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CNQC INTERNATIONAL HOLDINGS LIMITED

青建國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1240)

DISCLOSEABLE TRANSACTION ANNOUNCEMENT ACQUISITION OF AN OFFICE PROPERTY IN HONG KONG

The board wishes to announce that on 19 December 2018 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor to acquire the Property comprising a whole floor of office property with four car parking spaces at the same building at an aggregate consideration of HK\$200,000,000.00 in cash.

As one of the applicable percentage ratios (within the meaning of the Listing Rules) in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a disclosable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The board (the “**Board**”) of directors (the “**Directors**”) of CNQC International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that on 19 December 2018 (after trading hours), Shiny Royal Development Limited (the “**Purchaser**”), an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong, entered into a preliminary sale and purchase agreement (the “**Preliminary Agreement**”) with Rich Time Properties Limited, an independent third party (the “**Vendor**”) to acquire the office property located at 8th Floor of Enterprise Square III, No. 39 Wang Chiu Road, Kowloon, Hong Kong and four car parking spaces at 2nd Floor of the same building (the “**Property**”) which is currently vacant at an aggregate consideration of HK\$200,000,000.00 (the “**Acquisition**”). The principle terms of the Preliminary Agreement are set out below.

THE PRELIMINARY AGREEMENT

| | | |
|-----------|---|---|
| Date | : | 19 December 2018 |
| Purchaser | : | The Purchaser, as purchaser |
| Vendor | : | The Vendor, as vendor |
| Property | : | 8th Floor of Enterprise Square III, No. 33 Wang Chiu Road, Kowloon, Hong Kong and four car parking spaces at 2nd Floor of the same building. The Property is a commercial property with a total gross area of approximately 15,900 square feet. |

The Purchaser will acquire the Property at a consideration of HK\$200,000,000.00 (the “**Consideration**”). An initial deposit of HK\$10,000,000.00 in cash has been paid by the Purchaser upon signing of the Preliminary Agreement and a further deposit of HK\$10,000,000.00 in cash will be paid on or before 3 January 2019. Subject to the completion of due diligence with purchaser’s satisfaction, the remaining balance of Consideration of HK\$180,000,000.00 will be paid on completion which is scheduled to take place on or before 28th February 2019. It is estimated that the Consideration together with transaction costs such as stamp duty, property agent commission and legal costs will put the total costs of the Property at approximately HK\$220,000,000.

A formal sale and purchase agreement (the “**Formal Agreement**”) in respect of the Acquisition is expected to be signed between the Vendor and the Purchaser on or before 3 January 2019.

It is expected that the Acquisition will be financed by way of internal resources of the Group and bank financing.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in Hong Kong with limited liability, which principally engaged in property investment.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Vendor and its beneficial owner(s) are third parties independent of the Company and connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) of the Company.

INFORMATION OF THE PURCHASER, THE COMPANY AND THE GROUP

The Purchaser is a holding company and is an indirect wholly-owned subsidiary of the Company. The Company is the holding company of the Group, which is principally engaged in the foundation and superstructure construction business in Hong Kong and Macau, property development business in Hong Kong and construction in Singapore and Southeast Asia and property development business in Singapore.

REASONS FOR THE ACQUISITION

It is intended that the Property will be used as the office of the Group to accommodate future expansion and/or will be held for earning rental income purpose. Having considered that the Preliminary Agreement were entered into on normal commercial terms with the consideration being determined with reference to the market value of similar properties in similar locations, the Directors are of the view that the terms of the Preliminary Agreement are fair and reasonable and in the interests of the shareholders of the Company and the Company as a whole.

LISTING RULE IMPLICATIONS

As one of the applicable percentage ratios (within the meaning of the Listing Rules) in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

On behalf of the Board of
CNQC International Holdings Limited
Mr. Cheng Wing On, Michael
Chairman

Hong Kong, 19 December 2018

As at the date of this announcement, the Board comprises (i) five executive Directors, namely Mr. Cheng Wing On, Michael (Chairman), Mr. Wang Congyuan, Mr. Ho Chi Ling, Mr. Zhang Yuqiang and Mr. Wang Linxuan; (ii) three non-executive Directors, namely Dr. Sun Huiye, Mr. Wang Xianmao and Mr. Chen Anhua; and (iii) four independent non-executive Directors, namely Mr. Chuck Winston Calptor, Mr. Ching Kwok Hoo, Pedro, Mr. Tam Tak Kei Raymond and Mr. Chan Kok Chung, Johnny.