

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

coolpad 酷派

COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

ANNOUNCEMENT ON THE COOPERATIVE DEVELOPMENT OF THE FIRST, SECOND AND THIRD PHASES OF URBAN RENOVATION PROJECT OF COOLPAD INFORMATION HARBOR BY THE GROUP

This announcement is made by Coolpad Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 17 October, 2017, Yulong Computer Telecommunication Scientific (Shenzhen) Co., Ltd. (“**Yulong**”), a subsidiary of the Company, entered into a cooperative development agreement (the “**Agreement**”) with Shenzhen Xinghuaan Real Estate Development Co., Ltd. (深圳市星華安房地產開發有限公司) (“**Xinghuaan**”). Pursuant to the Agreement, Yulong and Xinghuaan confirmed and agreed on the following major terms in order to jointly develop the first, second and third phases of urban renovation project of Coolpad Information Harbor (the “**Project**”):

1. Yulong shall provide the land use right of the three parcel lands located at the west side of Keyuan Road, Nanshan District (the “**Land**”) owned by it and Xinghuaan shall provide funds for construction for the Project.
2. The expenses for the Project before obtaining the land use right shall be borne by Yulong, including but not limited to the expenses relating to the application for the establishment of urban renovation project, planning approval, the confirmation of executing entity, the premium of the land use right and taxes. Yulong shall transfer the lands to Xinghuaan after finishing land levelling.
3. Xinghuaan shall assume the responsibility for the construction work for the Project independently. Xinghuaan shall be responsible for organizing the investigation and design of the Project and fulfilling relevant procedures of application for approval and construction in accordance with the plan as approved by the planning and land departments. It shall take charge of the implementation of whole construction works, supervision and management of the negotiation, signing and fulfilment of construction contracts, completion acceptance, settlement, transfer of assets and construction documents and warranty for the construction. Xinghuaan shall bear all the construction costs of the Project and shall complete the construction and deliver within three years after obtaining the construction permit.

4. Upon the completion of the Project, the newly-built properties under the Project (including plot ratio-based gross floor area and gross floor area without counting the plot ratio) shall be assigned to each party according to a ratio of 6 to 4, which means Xinghuaan and Yulong will be assigned 60% and 40% of the gross floor areas of all the newly-built properties, respectively. In respect of the above 60% of gross floor areas to be assigned to Xinghuaan, Yulong shall transfer it to Xinghuaan or third parties designated by Xinghuaan unconditionally and bear relevant taxes, if any. If such transfer is indeed unable to carry out due to policy reasons, Yulong shall cooperate with Xinghuaan and adopt other methods to realize the rights of Xinghuaan.

At present, the first phase of the Project has completed the construction of the tenth floor above ground and is suspended now. The second phase of the Project is urban renovation project and relevant demolition work is not carried out now. The third phase of the Project is vacant land.

In accordance with the Listing Rules, the Project, should the assessed value of the Land thereunder be verified, may constitute a discloseable transaction of the Company. The Company will comply with the relevant provisions of the Listing Rules as and when appropriate.

Investors are advised to pay attention to investment risks and exercise in caution when dealing in the shares of the Company.

By order of the Board
Coolpad Group Limited
JIA YUETING
Chairman

Hong Kong, 17 October 2017

As at the date of this announcement, the executive directors of the Company are Mr. Jia Yueting, Mr. Jiang Chao, Mr. Liu Hong, and Mr. Zhang Wei; the non-executive directors of the Company are Mr. Liu Jiangfeng and Mr. Abulikemu Abulimiti; the independent non-executive directors are Dr. Huang Dazhan, Mr. Xie Weixin, and Mr. Chan King Chung.