;
- (3) Guarantor 3 holds 20% equity interest in the Lessee and is ultimately owned as to 60% by Lu Jiancai\* (盧鑑材) and 40% by Guo Yanyi\* (郭雁儀) who are both PRC individuals and Independent Third Parties;
- (4) Guarantor 4 holds 10% equity interest in the Lessee and is ultimately owned as to approximately 90.9% by Lu Laiyou\* (盧來友) and approximately 9.1% by Lu Yimei\* (盧漪媚) who are both PRC individuals and Independent Third Parties;
- (5) Guarantor 5, Zhao Jiangqiu\* (招講球), holds 6% equity interest in the Lessee; and
- (6) Guarantor 7, Xiao Lihong\* (蕭禮洪), directly holds 4% equity interest in the Lessee, and together with his indirect shareholding in Guarantor 1, holds in total 39.64% equity interest in the Lessee.

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 2018, 2019 and 2020 are disclosed in the following annual reports of the Company for the years ended 31 December 2018, 2019, and 2020 respectively, and details of the unaudited consolidated interim financial information of the Group for the six months ended 30 June 2021 are disclosed in the following interim report of the Company for the six months ended 30 June 2021, 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.tonghaiir.com>) :

- the annual report 2018 of the Company for the year ended 31 December 2018 which was published on 15 April 2019 (available on: <http://www1.hkexnews.hk/listedco/listconews/sehk/2019/0415/lt20190415209.pdf>), please refer to pages 66 to 244 in particular ;
- 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 interim report of the Company for the six months ended 30 June 2021 which was published on 13 September 2021 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0913/2021091300799.pdf>), please refer to pages 19 to 84 in particular.

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 30 September 2021, the Group had outstanding secured interest bearing bank loans of approximately HK\$2,905,786,000 which were secured by the pledge of investment properties of HK\$336,862,000, plant, property and equipment of HK\$222,295,000, bank deposit of HK\$17,666,000, finance lease receivables of HK\$1,546,264,000 paid-up capital of a non-wholly owned subsidiary of HK\$245,146,000 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 2021) and the rest are in the mid (maturing in 2022, 2023, 2024 and 2025) to long term (maturing in 2026, 2028, 2035 and 2046). The Group also had an unsecured interest bearing loan from its immediate holding company, non-controlling interest and other independent third parties of approximately HK\$90,000,000, HK\$39,428,000 and HK\$122,712,000 respectively, all of which will mature in 2021 and 2022. The Group had lease liabilities of approximately HK\$1,103,696,000 and Asset Backed Securities of approximately HK\$136,213,000. In addition, the Group had outstanding convertible notes in the aggregate principal amount of HK\$166,232,000 issued by the Company will mature on 13 October 2024.



Save as aforesaid or otherwise disclosed herein, as at the close of business on 30 September 2021, 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 2020, 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, the Group will continue to adjust business layouts based on market trends and grasp potential opportunities 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, shifting its development focus to segments such as industrial parks/property development and investment, financing, technology, wellness elderly care, and civil explosives.

In respect of industrial parks/property development and investment, building on its solid foundation in the property development and investment sector and leveraging its experience in such fields, the Group will continue to develop the new energy industrial park in Danzao Town, Nanhai District, Foshan City, China by rapidly advancing the construction of the industrial park and intensifying promotion efforts in business attraction, in a bid to successively introduce enterprises into the park to generate stable rental income and related gains for the Group and expedite the process of forging such income into a major growth driver of the Group in future.

In respect of the financial sector, 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.

In respect of the technology sector, by taking advantages of the opportunities arising from the new smart city construction plan in Nanhai District, the Group will continue its research and development efforts in the big data industry projects, leverage market forces in technological research and development, explore innovation applications and business models, improve research and development efficiency, and strive to create key products meeting market demands as a growth engine to our profitability in the future.

In the wellness elderly care sector, the Group will continue to head toward the direction of developing a three-tier elderly care system comprising institutions, communities and households in Nanhai District, advance the premium elderly care services “integrating medical and care services” and endeavour to forge the “Taoyuan” elderly care brand into an industry model.

In the civil explosives sector, Group will earnestly complete technological upgrade and transformation of civil explosives production line as soon as practicable, and proactively adopt cost reduction measures to substantially improve its future performance and contribute steady earnings streams to the Group in future.

In addition, the Group will, through its joint ventures and associates, participate and invest in power generation and other high-growth industries in the PRC. With the above business development directions, the Group will continuously expand its business and gradually achieve the goal of increasing and maintaining stable returns for 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:
1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.
  2. 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 2020, 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 disposal agreement dated 4 December 2019 entered into between CIH Finance Investments Holdings Limited (中國興業金融投資控股有限公司) (“**CIH Finance**”) and Foshan City Nanhai Financial Hi-Tech Zone Investment Holdings Co., Ltd.\* (佛山市南海金融高新區投資控股有限公司) (“**Nanhai Financial Hi-Tech Holdings**”) in relation to the disposal of 8% equity interest in Guangdong Sino Rock Tyco Construction Co., Ltd.\* (廣東中岩泰科建設有限公司) owned by CIH Finance to Nanhai Financial Hi-Tech Holdings pursuant to the terms of the disposal agreement at a cash consideration of RMB84,892,886.65; and
- (b) 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; and

- (c) 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
- (d) 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 Leases A and the Incidental Documentation A;
- (b) the Finance Lease B and the Incidental Documentation B; and
- (c) this circular.

*\* For identification purpose only*