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FORTIS HOLDINGS LIMITED
（中建富通集團有限公司）

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*
(Stock Code: 00138)

# (1) COMPLETION OF PLACING OF 3,250,000,000 EXISTING CCT LAND SHARES

# and

# (2) FINANCIAL ASSISTANCE AND GUARANTEES TO THE CCT LAND GROUP

**Sole Placing Agent**

SUNWAH KINGSWAY
新華滙富

**KINGSWAY FINANCIAL SERVICES GROUP LIMITED**

## COMPLETION OF PLACING OF 3,250,000,000 EXISTING CCT LAND SHARES

Reference is made to the Previous Announcement.

The Board is pleased to announce that out of the 6,500,000,000 Placing Shares, the Placing Agent has successfully placed 3,250,000,000 Placing Shares (representing approximately 4.968% of the existing issued share capital of CCT Land) at the Placing Price of HK$0.015 per Placing Share to independent third party Placees. Completion of the Placing of this first tranche of 3,250,000,000 Placing Shares took place on 18 December 2014. Upon completion of the Placing of this first tranche of Placing Shares, the shareholding interest of the Remaining Group in CCT Land has been reduced to 29,776,391,124 CCT Land Shares (representing approximately 45.52% of the existing issued share capital of CCT Land). As such, the Company has not held a majority of the voting right in CCT Land and members of the CCT Land Group have ceased to be accounted for as subsidiaries of the Company and consequently, their accounts are no longer consolidated into

the Remaining Group's accounts with effect from the First Completion Date. The Vendor has received net proceeds of approximately HK$48 million from the Placing of this first tranche of Placing Shares and the net proceeds therefrom will be applied as general working capital and to fund the business need of the Remaining Group.

**FINANCIAL ASSISTANCE AND GUARANTEES TO THE CCT LAND GROUP**

As members of the CCT Land Group have become affiliated companies (as defined under the Listing Rules) of the Company with effect from the First Completion Date, pursuant to Rule 13.16 of the Listing Rules, the Company discloses that the Remaining Group has provided financial assistance to and guarantees for the CCT Land Group in an aggregate amount of HK$1,209,596,000, which exceeds 8% under the assets ratio (as defined under the Listing Rules).

Reference is made to the announcement of the Company dated 5 December 2014 (the "**Previous Announcement**") in relation to, among others, the entering into of the Placing Agreement between the Vendor and the Placing Agent in relation to the placing by the Placing Agent, on a best effort basis, of up to 6,500,000,000 Placing Shares held by the Vendor. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Previous Announcement.

**COMPLETION OF THE PLACING 3,250,000,000 EXISTING CCT LAND SHARES**

The Board is pleased to announce that out of the 6,500,000,000 Placing Shares, the Placing Agent has successfully placed 3,250,000,000 Placing Shares (representing approximately 4.968% of the existing issued share capital of CCT Land) at the Placing Price of HK$0.015 per Placing Share to independent third party Placees. Completion of the Placing of the first tranche of 3,250,000,000 Placing Shares took place on 18 December 2014 (the "**First Completion Date**"). Upon completion of the Placing of this first tranche of the Placing Shares, the shareholding interest of the Remaining Group in CCT Land has been reduced to 29,776,391,124 CCT Land Shares (representing approximately 45.52% of the existing issued share capital of CCT Land). As such, the Company has not held a majority of the voting right in CCT Land and members of the CCT Land Group have ceased to be accounted for as subsidiaries of the Company and consequently, their accounts are no longer consolidated into the Remaining Group's accounts with effect from the First Completion Date. Accordingly, the disposal transaction contemplated under the Placing Agreement which constitutes a major disposal transaction for the Company under the Listing Rules has also been completed on the First Completion Date. The Vendor has received net proceeds of approximately HK$48 million from the Placing of this first tranche of Placing Shares and the net proceeds therefrom will be applied as general working capital and to fund the business need of the Remaining Group.

As disclosed in the Previous Announcement, after the First Completion Date, the Remaining Group will account and classify 16,800,000,000 CCT Land Shares (representing approximately 25.68% of the existing issued share capital of CCT Land) held by the Remaining Group under the "non-current asset" category using the equity method. In addition, the Vendor has transferred 9,726,391,124 CCT Land Shares (representing approximately 14.87% of the existing issued share capital of CCT Land) of the Remaining Shareholdings to CCT Securities, which intends to classify the Remaining Shareholdings as "financial assets at fair value through profit or loss" under the "current asset" category, after the First Completion Date.

The Placing Agent will subject to the terms and conditions of the Placing Agreement continue to procure, on a best effort basis, Placees for the remaining 3,250,000,000 Placing Shares not yet placed (representing approximately 4.968% of the existing issued share capital of CCT Land) during the remaining Placing Period.

## EFFECTS OF COMPLETION OF PLACING OF THE FIRST TRANCHE OF 3,250,000,000 PLACING SHARES AND THE PLACING OF THE REMAINING 3,250,000,000 PLACING SHARES ON THE SHAREHOLDING STRUCTURE OF CCT LAND

Assuming the remaining 3,250,000,000 Placing Shares will also be successfully placed during the remaining Placing Period and no new CCT Land Shares are allotted and issued and no repurchase of any CCT Land Shares have been made after the First Completion Date and up to the date of completion of the Placing of the remaining 3,250,000,000 Placing Shares, the shareholding structure of CCT Land (i) as at the date of the Previous Announcement; (ii) upon completion of Placing for the first tranche of 3,250,000,000 Placing Shares on the First Completion Date; and (iii) immediately after completion of the Placing of all the Placing Shares are as follows:

| | **As at the date of Previous Announcement** | | **Transfer** | **Actual Placing** | **As at the First Completion Date** | |
|---|---|---|---|---|---|---|
| **Shareholders** | **No. of CCT Land Shares** | **%** | **No. of CCT Land Shares** | **No. of CCT Land Shares** | **No. of CCT Land Shares** | % |
| The Vendor (Notes 1,2 &3) | 29,326,391,124 | 44.83% | (9,726,391,124) | (3,250,000,000) | 16,350,000,000 | 24.99% |
| CAML | 1,350,000,000 | 2.06% | - | - | 1,350,000,000 | 2.06% |
| Expert Success | 2,350,000,000 | 3.60% | - | - | 2,350,000,000 | 3.60% |
| CCT Securities (note 3) | - | - | 9,726,391,124 | - | 9,726,391,124 | 14.87% |
| **Sub-total for the Remaining Group** | 33,026,391,124 | 50.49% | - | (3,250,000,000) | 29,776,391,124 | 45.52% |
| **Directors:** | | | | | | |
| Tam Ngai Hung, Terry | 20,000,000 | 0.03% | - | - | 20,000,000 | 0.03% |
| Chen Li | 10,000,000 | 0.02% | - | - | 10,000,000 | 0.02% |
| **Sub-total for directors** | 30,000,000 | 0.05% | - | - | 30,000,000 | 0.05% |
| **The Placees** | - | - | - | 3,250,000,000 | 3,250,000,000 | 4.97% |
| **Other Public Shareholders** | 32,357,602,866 | 49.46% | - | - | 32,357,602,866 | 49.46% |
| **Total** | 65,413,993,990 | 100.00% | - | - | 65,413,993,990 | 100.00% |

| Shareholders | As at the First Completion Date<br>No. of CCT Land Shares | % | Assuming Further Placing<br>No. of CCT Land Shares | Shareholdings upon completion of the Placing of all the Placing Shares<br>No. of CCT Land Shares | % |
|---|---|---|---|---|---|
| The Vendor (Notes 1,2 &3) | 16,350,000,000 | 24.99% | (3,250,000,000) | 13,100,000,000 | 20.02% |
| CAML | 1,350,000,000 | 2.06% | - | 1,350,000,000 | 2.06% |
| Expert Success | 2,350,000,000 | 3.60% | - | 2,350,000,000 | 3.60% |
| CCT Securities (note 3) | 9,726,391,124 | 14.87% | - | 9,726,391,124 | 14.87% |
| **Sub-total for the Remaining Group** | 29,776,391,124 | 45.52% | (3,250,000,000) | 26,526,391,124 | 40.55% |
| **Directors:** | | | | | |
| Tam Ngai Hung, Terry | 20,000,000 | 0.03% | - | 20,000,000 | 0.03% |
| Chen Li | 10,000,000 | 0.02% | - | 10,000,000 | 0.02% |
| **Sub-total for directors** | 30,000,000 | 0.05% | - | 30,000,000 | 0.05% |
| **The Placees** | 3,250,000,000 | 4.97% | 3,250,000,000 | 6,500,000,000 | 9.94% |
| **Other Public Shareholders** | 32,357,602,866 | 49.46% | - | 32,357,602,866 | 49.46% |
| **Total** | 65,413,993,990 | 100.00% | - | 65,413,993,990 | 100.00% |

Notes :

1. *The Placing of the first tranche of 3,250,000,000 Placing Shares was completed on 18 December 2014.*
2. *After the First Completion Date, the Remaining Group intends to account and classify 16,800,000,000 CCT Land Shares as "non-current assets" using the equity method.*
3. *The Vendor has transferred 9,726,391,124 CCT Land Shares of the Remaining Shareholdings to CCT Securities, which intends to classify the Remaining Shareholdings as "financial assets at fair value through profit or loss" under the "current asset" category, after the First Completion Date.*

## FINANCIAL ASSISTANCE AND GUARANTEES TO THE CCT LAND GROUP

As members of the CCT Land Group have become affiliated companies (as defined under the Listing Rules) of the Company with effect from the First Completion Date, pursuant to Rule 13.16 of the Listing Rules, the Company discloses that the Remaining Group has provided the following financial assistance to and guarantees for the CCT Land Group in an aggregate amount of HK$1,209,596,000, which exceeds 8% under the assets ratio (as defined under the Listing Rules):

(1) unsecured 5-year Promissory Note in the outstanding principal amount of HK$67,471,000, issued on 28 March 2012, with a maturity date of 28 March 2017 and carrying interest at 3% per annum;
(2) unsecured 3-year Promissory Note in the outstanding principal amount of HK$900,000,000, issued on 15 July 2013, with a maturity date of 15 July 2016 and interest-free;
(3) unsecured 3-year Promissory Note in the outstanding principal amount of HK$27,000,000, issued on 27 December 2013, with a maturity date of 27 December 2016 and carrying interest at 3% per annum;
(4) unsecured 3-year Promissory Note in the outstanding principal amount of HK$38,000,000, issued on 6 March 2014, with a maturity date of 6 March 2017 and carrying interest at 3% per annum;
(5) unsecured 3-year Promissory Note in the outstanding principal amount of HK$12,500,000, issued on 9 June 2014, with a maturity date of 9 June 2017 and carrying interest at 3% per annum;

(6) unsecured 3-year Promissory Note in the outstanding principal amount of HK$7,500,000, issued on 4 September 2014, with a maturity date of 4 September 2017 and carrying interest at 3% per annum; and
(7) corporate guarantees of total amount of HK$157,125,000 given by the Company to a bank of the CCT Land Group, guaranteeing trade facilities of the CCT Land Group.

CCT Land has a right to prepay part or whole of each of the Promissory Notes by giving prior written notice to the lenders within the Remaining Group. The Promissory Note in item (1) was issued in consideration of the transfer of the child product business by the Remaining Group to the CCT Land Group in 2012. The interest-free Promissory Note in item (2) was issued as a result of the assignment of the Mainland Property Business by the Remaining Group into the CCT Land Group in 2013 and as this Promissory Note is interest-free, the carrying value of the Promissory Note of approximately HK$848 million, representing the fair value of the Promissory Note discounted by the imputed interest, was accrued as a liability in the unaudited financial statement of the CCT Land as at 30 June 2014. The other Promissory Notes were issued for cash advances provided by the Remaining Group to the CCT Land Group, mainly to finance the development and construction costs and working capital of the Mainland Property Business.

By Order of the Board of
**CCT FORTIS HOLDINGS LIMITED**
**Mak Shiu Tong, Clement**
*Director*

Hong Kong, 18 December 2014

*As at the date of this announcement, the executive directors are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the independent non-executive directors are Mr. Tam King Ching, Kenny, Mr. Chow Siu Ngor and Mr. Chen Li.*