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## **CHANHIGH HOLDINGS LIMITED**

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

**(Stock Code: 2017)**

### **VOLUNTARY ANNOUNCEMENT**

#### **INVESTMENT AND DEVELOPMENT AGREEMENT WITH QINGZHOU MUNICIPAL GOVERNMENT**

This is a voluntary announcement made by Chanhigh Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

Based on the strategic cooperation framework agreement entered into between Zhejiang Chanhigh Industrial Investment Co., Ltd. (浙江滄海實業投資有限公司), a wholly-owned subsidiary of the Company, and the People’s Government of Qingzhou City, Shandong Province (山東省青州市人民政府) (the “**Qingzhou Municipal Government**”) on 18 January 2018 as detailed in the Company’s voluntary announcement dated 18 January 2018, the board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 29 June 2018, Qingzhou Chanhigh Construction Investment Development Limited\* (青州市滄海建設投資開發有限公司), a wholly-owned subsidiary of the Company (the “**Subsidiary**”), entered into an investment and development agreement (the “**Agreement**”) with the Qingzhou Municipal Government. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Qingzhou Municipal Government and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

#### **BASIC INFORMATION ON THE AGREEMENT**

Pursuant to the major clauses of the Agreement, (i) the Qingzhou Municipal Government will provide a piece of industrial land of approximately 2,001,000 square meters with a unit price of not more than approximately RMB120 per square meter in Naoshan Economic Development Zone\* (濰山經濟開發區) in Qingzhou City for the establishment of Chanhigh Naoshan High-Tech Industrial Park\* (滄海濰山高新技術產業園) (the “**Park**”); (ii) the Subsidiary will be responsible for the investment, development, construction, operation and promotion of the Park; (iii) the first phase of development

of the Park will cover industrial land of not less than 600,300 square meters; (iv) the Subsidiary shall attract at least one headquarters economy project to set up its operation in the Park by the end of 2018, and shall, on a best effort basis, attract at least five enterprises to set up their operations in the Park within three years from the date of the Agreement; and (v) the portion of the taxes to be paid by the enterprises of the Park for the first five years which shall be retained by the Qingzhou Municipal Government shall be fully granted to the Subsidiary.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT**

The Group principally provides municipal works and landscape construction and maintenance services to its customers, mainly state-invested enterprises and local government, and is proactively exploring opportunities in expanding its market penetration. The Board considers that, the entering into of the Agreement would enable the Group to facilitate its business development and/or expansion plan in Qingzhou City and is in the interests of the Company and its shareholders as a whole.

The Agreement is only a framework agreement which sets out the establishment principles of the Park. The Agreement may or may not lead to the entering into of further formal and definitive agreements. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. Further announcement(s) in relation to the matters referred to above will be made by the Company as and when required in compliance with the necessary requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board  
**Chanhigh Holdings Limited**  
**Peng Tianbin**  
Chairman

Hong Kong, 29 June 2018

*As at the date of this announcement, the Board consists of Mr. Peng Tianbin, Mr. Peng Yonghui and Mr. Peng Daosheng as executive Directors; Ms. Wang Sufen as non-executive Director; and Mr. Fan Rong, Mr. Shi Weixing and Mr. Yang Zhongkai as independent non-executive Directors.*

\* *Literal translation of the Chinese name*