

*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.*

**C&D INTERNATIONAL INVESTMENT GROUP LIMITED**   **C&D Property Management Group Co., Ltd**  
建發國際投資集團有限公司   建發物業管理集團有限公司  
*(Incorporated in the Cayman Islands with limited liability)*   *(Incorporated in the British Virgin Islands with limited liability)*  
(Stock Code: 1908)   (Stock Code: 2156)

## **SUPPLEMENTAL ANNOUNCEMENT**

### **CONTINUING CONNECTED TRANSACTION IN RELATION TO COMMERCIAL ENTRUSTED OPERATION AND MANAGEMENT**

Reference is made to the joint announcement of C&D International Investment Group Limited and C&D Property Management Group Co., Ltd dated 26 November 2024 (the “**Announcement**”) in relation to the continuing connected transactions contemplated under the Entrusted Management Agreement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

C&D International and C&D Property would like to provide the following information in relation to the continuing connected transactions contemplated under the Entrusted Management Agreement.

#### **PRICING POLICY**

Set out below is the basis for determining fees payable to C&D Commercial Management under the Entrusted Management Agreement:

- 1 The preliminary planning consultancy fee was determined with reference to fees charged by C&D Commercial Management for previous projects, and through fair negotiation between the parties, after considering, amongst others, (1) the location, structure, design and renovation of the Project; (2) the scope of preliminary planning consultancy services, whether it covers preliminary design and construction work etc.; and (3) C&D Commercial Management’s expected input.
- 2 The tenant sourcing commission was determined with reference to (1) tenant sourcing commission charged by C&D Commercial Management for previous projects; and (2) prevailing rate charged by the C&D Property Group’s counterparts, which is 1 to 2 times of the average monthly rent in the first lease year, through fair negotiation with Chengdu RSM. In addition, the level of occupancy rate that shall be achieved by C&D Commercial Management was determined based on (1) the business potential and attractiveness of the Project based on C&D Commercial Management’s assessment; (2) the expected occupancy rate of the Project to be reached given C&D Commercial Management’s input and management; and (3) the historical performance achieved by C&D Commercial Management when operating similar projects.

- 3 The annual operation management commission was determined with reference to (1) the operation management commission charged by C&D Commercial Management for previous projects, and (2) the prevailing rate charged by C&D Property's counterparts, particularly those which are asset-light, through fair negotiation with Chengdu RSM. Further, the budgeting Operating Profit of the Project used to determine the Operating Profit Achievement Rate was determined based on market research, estimation of the annual operating income and operating expenses of the Project, and estimation of the costs and expenses for the operation of the Project.

## **FEE ARRANGEMENT**

Under the entrusted management model, the manager of the asset shall utilize its capabilities including but not limited to, promotion, marketing, and advertising, with a view to obtain a reasonable return for its services through various forms of services fees.

Pursuant to the Entrusted Management Agreement, Chengdu RSM is responsible for all costs and expenses of the Project (including personnel and other costs and expenses to be incurred by C&D Commercial Management) throughout its term. Therefore, if the Project's performance fails to meet the agreed thresholds despite C&D Commercial Management's involvement, such as unsatisfactory tenant sourcing results or failure to meet the pre-committed Operating Profit Achievement Rate, in accordance with market practice and principle of fairness, C&D Commercial Management will not receive any tenant sourcing commission or operation management commission. Nonetheless, no significant loss will be incurred by C&D Commercial Management in such case.

Having considered the above, each of the C&D International Board and C&D Property Board is of the view that pricing policies and fee arrangements under the Entrusted Management Agreement are fair and reasonable and in the interest of C&D International and C&D Property and their respective shareholders as a whole.

Save as disclosed above, all other information in the Announcement remains unchanged. This announcement is supplemental to and should be read in conjunction with the Announcement.

For and on behalf of the Board  
**C&D International Investment Group  
Limited**  
**Lin Weiguo**  
*Executive Director and Chief Executive  
Officer*

For and on behalf of the Board  
**C&D Property Management Group Co.,  
Ltd**  
**Qiao Haixia**  
*Executive Director and Chief Executive  
Officer*

Hong Kong, 18 December 2024

*As at the date of this announcement, the C&D International Board comprises Ms. Zhao Chengmin (Chairperson), Mr. Lin Weiguo (Chief Executive Officer), Mr. Tian Meitan and Mr. Xu Yixuan as executive directors; Mr. Huang Wenzhou, Ms. Ye Yanliu and Mr. Zheng Yongda as non-executive directors; and Mr. Wong Chi Wai, Mr. Wong Tat Yan, Paul, Mr. Chan Chun Yee and Mr. Dai Yiyi as independent non-executive directors.*

*As at the date of this announcement, the C&D Property Board comprises Ms. Qiao Haixia (Chief Executive Officer) and Mr. Huang Danghui as executive directors; Mr. Lin Weiguo (Chairman) and Mr. Xu Yixuan as non-executive directors; and Mr. Lee Cheuk Yin Dannis, Mr. Li Kwok Tai James and Mr. Wu Yat Wai as independent non-executive directors.*