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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)**

### **VOLUNTARY ANNOUNCEMENT SHAREHOLDER LOAN FRAMEWORK AGREEMENT**

This is a voluntary announcement made by the Company.

The Board is pleased to announce that on 31 May 2018, the Company entered into the Framework Agreement with its controlling shareholder, C&D Real Estate, pursuant to which C&D Real Estate agreed to grant the shareholder loan facility in an aggregate principal amount of not exceeding RMB15,000,000,000 to the Company and its subsidiaries during the three-year period from 1 June 2018. Taking into account of the shareholder loan framework agreements entered into between the Company and C&D Real Estate dated 11 April 2016, 1 January 2018 and 29 March 2018, C&D Real Estate will grant an aggregate principal amount of the shareholder loan facilities of not exceeding RMB30,000,000,000 to the Company and its subsidiaries.

#### **LISTING RULES IMPLICATIONS**

C&D Real Estate is the controlling shareholder of the Company and is, therefore, a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of the Framework Agreement would therefore constitute connected transaction for the Company. As the shareholder loan to be provided by C&D Real Estate under the Framework Agreement is on terms better than normal commercial terms offered to the Company by independent third party financial institutions and no security over the assets of the Company will be granted, the entering into of the Framework Agreement would be exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

## INTRODUCTION

This is a voluntary announcement made by the Company.

The Board is pleased to announce that on 31 May 2018, the Company entered into the Framework Agreement with its controlling shareholder, C&D Real Estate, pursuant to which C&D Real Estate agreed to grant the shareholder loan facility in an aggregate principal amount of not exceeding RMB15,000,000,000 to the Company and its subsidiaries during the three-year period from 1 June 2018. Taking into account of the shareholder loan framework agreements entered into between the Company and C&D Real Estate dated 11 April 2016, 1 January 2018 and 29 March 2018, C&D Real Estate will grant an aggregate principal amount of the shareholder loan facilities of not exceeding RMB30,000,000,000 to the Company and its subsidiaries.

The shareholder loan will be used to meet the needs of the Group for funding new investments and businesses in future.

## FRAMEWORK AGREEMENT

Summarised below are the principal terms of the Framework Agreement:

<b>Date:</b>	31 May 2018
<b>Parties:</b>	
Lender:	C&D Real Estate
Borrower:	the Company and its subsidiaries
<b>Loan amount:</b>	an aggregate principal amount of not exceeding RMB15,000,000,000
<b>Loan period:</b>	From 1 June 2018 to 31 May 2021
<b>Annual interest rate:</b>	5.94% if the amount of loan is not exceeding RMB15,000,000,000 and 6.18% if the amount of loan is between RMB15,000,000,000 to RMB30,000,000,000, subject to annual adjustment (if any) after negotiation between the parties, as determined by the parties after arm's length negotiations taking into account of: (i) the market level of annual interest rate for real estate companies; and (ii) the loan interest rate level of the Company and C&D Real Estate

**Security:** none

**Other terms:** the annual interest rate and loan period of all outstanding shareholder loan previously granted pursuant to the shareholder loan framework agreements dated 11 April 2016, 1 January 2018 and 29 March 2018 will be adjusted in accordance with the Framework Agreement

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

The Group is principally engaged in the businesses of property development, property industry chain investment services and emerging industry investments. The Directors believe that the real estate market has recently witnessed a significant increase of potential investment opportunities as the market price trended towards rationality. The Group has recently acquired several investment projects by way of participating in land auction in open market and equity merger and acquisition. While the Group will actively utilize its internal and external resources such as proceeds from sales of properties and/or bank borrowings, the granting of the shareholder loan will strengthen the Group's financial position and supplement its liquidity, which in turn shall enable the Group to capture investment opportunities. The aggregate principal amount and annual interest rate of the shareholder loan were determined after negotiations between the Company and C&D Real Estate on an arm's length basis.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Framework Agreement are more favorable than the terms for the same type of unsecured loans offered to the Company and its subsidiaries by independent third party financial institutions in Hong Kong and the PRC, and therefore consider that the Framework Agreement was entered into on terms better than normal commercial terms, and the entering into of the Framework Agreement is in the interest of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

C&D Real Estate is the controlling shareholder of the Company and is, therefore, a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of the Framework Agreement would therefore constitute connected transaction for the Company. As the shareholder loan to be provided by C&D Real Estate under the Framework Agreement is on terms better than normal commercial terms offered to the Company by independent third party financial institutions and no

security over the assets of the Company will be granted, the entering into of the Framework Agreement would be exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

## DEFINITIONS

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

“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
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“C&D Real Estate”	C&D Real Estate Corporation Limited (建發房地產集團有限公司), a controlling shareholder of the Company
“Directors”	the directors of the Company
“Framework Agreement”	the framework agreement dated 31 May 2018 entered into between the Company and C&D Real Estate in relation to the grant of the shareholder loan of not exceeding RMB15,000,000,000 by C&D Real Estate
“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
“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

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

Hong Kong, 31 May 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.*