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## **C&D INTERNATIONAL INVESTMENT GROUP LIMITED**

### **建發國際投資集團有限公司**

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

**(Stock Code: 1908)**

## **DISCLOSEABLE TRANSACTION FORMATION OF THE JOINT VENTURE**

### **FORMATION OF THE JOINT VENTURE**

The Board is pleased to announce that on 7 February 2018, Yi Yue, an indirect wholly-owned subsidiary of the Company, and Beijing Shoukai agreed to establish the Joint Venture in the PRC, in which Yi Yue and Beijing Shoukai will each hold 50% equity interests in the Joint Venture. Upon the formation of the Joint Venture, the Joint Venture will become a subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Company.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios for the formation of the Joint Venture exceed 5% but less than 25%, the formation of the Joint Venture constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

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### **Date**

7 February 2018

## **Parties**

- (a) Yi Yue, an indirect wholly-owned subsidiary of the Company
- (b) Beijing Shoukai

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Beijing Shoukai and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

## **Contribution to the registered capital**

The initial registered capital of the Joint Venture shall be RMB600,000,000. Yi Yue and Beijing Shoukai agreed to each contribute RMB300,000,000, according to their respective proportion in the equity interests of the Joint Venture.

Such contribution amount was determined after arm's length negotiation between Yi Yue and Beijing Shoukai. The contribution to be made by Yi Yue will be funded by the internal resources of the Group.

## **Scope of business of the Joint Venture**

It is proposed that the Joint Venture will be principally be engaged in the businesses of real estate development and operation as well as property management.

## **Board composition of the Joint Venture**

The board of directors of the Joint Venture will comprise of three directors, two of whom will be appointed by Yi Yue, one of whom will be appointed by Beijing Shoukai.

## **Supervisor of the Joint Venture**

The Joint Venture will have one supervisor, whom will be appointed by Beijing Shoukai.

## **INFORMATION ABOUT YI YUE AND BEIJING SHOUKAI**

Yi Yue is a company established with limited liability in the PRC and is an indirect wholly-owned subsidiary of the Company. Yi Yue is principally engaged in the property investment and development business.

Beijing Shoukai is a company established in the PRC with limited liability, the principle businesses of which are real estate development, property leasing and construction project consultation, etc..

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

The Group is principally engaged in the business of property development, investment services for real estate industry chain and investments in emerging industries in the PRC.

The Joint Venture intends to participate in the development of a piece of land located in Fuzhou, Fujian Province, the PRC (the “**Land**”). The Land is above the Xindian Vehicle Base\* (新店車輛基地) of Fuzhou Metro Line 1, located on the south side of Zhanban Road\* (戰阪路), Jin'an District\* (晉安區), Fuzhou, Fujian Province, the PRC (land plot no.: 2017-25), with a total site area of approximately 111,443.78 sq.m. and a planned plot ratio floor area of not exceeding approximately 334,331.34 sq.m., for residential, commercial, transportation and public management, and public service purposes.

The interested parties are in the process of negotiation on the cooperative development of the Land. Details of the cooperative development are yet to be finalised. Further announcement will be issued once the details have been finalised. If the relevant parties fail to reach an agreement on the cooperative development, the Joint Venture may be dissolved depending on the actual situation, and its registered capital will be returned to its shareholders based on actual contribution.

Given that (i) the Land has considerable development potential since it is a scarce land and the traffic and landscape resources will be further developed; (ii) the successful cooperative development in the future will further expand the Group's land reserve scale; and (iii) the successful cooperative development in the future will help mitigate the risks and enhance the Group's sustainable development capacity in the future, the Board believes that the formation of the Joint Venture will allow the Company to expand the size of its primary businesses and is in the interests of the Company and the Shareholders as a whole.

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## DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Beijing Shoukai”	Beijing Shoukai Stock Company Limited* (北京首都開發股份有限公司), a company established in the PRC with limited liability
“Board”	the board of Directors
“Company”	C&D International Investment Group Limited (建發國際投資集團有限公司), a company incorporated in the Cayman Islands with limited liability and 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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Joint Venture”	Xiamen Zhaochun Property Company Limited* (廈門兆淳置業有限公司), the joint venture to be established in the PRC with limited liability
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.1 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Yi Yue”

Xiamen Yi Yue Property Company Limited\* (廈門益悅置業有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“%”

per cent

For and on behalf of  
**C&D International Investment Group Limited**  
**Zhuang Yuekai**  
*Chairman and Executive Director*

Hong Kong, 7 February 2018

*As at the date of this announcement, the executive Directors are Mr. Zhuang Yuekai (Chairman), Mr. Shi Zhen and Ms. Zhao Chengmin; the non-executive Directors are Ms. Wang Xianrong, Ms. Wu Xiaomin and Mr. Huang Wenzhou; and the independent non-executive Directors are Mr. Wong Chi Wai, Mr. Wong Tat Yan, Paul and Mr. Chan Chun Yee.*

*\* For identification purpose only*