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Liu Chong Hing Investment Limited

(Incorporated in Hong Kong with limited liability)

(Stock code: 00194)

ANNOUNCEMENT DISCLOSEABLE TRANSACTION ACQUISITION OF LAND-USE RIGHTS IN THE PRC

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that Top New Investment Limited, an indirect wholly-owned subsidiary of the Company, has entered into the Confirmation Letter with Foshan Public Resources Centre (a governmental body of the PRC) on 22 May 2019 to confirm the acquisition of land use rights in the Purchased Land for a consideration of RMB775,500,000. Pursuant to the conditions of the Land Acquisition, Top New Investment Limited will establish a project company in Sanshui District, Foshan, for future development of the Purchased Land.

Top New Investment Limited will enter into the Land Grant Contract with Foshan Natural Resources Department (a governmental body of the PRC) in respect of the Purchased Land as soon as practicable but in any event on or before 4 June 2019 in accordance with the conditions of the Land Acquisition.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the consideration of the Land Acquisition under the Listing Rules exceed 5% but are less than 25%, the Land Acquisition constitutes a discloseable transaction for the Company pursuant to Chapter 14 of the Listing Rules and hence is subject to the notification and announcement requirements under Rule 14.33 of the Listing Rules.

ACQUISITION OF LAND-USE RIGHTS IN THE PRC

The Board is pleased to announce that on, 22 May 2019, Top New Investment Limited (an indirect wholly-owned subsidiary of the Company) has entered into the Confirmation Letter with Foshan Public Resources Centre (a governmental body of the PRC) to confirm the acquisition of land-use rights in the Purchased Land for a consideration of RMB775,500,000, following the Public Auction. Pursuant to the conditions of the Land Acquisition, Top New Investment Limited will establish a project company in Sanshui District, Foshan for the future development of the Purchased Land.

Top New Investment Limited will enter into the Land Grant Contract with Foshan Natural Resources Department in respect of the Purchased Land as soon as practicable but in any event on or before 4 June 2019 (i.e. 10 business days since the date of the Confirmation Letter) in accordance with the conditions of the Land Acquisition.

Details of the Confirmation Letter and the Land Acquisition are set out below:

Date:	22 May 2019
Parties:	(1) Top New Investment Limited (an indirect wholly owned subsidiary of the Company); and (2) Foshan Public Resources Centre
Location of the Land:	中國佛山市三水區西南街道建設大道南側地塊二 (unofficially translated as Plot No. 2, Nan Ce, Jianshe Dadao, Xinan Jiedao, San Shui Qu, Foshan Shi, PRC)
Site Area:	Approximately 33,670.06 sq.m.
Plot Ratio:	More than 1.0 but less than or equal to 3.2 times
Term of land use rights:	Residential use for a term of 70 years and/or commercial use (retail, wholesale, catering, business finance, entertainment and other commercial services) for a term of 40 years
Consideration:	RMB775,500,000
Deposit:	RMB130,000,000 (which will be forfeited if Top New Investment Limited does not enter into the Land Grant Contract in accordance with the conditions of the Land Acquisition)

Consideration

The Consideration of RMB775,500,000 was determined after the Public Auction. Top New Investment Limited has paid RMB130,000,000 as security deposit which will be applied to the payable consideration for the Purchased Land but will be forfeited in the event that it does not enter into the Land Grant Contract in accordance with the conditions of the Land Acquisition. The remaining balance of such consideration will be settled in accordance to the Land Grant Contract.

The Board considers that the consideration for the Purchased Land is fair and reasonable having taken into account the minimum bid conditions set by Foshan Public Resources Centre, current market conditions, as well as the location and development potential of the Purchased Land. The amount of the consideration to be paid by Top New Investment Limited for the Purchased Land will be satisfied from the Group's internal resources.

INFORMATION OF TOP NEW INVESTMENT LIMITED, FOSHAN PUBLIC RESOURCES CENTRE AND THE GROUP

Foshan Public Resources Centre is a governmental body of the PRC and is understood to be responsible for, amongst other things, the organisation of public auctions for state-owned land in Foshan, the PRC, as well as the vetting of documentation for land purchases made via such auctions. Foshan Natural Resources Department is a governmental body of the PRC and is understood to be responsible for, amongst other things, the assignment and transfer of land-use rights of state-owned land in Foshan, the PRC.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Foshan Public Resources Centre, Foshan Natural Resources Department and their respective ultimate beneficial owners are independent of the Company and its connected persons under the Listing Rules.

Top New Investment Limited is an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability for the purpose of land acquisition in the PRC.

The Group is principally engaged in property investment, property development, hospitality services and investment holding.

REASONS FOR AND BENEFITS OF THE LAND ACQUISITION

The Group has a diversified portfolio of businesses including, amongst other things, property development and investment.

The Board considers that the Land Acquisition is a good investment opportunity for the Group to continue its PRC strategies, further increase its land reserves in the PRC and is beneficial for the continuous and stable growth of the Group's property development business.

The Board further considers that the terms and conditions of the Land Acquisition are on normal commercial terms, fair and reasonable and in the interest of the Company and its shareholders.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the consideration of the Land Acquisition under the Listing Rules exceed 5% but are less than 25%, the Land Acquisition constitutes a discloseable transaction for the Company pursuant to Chapter 14 of the Listing Rules and hence is subject to the notification and announcement requirements under Rule 14.33 of the Listing Rules.

DEFINITIONS

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

“Board”	board of Directors;
“business day”	a day (other than a Saturday or a Sunday) on which banks in the PRC are generally open for normal banking business;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Company”	Liu Chong Hing Investment Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange;
“Confirmation Letter”	成交確認書 (unofficially translated as purchase confirmation letter) entered into between Top New Investment Limited and Foshan Public Resources Centre in respect of the Purchased Land on 22 May 2019;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Foshan Natural Resources Department”	佛山市自然資源局三水分局 (unofficially translated as Foshan Municipal Natural Resources Department (Sanshui Branch));
“Foshan Public Resources Centre”	佛山市公共資源交易中心三水分中心 (unofficially translated as Foshan Municipal Public Resources Trading Centre (Sanshui Branch));
“Land Acquisition”	the acquisition of land-use rights in the Purchased Land;
“Land Grant Contract”	國有建設用地使用權出讓合同 (unofficially translated as contract for land-use rights of state-owned development land) in respect of the Purchased Land to be entered into between Foshan Natural Resources Department and Top New Investment Limited;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Percentage Ratios”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan);

“Public Auction”	the public online auction held by Foshan Public Resources Centre through which the Purchased Land was offered for sale through a listing-for-sale;
“Purchased Land”	a piece of land located at 中國佛山市三水區西南街道建設大道南側地塊二 (unofficial English translation as Plot No. 2, Nan Ce, Jianshe Dadao, Xinan Jiedao, San Shui Qu, Foshan Shi, PRC) with a total site area of approximately 33,670.06 sq.m.;
“RMB”	Renminbi, the lawful currency of the PRC;
“sq.m.”	square metre(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Top New Investment Limited”	Top New Investment Limited (新軒投資有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“%”	per cent.

All the English translation of certain Chinese names or words in this announcement is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.

By Order of the Board
Liu Chong Hing Investment Limited
Liu Lit Chi
Chairman

Hong Kong, 22 May 2019

As at the date of this announcement, the Board of Directors of the Company comprises Executive Directors: Mr. Liu Lit Chi (Chairman, Managing Director and Chief Executive Officer), Mr. Liu Kam Fai, Winston (Deputy Managing Director), Mr. Liu Kwun Shing, Christopher (also alternate director to Dr. Liu Lit Chung) and Mr. Lee Wai Hung; Non-executive Directors: Dr. Liu Lit Chung and Mr. Kho Eng Tjoan, Christopher; and Independent Non-executive Directors: Dr. Cheng Mo Chi, Moses, Mr. Au Kam Yuen, Arthur, Dr. Ma Hung Ming, John, Mr. Cheng Yuk Wo and Mr. Tong Tsun Sum, Eric.

The announcement is published on the website of the Company www.lchi.com.hk and the designated issuer website of the Stock Exchange www.hkexnews.hk.