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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)

CONNECTED TRANSACTION FORMATION OF JOINT VENTURE

The Board is pleased to announce that, on 25 October 2016, Nanning Li Bai, an indirectly wholly-owned subsidiary of the Company, C&D Real Estate and Hong Xin entered into the Joint Venture Agreement for the formation of a joint venture for carrying out, among others, the provision of small loan business and other approved business in the PRC upon receiving the necessary approval(s) from the relevant PRC government authorities.

The total registered share capital of the Joint Venture will be RMB100,000,000, of which (i) the Company will (through Nanning Li Bai) subscribe for RMB34,000,000, representing 34% of the registered share capital of the Joint Venture, (ii) C&D Real Estate will subscribe for RMB36,000,000, representing 36% of the registered share capital of the Joint Venture; and (iii) Hong Xin will subscribe for RMB30,000,000, representing 30% of the registered share capital of the Joint Venture.

As C&D Real Estate is a controlling Shareholder, it is a connected person of the Company. Accordingly, the formation of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As all the applicable percentage ratios are less than 5% but the capital contribution of the Joint Venture by Nanning Li Bai is more than HK\$3,000,000, the entering into of the Joint Venture Agreement is subject to reporting and announcement requirements but is exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

FORMATION OF JOINT VENTURE

The Board is pleased to announce that, on 25 October 2016, Nanning Li Bai, an indirectly wholly-owned subsidiary of the Company, C&D Real Estate and Hong Xin entered into the Joint Venture Agreement for the formation of a joint venture for carrying out, among others, the provision of small loan business and other approved

business in the PRC upon receiving the necessary approval(s) from the relevant PRC government authorities. The total registered share capital of the Joint Venture will be RMB100,000,000, of which (i) the Company will (through Nanning Li Bai) subscribe for RMB34,000,000, representing 34% of the registered share capital of the Joint Venture, (ii) C&D Real Estate will subscribe for RMB36,000,000, representing 36% of the registered share capital of the Joint Venture; and (iii) Hong Xin will subscribe for RMB30,000,000, representing 30% of the registered share capital of the Joint Venture.

Joint Venture Agreement

Date: 25 October 2016

Parties:

- (a) Nanning Li Bai, an indirectly wholly-owned subsidiary of the Company
- (b) C&D Real Estate, a controlling Shareholder
- (c) Hong Xin, a company established with limited liability in the PRC

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

Capital contribution and shareholding in the Joint Venture

Pursuant to the Joint Venture Agreement, the total registered share capital of the Joint Venture will be RMB100,000,000, of which (i) the Company will (through Nanning Li Bai) subscribe for RMB34,000,000, representing 34% of the registered share capital of the Joint Venture, (ii) C&D Real Estate will subscribe for RMB36,000,000, representing 36% of the registered share capital of the Joint Venture; and (iii) Hong Xin will subscribe for RMB30,000,000, representing 30% of the registered share capital of the Joint Venture.

Nanning Li Bai, C&D Real Estate and Hong Xin will fully settle the capital contribution at the time of formation of the Joint Venture. Nanning Li Bai will finance the capital contribution of the Joint Venture from its internal resources and shareholder's borrowing available to the Group.

The capital contribution will be made by Nanning Li Bai, C&D Real Estate and Hong Xin in proportion to their respective equity interest in the Joint Venture. The Company will not make any further capital contribution to the Joint Venture and the total capital commitment of the Company in the transactions contemplated under the Joint Venture Agreement will be RMB34,000,000.

Composition of the board of directors of the Joint Venture

The board of directors of the Joint Venture will comprise of 3 directors, 1 of whom will be appointed by Nanning Li Bai, 1 of whom will be appointed by C&D Real Estate and the remaining 1 will be appointed by Hong Xin.

Information about Nanning Li Bai, C&D Real Estate and Hong Xin

Nanning Li Bai is a company established with limited liability in the PRC and is an indirect wholly-owned subsidiary of the Company. Nanning Li Bai is principally engaged in various investment businesses.

C&D Real Estate is a company established with limited liability in the PRC and is a controlling Shareholder. It is principally engaged in property development business.

Hong Xin is a company established in the PRC with limited liability and is principally engaged in one of the leading integrated platforms for mobile internet's industry chain in the PRC.

REASONS FOR AND BENEFITS OF THE JOINT VENTURE AGREEMENT

The Group is principally engaged in property development, property investment and property management businesses in the PRC. The formation of the Joint Venture is in line with the Group's 5-year business strategy, and aims to improve the Group's profitability and expand its business scope by integrating the Group's upstream and downstream strength in real estate industry and leveraging on the strong support and resources from C&D Real Estate.

LISTING RULES IMPLICATIONS

As C&D Real Estate is a controlling Shareholder, it is a connected person of the Company. Accordingly, the formation of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As all the applicable percentage ratios are less than 5% but the capital contribution of the Joint Venture by Nanning Li Bai is more than HK\$3,000,000, the entering into of the Joint Venture Agreement is subject to reporting and announcement requirements but is exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, none of the Directors has a material interest in the transactions contemplated under the Joint Venture Agreement.

Having considered the above reasons and benefits of the Joint Venture Agreement, the Directors (including the independent non-executive Directors) consider that the Joint Venture Agreement was entered into on normal commercial terms, and the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

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

“Board”	the board of Directors
“C&D Real Estate”	C&D Real Estate Corporation Limited* (建發房地產集團有限公司), a company established with limited liability in the PRC and a controlling Shareholder
“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
“Hong Xin”	Hong Xin Chuang Ye Worksite Investment Group Shares Company Limited* (弘信創業工場投資集團股份有限公司), a company established in the PRC with limited liability
“Joint Venture”	the joint venture known as Guangzhou Jian Xin Small Loan Company Limited* (廣州建信小額貸款有限公司) to be formed under the Joint Venture Agreement, which will be owned as to 34% by Nanning Li Bai, 36% by C&D Real Estate and 30% by Hong Xin
“Joint Venture Agreement”	the joint venture agreement dated 25 October 2016 entered into among Nanning Li Bai, C&D Real Estate and Hong Xin for the formation of the Joint Venture

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanning Li Bai”	Guangxi Nanning Li Bai Business Service Company Limited* (廣西南寧利柏商務服務有限公司), a company established with limited liability in the PRC and an indirect wholly-owned subsidiary of the Company
“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
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 25 October 2016

As at the date of this announcement, the Directors are:-

Executive Directors:

Mr. Zhuang Yuekai (*Chairman*)
Mr. Shi Zhen
Ms. Zhao Chengmin

Non-executive Directors:

Ms. Wang Xianrong
Ms. Wu Xiaomin
Mr. Huang Wenzhou

Independent Non-executive Directors:

Mr. Wong Chi Wai
Mr. Wong Tat Yan, Paul
Mr. Chan Chun Yee

* *for identification purpose only*