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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

JOINT VENTURE ARRANGEMENT IN RESPECT OF ACQUISITION OF THE LAND USE RIGHTS IN NANPING, THE PRC

Reference is made to the announcement of the Company dated 28 March 2018, in which Yi Yue, an indirectly wholly-owned subsidiary of the Company, has successfully won the bid for the auction for the land use rights of the Land for a total consideration of RMB719,500,000. On 9 May 2018, Nanping Zhaosheng, an indirect wholly-owned subsidiary of the Company, entered into the supplemental agreement to the Land Use Rights Grant Contract with the Nanping Land Bureau for the acquisition of the land use rights of the Land.

THE COOPERATION AGREEMENT

The Board is pleased to announce that on 21 June 2018, Yi Yue and Nanping Highway entered into the Cooperation Agreement, pursuant to which, among other things, Yi Yue and Nanping Highway agreed to form the Joint Venture for the acquisition of the land use rights of the Land, in which Yi Yue and Nanping Highway shall own 70% and 30% equity interests in the Joint Venture respectively. The Joint Venture will become an indirect 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 transactions contemplated under the Cooperation Agreement exceed 5% but less than 25%, the transactions contemplated under the Cooperation Agreement constitute 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

21 June 2018

Parties

- (a) Yi Yue, an indirectly wholly-owned subsidiary of the Company
- (b) Nanping Highway

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Nanping Highway and its respective ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected person(s).

Setting up and capital contribution of the Joint Venture

Within 10 business days upon signing of the Cooperation Agreement, Yi Yue shall be responsible for setting up the Joint Venture. Upon the establishment of the Joint Venture, the initial registered capital of the Joint Venture shall be RMB300,000,000. Yi Yue and Nanping Highway shall contribute RMB210,000,000 and RMB90,000,000, respectively, according to their respective proportion in the equity interests in the Joint Venture.

Acquisition of Nanping Zhaosheng by the Joint Venture

Within three business days after (i) the establishment of the Joint Venture, (ii) the receipt of the Land Use Rights Certificate by Nanping Zhaosheng, and (iii) Yi Yue obtaining the relevant regulatory approval regarding the transfer of the entire equity interests of Nanping Zhaosheng, Yi Yue shall transfer 100% equity interests in Nanping Zhaosheng to the Joint Venture at a consideration to be determined with reference to the valuation on the entire equity interests of Nanping Zhaosheng to be conducted by an independent valuer.

Capital contribution to the Joint Venture and shareholders' loan to Nanping Zhaosheng

Upon the completion of the transfer 100% equity interests in Nanping Zhaosheng to the Joint Venture by Yi Yue, Yi Yue and Nanping Highway shall contribute RMB210,000,000 and RMB90,000,000 as the registered capital of the Joint Venture, respectively, according to their respective proportion in the equity interests in the Joint Venture. The Joint Venture shall then contribute RMB10,000,000 as the registered capital of Nanping Zhaosheng.

In addition to the capital contribution, Yi Yue and Nanping Highway shall provide shareholders' loan to Nanping Zhaosheng in the total sum of RMB419,500,000, out of which Yi Yue shall be responsible for RMB293,650,000 in accordance with the proportion of its equity interests in Nanping Zhaosheng. Such shareholders' loan will be used for the acquisition of the Land and payment of relevant expenses.

Yi Yue and Nanping Highway agreed that the subsequent development of Nanping Zhaosheng shall be preferentially self-financed.

The amount of capital contribution and shareholder's loan payable by Yi Yue in the total sum of RMB503,650,000 were determined after arm's length negotiation among the parties to the Cooperation Agreement with reference to the consideration and other expenses of the Land. Capital contribution and the shareholder's loan payable by Yi Yue will be funded by internal resources of the Group.

Board composition

The board of directors of the Joint Venture will be comprised of five directors, three of whom will be appointed by Yi Yue and two of whom will be appointed by Nanping Highway.

Supervisor

The Joint Venture will not maintain a board of supervisors but instead will have one supervisor, who will be appointed by Nanping Highway.

Shareholders' voting mechanism

As at the shareholders' meeting of the Joint Venture, all resolutions must be passed by 100% of the votes cast by the shareholders of the Joint Venture.

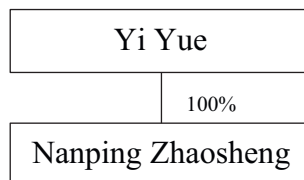
Completion

Upon completion of the transactions contemplated under the Cooperation Agreement, Yi Yue will hold 70% equity interests in the Joint Venture. The Joint Venture will become an indirect subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Company.

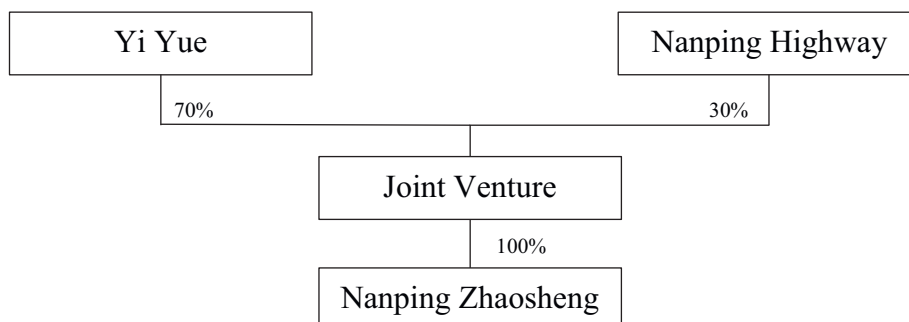
SHAREHOLDING STRUCTURES BEFORE AND AFTER THE TRANSACTIONS CONTEMPLATED UNDER THE COOPERATION AGREEMENT

The shareholding structures of Nanping Zhaosheng and the Joint Venture (i) before the completion of the transactions contemplated under the Cooperation Agreement; and (ii) immediately after the completion of the transactions contemplated under the Cooperation Agreement are as follows:-

Before the completion of the transactions contemplated under the Cooperation Agreement:



Immediately after the completion of the transactions contemplated under the Cooperation Agreement:



INFORMATION RELATING TO THE LAND

The Land is located at the west of Jinglong Road (景龍路), the north of Youzuo Road (游酢路), the east of Jianping Avenue (建平大道), the south of Shuanglong Road (雙龍路), Nanping City, Fujian Province, the PRC (Land Plot No. JY2018001), which is closed to the old downtown with convenient transportation and mature facilities in its vicinity. The total site area of the Land is approximately 70,000 sq.m. and the estimated total plot ratio floor area of the Land is not exceeding approximately 126,000 sq.m.. The land use of the Land is for residential and commercial-service use. The terms of the land use rights of the Land are 70 years and 40 years respectively.

INFORMATION ABOUT THE PARTIES TO THE COOPERATION AGREEMENT

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.

Nanping Highway is a company established with limited liability in the PRC and is principally engaged in land development and construction, property development and operation, property investment etc..

REASONS FOR AND BENEFITS OF THE TRANSACTIONS CONTEMPLATED UNDER THE COOPERATION AGREEMENT

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

The Directors are of the view that: given that: (i) the Land is of desirable conditions with great development potential; (ii) the acquisition and development of the Land will further enhance the Company's brand recognition in the Nanping real estate market; and (iii) participation in the development of the Land will facilitate the Group to share the revenue and diversify the risk, the Board is of the view that the transactions contemplated under the Cooperation Agreement provide good investment opportunities. The Board confirms that the transactions contemplated under the Cooperation Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for transactions contemplated under the Cooperation Agreement exceed 5% but less than 25%, the transactions contemplated under the Cooperation Agreement constitute a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 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
“Cooperation Agreement”	the cooperation development agreement dated 21 June 2018 entered into between Yi Yue and Nanping Highway regarding, among other things, the formation of the Joint Venture
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture”	a joint venture to be established under the laws of the PRC
“Land”	a piece of land located at the west of Jinglong Road (景龍路), the north of Youzuo Road (游酢路), the east of Jianping Avenue (建平大道), the south of Shuanglong Road (雙龍路), Nanping City, Fujian Province, the PRC (Land Plot No. JY2018001) with a total site area of approximately 70,000 sq.m. and the estimated total plot ratio floor area of not exceeding approximately 126,000 sq.m.

“Land Acquisition”	the acquisition of land use rights of the Land through public bidding process at the auction
“Land Use Rights Certificate”	the state-owned land use rights certificate (國有土地使用權証), a certificate of the right of Nanping Zhaosheng to use the Land
“Land Use Rights Grant Contract”	the State-owned Land Use Rights Grant Contract (國有土地使用權出讓合同) entered into between Yi Yue and the Nanping Land Bureau dated 11 April 2018 regarding the Land Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanping Land Bureau”	Nanping Municipal Jianyang District Bureau of Land Resources* (南平市建陽區國土資源局)
“Nanping Highway”	Nanping Highway Development Company Limited* (南平高速開發有限公司), a company established in the PRC with limited liability
“Nanping Zhaosheng”	Nanping Municipal Jianyang District Zhaosheng Real Estate Company Limited* (南平市建陽區兆盛房地產有限公司), a company established in the PRC with limited liability on 25 April 2018, with registered capital of RMB10,000,000
“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(s)
“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, 21 June 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*