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**CHINA SCE GROUP HOLDINGS LIMITED**

**中駿集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1966)**

**CONNECTED TRANSACTION  
SALE OF A COMMERCIAL PROPERTY**

**THE PRE-SALE CONTRACT**

The Board announces that on 27 June 2019, the Vendor, an indirect wholly-owned subsidiary of the Company, as vendor and the Purchaser as purchaser entered into the Pre-sale Contract in relation to the sale of the Target Property by the Vendor to the Purchaser for the Consideration of RMB38,698,500.

**LISTING RULES IMPLICATIONS**

The Purchaser is a son of Mr. Wong Chiu Yeung, the chairman of the Board, an executive Director and a controlling Shareholder who indirectly holds approximately 51.02% of the total number of issued Shares as at the date of this announcement. As such, the Purchaser is an associate of Mr. Wong Chiu Yeung and a connected person of the Company, and the Sale constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Sale exceeds 0.1% but all such ratios fall below than 5% and the Consideration exceeds HK\$3,000,000, the Sale is subject to the announcement and reporting requirements but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board announces that on 27 June 2019, the Vendor, an indirect wholly-owned subsidiary of the Company, as vendor and the Purchaser, being a son of Mr. Wong Chiu Yeung, the chairman of the Board, an executive Director and a controlling Shareholder who indirectly holds approximately 51.02% of the total number of issued Shares as at the date of this announcement, as purchaser entered into the Pre-sale Contract in relation to the sale of the Target Property by the Vendor to the Purchaser for the Consideration of RMB38,698,500.

## **THE PRE-SALE CONTRACT**

The principal terms of the Pre-sale Contract are set forth below:

### **Date**

27 June 2019

### **Parties**

- (1) Shanghai Junming Real Estate Development Co., Ltd.\* (上海駿鳴房地產開發有限公司), an indirect wholly-owned subsidiary of the Company, as the Vendor; and
- (2) Mr. Wong To (黃濤), a son of Mr. Wong Chiu Yeung, the chairman of the Board, an executive Director and a controlling Shareholder who indirectly holds approximately 51.02% of the total number of issued Shares as at the date of this announcement, as the Purchaser

### **Subject matter**

Pursuant to the Pre-sale Contract, the Vendor shall sell and the Purchaser shall buy the Target Property, i.e. Tianjingyayuan, 299 Panzhong Road, Qingpu District, Shanghai, the PRC\* (中國上海青浦區蟠中路299號天璟雅苑), which is a commercial property with a gross floor area of 773.97 sq.m. and an associated underground area of 700.06 sq.m. within a property development project of the Vendor.

There was no operating revenue or profit attributable to the Target Property for the years ended 31 December 2017 and 2018.

### **Consideration**

The Consideration payable by the Purchaser to the Vendor for the Sale under the Pre-sale Contract is RMB38,698,500. The Consideration was arrived at after arm's length negotiation between the Vendor and the Purchaser, taking into account the unit prices for sale and purchase of properties of comparable sizes and nature in adjacent areas.

The Consideration shall be paid by the Purchaser in one lump sum before 30 June 2019.

### **Delivery of the Target Property**

The Vendor shall deliver the Target Property to the Purchaser before 31 December 2019. The Vendor warrants to the Purchaser that at the time of delivery, the Target Property shall not be the subject matter of any title dispute or financial dispute or be subject to any encumbrance created by the Vendor.

## **FINANCIAL EFFECTS OF THE SALE**

As at the date of this announcement, the book value of the Target Property is approximately RMB35,955,000. The Group expects to realise profits before tax of approximately RMB2,743,500 from the Sale, which is calculated on the basis of the Consideration less the book value of the Target Property. The proceeds from the Sale will be used as the general working capital of the Company.

## **REASONS FOR AND BENEFITS OF THE SALE**

The Purchaser has indicated to the Vendor his interest in acquiring the Target Property for private use at the market rate and is willing to accept a unit price comparable to those for the sale and purchase of comparable properties in the adjacent areas. As such, the Vendor has agreed to make the Sale at the market rate so as to bring to the Group additional revenue and profits generated from the property development project.

The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Pre-sale Contract are fair and reasonable and in the interests of the Shareholders as a whole, and the Sale is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE GROUP**

The Group's major businesses include property development, commercial management, property management and rental apartments businesses.

The Vendor is a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company principally engaged in property development and property investment.

## **LISTING RULE IMPLICATIONS**

The Purchaser is a son of Mr. Wong Chiu Yeung, the chairman of the Board, an executive Director and a controlling Shareholder who indirectly holds approximately 51.02% of the total number of issued Shares as at the date of this announcement. As such, the Purchaser is an associate of Mr. Wong Chiu Yeung and a connected person of the Company, and the Sale constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Sale exceeds 0.1% but all such ratios fall below than 5% and the Consideration exceeds HK\$3,000,000, the Sale is subject to the announcement and reporting requirements but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Except for Mr. Wong Chiu Yeung, the chairman of the Board and an executive Director whose relationship with the Purchaser is set out above, and Mr. Wong Lun, an executive Director who is a brother of the Purchaser, none of the Directors and their associates has or is deemed to have any material interest in the Sale. Mr. Wong Chiu Yeung and Mr. Wong Lun have abstained from voting on the resolutions pertaining to the Pre-sale Contract and the Sale at the relevant meeting of the Board.

## DEFINITIONS

Unless the context requires otherwise, the following terms shall have the meanings set out below in this announcement:

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	China SCE Group Holdings Limited (中駿集團控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	RMB38,698,500, being the consideration payable by the Purchaser to the Vendor for the Sale under the Pre-sale Contract
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

“Pre-sale Contract”	the commodity housing pre-sale contract dated 27 June 2019 entered into between the Vendor as vendor and the Purchaser as purchaser in relation to the Sale
“Purchaser”	Mr. Wong To (黃濤), a son of Mr. Wong Chiu Yeung, the chairman of the Board, an executive Director and a controlling Shareholder who indirectly holds approximately 51.02% of the total number of issued Shares as at the date of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale”	the sale of the Target Property by the Vendor to the Purchaser
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holders of the Shares
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Property”	Tianjingyayuan, 299 Panzhong Road, Qingpu District, Shanghai, the PRC* (中國上海青浦區蟠中路299號天璟雅苑)
“Vendor”	Shanghai Junming Real Estate Development Co., Ltd.* (上海駿鳴房地產開發有限公司), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

\* for identification purpose only

By order of the Board  
**China SCE Group Holdings Limited**  
**Wong Chiu Yeung**  
*Chairman*

Hong Kong, 27 June 2019

*As at the date of this announcement, the executive Directors are Mr. Wong Chiu Yeung, Mr. Chen Yuanlai, Mr. Cheng Hiu Lok, Mr. Huang Youquan and Mr. Wong Lun, and the independent non-executive Directors are Mr. Ting Leung Huel Stephen, Mr. Lu Hong Te and Mr. Dai Yiyi.*