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CHINA DEVELOPMENT BANK INTERNATIONAL INVESTMENT LIMITED

國開國際投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1062)

**INSIDE INFORMATION ANNOUNCEMENT
POTENTIAL VERY SUBSTANTIAL DISPOSAL
PROPOSED DISPOSAL OF INVESTMENT INTERESTS
THROUGH LISTING-FOR-SALES**

This announcement is made by China Development Bank International Investment Limited pursuant to Rule 13.09 of the Listing Rules and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The Board announced that the Company initiated a listing-for-sale process to propose to dispose of its 4.82% interest in P.G. Logistics on SUAEX on 30 May 2022.

The Company is a state-controlled company (as defined under PRC laws) and, as required by applicable PRC laws and regulations, equity interest held by the Company shall be disposed of through a public process in an equity exchange established in accordance with the applicable PRC laws and regulations. According to the rules of SUAEX, the Company and the Transferee shall enter into an equity transaction agreement.

I. INFORMATION ON THE PROPOSED DISPOSAL

Date

The listing-for-sales notice containing (i) undertakings from the transferor; (ii) basic information of the target for transfer; (iii) basic information of the transferor; (iv) trading terms and the qualification terms for the transferee; (v) publication period; and (vi) the bidding procedures, in respect of the Proposed Disposal was published on the website of SUAEX on 30 May 2022.

Procedures

The publication period of the Proposed Disposal will be 20 business days commencing on 30 May 2022 (inclusive). If no interested transferee registers within the publication period, such publication period will be ended. During the publication period, the interested transferee shall pay RMB10,000,000 as deposit for the Proposed Disposal within three business days upon the confirmation of its qualification as a transferee by the Company. (a) In the event that there is only

one qualified transferee who pays such deposit, the proposed disposal shall be effected by way of share transfer agreement. The qualified transferee shall submit the bidding price through the system of SUAEX within the period stipulated by SUAEX and the bidding price offered by the qualified transferee shall not be lower than the base price, such bidding price, whether that is the same as or higher than the base price, shall become the transfer price of the proposed disposal, and an equity transaction agreement shall be entered into between the Company and the Transferee within 5 business days thereafter, and (b) in the event that there are two or more interested transferees, the transferees shall undergo online bidding procedure and determined through the multiple bidding process conducted by SUAEX and the final transferee shall be selected based on the highest bidding price. Upon the completion of such bidding procedure and the identity of Transferee is confirmed, an equity transaction agreement shall be entered into between the Company and the Transferee.

The Company and the Transferee shall perform the relevant approval procedures and information disclosure obligations in accordance with applicable laws, regulations, the Listing Rules and their respective constitutional documents.

As at the date of this announcement, material terms of equity transaction agreement, including but not limited to the Transferee, the final consideration and delivery and transfer time, have not been determined, and no definitive agreement has been entered into between the Company and any other party in relation to the Proposed Disposal.

II. BASIS OF CONSIDERATION

According to the relevant rules of SUAEX, there should be a base price for each listing-for-sales. The base price for the Proposed Disposal is RMB192,800,000, which is (i) required by the SUAEX rules, and (ii) determined based on the results of the Valuation Report issued by an independent valuer, China Tong Cheng Assets Appraisal Co., Ltd. (中通誠資產評估有限公司), in respect of the shareholders' interests of P.G. Logistics (by using asset-based approach) with 31 May 2021 as the reference date.

Shareholders should note that the final consideration shall be subject to the bidding process and in any event be no less than the base price. According to the terms and conditions on listing-for-sales, the final consideration shall be paid by way of installments. The Transferee shall pay 30% of the final consideration (including deposit) to the account designated by the SUAEX within 5 business days after the equity transaction agreement is entered into, and the balance of the final consideration shall be paid to the account designated by the SUAEX within 6 months after the equity transaction agreement becoming effective. The SUAEX shall issue transaction certificate and/or relevant transaction proof and wire transfer all final consideration to the account designated by the Company within 3 business days after submission of the relevant application by the Company.

III. FINANCIAL INFORMATION OF P.G. LOGISTICS

Based on the audited financial statements of P.G. Logistics for the period ended 31 May 2021, which was prepared in accordance with the PRC GAAP, the audited net assets of P.G. Logistics as at 31 May 2021 were RMB806.42 million.

IV. REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The principal activities of the Group are to achieve medium-term to long-term capital appreciation of its assets primarily through its investments in money market securities and equity and debt related securities in listed and unlisted entities on a global basis.

The Board is of the view that the Proposed Disposal is in line with the Company's medium-term to long-term capital appreciation of its assets. Should the Proposed Disposal be materialized, a capital appreciation could be realized from the Proposed Disposal which would have a positive impact on the financial position of the Company. The Proposed Disposal will be carried out on normal and commercial terms which is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

V. USE OF PROCEEDS AND FINANCIAL EFFECTS OF PROPOSED DISPOSAL

The Company intends to use the proceeds from the Proposed Disposal, if materialized, for general working capital and/or future investments.

As at the date of this announcement, the final consideration has not been determined and no equity transaction agreement has been entered into. The Company will make further disclosure regarding the financial effects of the Proposed Disposal in compliance with the Listing Rules as and when the relevant information is available to the Company to enable it to make an assessment of such financial impact.

VI. LISTING RULES IMPLICATION

Based on the base price, as the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the Proposed Disposal exceeds 75%, the Proposed Disposal is expected to be a potential very substantial disposal of the Company and shall be subject to the notification, announcement, circular, convening shareholders' meeting and obtaining shareholders' approval requirements under Chapter 14 of the Listing Rules. The Company will perform the relevant procedures and make further disclosure as appropriate based on the final price in compliance with the Listing Rules.

VII. GENERAL INFORMATION

The Company

The Company has been committed to identifying and exploring high-quality investment opportunities and has established certain investment layout in areas including, but not limited to, logistics infrastructure and supply chain services, advanced manufacturing and new energy.

P.G. Logistics

P.G. Logistics is an investment holding company incorporated in the Cayman Islands with limited liabilities. As at 31 December 2021, the proportion of the issued share capital of P.G. Logistics owned by the Group was 4.82%. As at 31 December 2021, P.G. Logistics held the entire equity interests of P.G. Investment which is a logistics warehouse infrastructure operator in the PRC. (Remarks: PG Investment completed the restructuring of overseas red chips on 25 May 2021 and as a result of which, the equity interests of Jolly Investment Limited originally held by the Group has been converted into relevant equity interests of P.G. Logistics)

As at the date of this announcement, the Proposed Disposal has not yet been materialised, the Transferee is still uncertain, no equity transaction agreement has been entered into, and no performance arrangement has been made. The Proposed Disposal may, or may not, proceed. Therefore, the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

VIII. RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Hong Kong Stock Exchange was halted with effect from 9:43 a.m. on 1 June 2022. Application has been made by the Company for the resumption of trading in the shares of the Company on the Hong Kong Stock Exchange with effect from 1:00 p.m. on 1 June 2022.

IX. DEFINITION

“Board”	the board of Directors
“Company”	China Development Bank International Investment Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“P.G. Investment”	Guangzhou P.G. Investment Co., Ltd.*, a company incorporated in the PRC with limited liabilities
P.G. Logistics	P.G. Logistics Property Investment Limited, an investment holding company incorporated in the Cayman Islands with limited liabilities
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macao Special Administrative Region and Taiwan
“Proposed Disposal”	the proposed disposal of Target Equity Interests proposed by the Company through listing-for-sales on SUAEX
“Potential Transferee”	a potential transferee of the Proposed Disposal, i. e. (i) the interested transferee registered on SUAEX whose qualification has been confirmed by the Company, if there is only one interested transferee; or (ii) the interested transferee registered on SUAEX whose qualification has been confirmed by the Company and subsequently won the bidding procedure for the Proposed Disposal through listing-for-sale, if there are two or more interested transferees
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“SUAEX”	Shanghai United Assets and Equity Exchange (上海聯合產權交易所有限公司), a comprehensive property right exchange approved to be established by the Municipal People’s Government of Shanghai

* For identification purposes only

“subsidiary”	has the meanings ascribed to it under the Listing Rules
“Target Equity Interests”	the 4.82% equity interests in P.G. Logistics held by the Company
“Transferee”	the actual transferee of the Proposed Disposal
“Valuation Report”	the valuation report on the shareholders’ interests in P.G. Logistics issued by China Tong Cheng Assets Appraisal Co., Ltd. (中通誠資產評估有限公司), with the reference date being 31 May 2021
“%”	percent

By order of the Board
China Development Bank International Investment Limited
BAI Zhe
Chairman

Hong Kong, 1 June 2022

As at the date of this announcement, the Board is comprised of Mr. BAI Zhe as Executive Director; Mr. LU Yan Po as Non-Executive Director; and Mr. SIN Yui Man, Mr. FAN Ren Da, Anthony and Mr. CHEUNG Ngai Lam as Independent Non-executive Directors.