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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)

CONTINUING CONNECTED TRANSACTIONS

The Previous Tenancy Agreements will expire on 31 December 2017. The Board is pleased to announce that on 6 December 2017, the New Tenancy Agreements were entered into between each of Billion Industries, Grand Capital and Mr. Mak in respect of lease of the First Property and the Second Property, respectively to Mr. Mak in order to renew the terms and conditions for the lease of the Properties.

Mr. Mak is a Director and the controlling shareholder of the Company and he owns personally and indirectly through private companies a total of 459,724,731 Shares, representing approximately 52.37% of the existing issued share capital of the Company. As such, Mr. Mak is a connected person of the Company under the Listing Rules and therefore, the lease of the Properties to Mr. Mak contemplated under the New Tenancy Agreements constitute continuing connected transactions for the Company under the Listing Rules.

The applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the lease of the Properties contemplated under the New Tenancy Agreements are more than 0.1% but less than 5% and the annual rental is more than HK$3,000,000. As such, the Transactions and the New Transaction Caps are subject to the announcement, annual reporting and annual review requirements and are exempted from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcements of the Company dated 27 January 2016 and 17 February 2016 and the circular of the Company dated 9 March 2016 (the "**Circular**"), regarding the major and connected transactions in relation to the acquisition of the Target Groups (as defined in the Circular) which own the Properties and the continuing connected transactions in relation to the leasing of the Properties to Mr. Mak under the Previous Tenancy Agreements.

The Previous Tenancy Agreements will expire on 31 December 2017. The Board is pleased to announce that on 6 December 2017, the New Tenancy Agreements were entered into between each of Billion Industries, Grand Capital and Mr. Mak in respect of lease of the First Property and the Second Property, respectively to Mr. Mak in order to renew the terms and conditions for the lease of the Properties.

Mr. Mak is a Director and the controlling shareholder of the Company and he owns personally and indirectly through private companies a total of 459,724,731 Shares, representing approximately 52.37% of the existing issued share capital of the Company. As such, Mr. Mak is a connected person of the Company under the Listing Rules.

THE NEW TENANCY AGREEMENTS

The principal terms of the New Tenancy Agreements are summarized below:

For the First Property

Premises:	House 38 and car park space P14 and P15, No. 56 Repulse Bay Road, Repulse Bay, Hong Kong
Landlord:	Billion Industries
Tenant:	Mr. Mak
Date of agreement:	6 December 2017
Lease term:	1 January 2018 to 31 December 2020 (both dates inclusive)
Early termination:	By either party at any time by giving six (6) months' written notice in advance to the counter party or by mutual agreement in writing by both parties

Deposit:	HK$270,000, being one month's rent
Rent:	HK$270,000 per month (inclusive of government rent, rates and management charges) payable in advance on each month without any deduction whatsoever

For the Second Property

Premises:	House 39 and car park space P5 and P6, No. 56 Repulse Bay Road, Repulse Bay, Hong Kong
Landlord:	Grand Capital
Tenant:	Mr. Mak
Date of agreement:	6 December 2017
Lease term:	1 January 2018 to 31 December 2020 (both dates inclusive)
Early termination:	By either party at any time by giving six (6) months' written notice in advance to the counter party or by mutual agreement in writing by both parties
Deposit:	HK$260,000, being one month's rent
Rent:	HK$260,000 per month (inclusive of government rent, rates and management charges) payable in advance on each month without any deduction whatsoever

HISTORICAL FIGURES FOR THE TRANSACTIONS

The aggregate rent paid or payable by Mr. Mak to Billion Industries and Grand Capital for the lease of the Properties under the Previous Tenancy Agreements, together with previously approved annual caps, are as follows:

	Rent paid or payable *HK$*	**Previously approved annual cap amounts** *HK$*
31 March 2016 to 31 December 2016	4,804,000	6,000,000
1 January 2017 to 31 December 2017	6,360,000	7,000,000

NEW TRANSACTION CAPS FOR THE TRANSACTIONS

The new annual caps, which represent the aggregate value of the potential rental income to be generated from the New Tenancy Agreements are as follows:

(a) in respect of the financial year ending 31 December 2018, HK$7 million;

(b) in respect of the financial year ending 31 December 2019, HK$7 million; and

(c) in respect of the financial year ending 31 December 2020, HK$7 million (each of the caps in (a), (b) and (c) are the "**New Transaction Caps**").

The basis of the New Transaction Caps are determined with reference to the potential rental income to be generated from the New Tenancy Agreements.

REASONS FOR THE NEW TENANCY AGREEMENTS

The Company considers it to be beneficial to renew the lease for the Properties to Mr. Mak in the normal and ordinary course of its property renting business, so that this will save time and costs for the Group to find good and responsible tenants. The terms of the New Tenancy Agreements were negotiated by the parties on an arm's length basis and the rental was determined with reference to the market rent of similar properties in the vicinity.

The Directors (including the independent non-executive Directors) are of the view that the New Tenancy Agreements, the Transactions and the New Transaction Caps are entered into the ordinary and usual course of business of the Group, on normal commercial terms which are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. Mak is a Director and the controlling shareholder of the Company and he owns personally and indirectly through private companies a total of 459,724,731 Shares, representing approximately 52.37% of the existing issued share capital of the Company. As such, Mr. Mak is a connected person of the Company under the Listing Rules and therefore, the lease of the Properties to Mr. Mak contemplated under the New Tenancy Agreements constitute continuing connected transactions for the Company under the Listing Rules.

The applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the lease of the Properties contemplated under the New Tenancy Agreements are more than 0.1% but less than 5% and the annual rental is more than HK$3,000,000. As such, the Transactions and the New Transaction Caps are subject to the announcement, annual reporting and annual review requirements and are exempted from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

Each of Grand Capital and Billion Industries is an indirect wholly-owned subsidiary of the Company and is engaged in the business of investment and renting out property.

As at the date of this announcement, the Group is principally engaged in: (i) property development, trading and investment; (ii) securities business; (iii) the Blackbird multi-faceted automotive business; (iv) the Blackbird multi-media business; (v) the cultural entertainment businesses; (vi) manufacturing of plastic components and trading of child products; and (vii) the new business venture of investment in antique watches and clocks.

As Mr. Mak is a Director and the controlling shareholder of the Company, Mr. Mak is deemed to have material interest in the New Tenancy Agreements and as such, he has to abstain and he had abstained from voting on the Board resolution of 6 December 2017 to approve the New Tenancy Agreements (the "**Board Approval Resolution**"). Save as aforesaid, none of the other Directors has any material interest in the New Tenancy Agreements. Therefore, none of the other Directors has to abstain from voting on the Board Approval Resolution. The other Directors' votes which cast in favour of the Board Approval Resolution were permitted to be counted.

DEFINITIONS

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

"associate(s)"	has the same meaning as ascribed to it under the Listing Rules;
"Board"	the board of the Directors;
"Billion Industries"	Billion Industries Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company;
"Company"	CCT Fortis Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability, the shares of which are listed on the main board of the Stock Exchange;
"Group"	the Company and its subsidiaries from time to time;
"connected person"	has the same meaning as ascribed to it under the Listing Rules;
"Director(s)"	the director(s) of the Company from time to time;
"First Property"	House 38 and car park space P14 and P15, No. 56 Repulse Bay Road, Repulse Bay, Hong Kong, which is owned by Billion Industries;
"Grand Capital"	Grand Capital Development Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company;
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;

"Independent Shareholders"	Shareholders other than Mr. Mak and its associates;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Mr. Mak"	Mr. Mak Shiu Tong, Clement, a Director and the controlling shareholder of the Company;
"New Tenancy Agreements"	the tenancy agreements dated 6 December 2017 entered into between each of Billion Industries and Grand Capital and Mr. Mak in respect of lease of the First Property and the Second Property, respectively to Mr. Mak, governing the terms and conditions of the leases for the three years ending 31 December 2020;
"New Transaction Caps"	the respective new annual cap amounts in relation to the Transactions for the period of the three financial years ending 31 December 2020 as set out in the section headed "New Transaction Caps for the Transactions" of this announcement;
"percentage ratios"	has the same meaning as ascribed to it under the Listing Rules;
"Previous Tenancy Agreements"	the tenancy agreements entered into between each of Billion Industries and Grand Capital and Mr. Mak in respect of lease of the First Property and the Second Property, respectively to Mr. Mak, details of which have been disclosed in the announcements of the Company dated 27 January 2016, 17 February 2016 and circular of the Company dated 9 March 2016;
"Properties"	the First Property and the Second Property;
"Second Property"	House 39 and car park space P5 and P6, No. 56 Repulse Bay Road, Repulse Bay, Hong Kong, which is owned by Grand Capital;

"Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of the Company;
"Shareholder(s)"	the holder(s) of the Share(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Transactions"	the continuing connected transactions as contemplated under the New Tenancy Agreements in relation to lease of the First Property and the Second Property to Mr. Mak; and
"%"	per cent.

By Order of the Board of
CCT FORTIS HOLDINGS LIMITED
Tam Ngai Hung, Terry
Director

Hong Kong, 6 December 2017

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