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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 ENTERING INTO OF COOPERATION AGREEMENT IN RELATION TO LAND IN PUTIAN

COOPERATION AGREEMENT

Fuzhou Huicheng Baiyue successfully won the bid on 19 November 2024 for the land use rights of the Land which is located at Yuhu development zone, Licheng District, Putian City, the PRC (Parcel No. Licheng District PS-Pai-2024-35 (荔城區PS拍-2024-35號)) for a total consideration of RMB585,000,000.

On 26 December 2024, the Parties entered into the Cooperation Agreement, pursuant to which, among other things, the Parties agreed to engage in the development and construction of residential and/or commercial projects on the Land through the Joint Venture, and Xiamen Zhaochengyao (a subsidiary of the Company), Putian Lianxintai, Fuzhou Huicheng Baiyue and Putian Zhuyuan shall own 9%, 34%, 51% and 6% equity interests in the Joint Venture, respectively. The capital commitment payable by Xiamen Zhaochengyao in the Joint Venture will be RMB52,650,000.

Upon completion of the transaction contemplated under the Cooperation Agreement, Xiamen Zhaochengyao will hold 9% equity interest in the Joint Venture. The Joint Venture will not become an indirect subsidiary of the Company and its financial results will not be consolidated into the financial statements of the Company.

LISTING RULES IMPLICATIONS

As C&D Inc. is a controlling shareholder of the Company and Lianfa Group is a subsidiary of C&D Inc. and Putian Lianxintai is a wholly-owned subsidiary of Lianfa Group, each of Lianfa Group and Putian Lianxintai is a connected person of the Company. As such, the transaction contemplated under the Cooperation Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, the transaction contemplated under the Cooperation Agreement is required to be aggregated with the Previous Transactions. As one or more of the applicable percentage ratios in respect of the Aggregated Transactions is more than 0.1% but less than 5%, the Aggregated Transactions shall be subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

Fuzhou Huicheng Baiyue successfully won the bid on 19 November 2024 for the land use rights of the Land which is located at Yuhu development zone, Licheng District, Putian City, the PRC (Parcel No. Licheng District PS-Pai-2024-35 (荔城區PS拍-2024-35號)) for a total consideration of RMB585,000,000.

COOPERATION AGREEMENT

On 26 December 2024, the Parties entered into the Cooperation Agreement, pursuant to which, among other things, the Parties agreed to engage in the development and construction of residential and/or commercial projects on the Land through the Joint Venture, and Xiamen Zhaochengyao (a subsidiary of the Company), Putian Lianxintai, Fuzhou Huicheng Baiyue and Putian Zhuyuan shall own 9%, 34%, 51% and 6% equity interests (the “**Equity Proportion**”) in the Joint Venture, respectively.

The principal terms of the Cooperation Agreement are set out as follows:

Date

26 December 2024

Parties

- (1) Xiamen Zhaochengyao, a subsidiary of the Company
- (2) Putian Lianxintai
- (3) Fuzhou Huicheng Baiyue
- (4) Putian Zhuyuan

Capital commitment in the Joint Venture

As of the date of this announcement, Fuzhou Huicheng Baiyue has paid RMB120,000,000 to the Putian Natural Resources Bureau as the security deposit for the Land, and paid RMB41,700,000 as part of the land transfer price in respect of the Land on 11 December 2024. The Parties have agreed to bear the aforementioned amounts based on their Equity Proportion, with Xiamen Zhaochengyao bearing RMB14,553,000, Putian Lianxintai bearing RMB54,978,000, Fuzhou Huicheng Baiyue bearing RMB82,467,000, and Putian Zhuyuan bearing RMB9,702,000.

The Joint Venture and Putian Natural Resources Bureau have entered into a state-owned land use right transfer contract on 6 December 2024 in relation to the acquisition of the Land. The remaining transfer price and related expenses amounting to RMB435,000,000 in respect of the Land shall be paid by 30 December 2024.

Upon the establishment of the Joint Venture, its initial registered capital shall be RMB585,000,000, which was fully subscribed by Fuzhou Huicheng Baiyue. The Parties will complete their contributions to the Joint Venture's registered capital by 30 June 2025. The contributions to the Joint Venture's registered capital will be used for the acquisition of the Land. Upon meeting the financing requirements, the Joint Venture shall be permitted to prioritise external funding channels to finance its development capital.

The funds advanced by Fuzhou Huicheng Baiyue on behalf of Xiamen Zhaochengyao shall be returned by Xiamen Zhaochengyao to Fuzhou Huicheng Baiyue after mutual negotiation between the two parties.

The total capital commitment of RMB52,650,000, being 9% of the Joint Venture's initial registered capital, payable by Xiamen Zhaochengyao was determined after arm's length negotiation among the Parties with reference to the consideration for the Land. The capital commitment of Xiamen Zhaochengyao will be financed with the self-owned funds of the Group. The Directors considered that the amount of capital commitment payable by Xiamen Zhaochengyao under the Cooperation Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The funds advanced by Fuzhou Huicheng Baiyue for Putian Lianxintai and Putian Zhuyuan are required to be paid to Fuzhou Huicheng Baiyue through the Joint Venture on or before 26 December 2024.

Within 5 business days after the completion by Xiamen Zhaochengyao and Putian Lianxintai of the audit and asset valuation of the Joint Venture, as well as the filing or approval of the state-owned asset valuation and/or the state-owned asset approval procedures, Fuzhou Huicheng Baiyue shall transfer its 9% and 34% equity interests in the Joint Venture to Xiamen Zhaochengyao and Putian Lianxintai, respectively, at par value based on the paid-up registered capital (subject to a value not exceeding the approved or filed valuation). Within 5 business days after Putian Zhuyuan repays the funds advanced by Fuzhou Huicheng Baiyue, Fuzhou Huicheng Baiyue shall transfer its 6% equity interest in the Joint Venture to Putian Zhuyuan at par value based on the paid-up registered capital.

Fuzhou Huicheng Baiyue has the right to transfer its equity interest in the Joint Venture to a third party, and both Putian Lianxintai and Putian Zhuyuan hereby waive their right of first refusal.

Completion

Upon completion of the transaction contemplated under the Cooperation Agreement, Xiamen Zhaochengyao will hold 9% equity interest in the Joint Venture. The Joint Venture will not become an indirect subsidiary of the Company and its financial results will not be consolidated into the financial statements of the Company.

Corporate Governance

The board of directors of the Joint Venture shall consist of five directors, three of whom will be appointed by Fuzhou Huicheng Baiyue, and two of whom will be appointed by Xiamen Zhaochengyao and Putian Lianxintai, respectively. All matters to be decided by the board of directors of the Joint Venture shall be by majority decision.

The Joint Venture does not have a board of supervisors and supervisors.

At the shareholders' meeting of the Joint Venture, except specific matters described in the Cooperation Agreement such as changes to its registered capital, merger, separation, dissolution, liquidation or change of corporate form of the Joint Venture, which must be passed by at least two-thirds of the voting rights held by the shareholders of the Joint Venture, other matters are to be decided by a simple majority of the votes cast by shareholders of the Joint Venture. The Parties have agreed to exercise voting rights based on their Equity Proportion. Xiamen Zhaochengyao, Putian Lianxintai, Fuzhou Huicheng Baiyue and Putian Zhuyuan shall respectively hold 9%, 34%, 51% and 6% of the voting rights in the Joint Venture.

INFORMATION OF THE LAND

The Land is located at Yuhu development zone, Licheng District, Putian City, the PRC (Parcel No. Licheng District PS-Pai-2024-35 (荔城區PS拍-2024-35號)) and is of good overall quality, with comprehensive commercial, educational and landscape resources, and favourable prospects for development. The Land has a total site area of approximately 23,415.75 sq.m. and an estimated total gross floor area of not exceeding approximately 86,638 sq.m.. The land use rights for residential purposes on the Land are granted for a term of 70 years.

INFORMATION OF THE PARTIES

Xiamen Zhaochengyao is a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company, and is principally engaged in real estate investment and development businesses.

Putian Lianxintai is a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of Lianfa Group and is principally engaged in the real estate development and operation businesses.

Fuzhou Huicheng Baiyue is a company established in the PRC with limited liability, is principally engaged in real estate investment and development businesses. Huicheng Century Group Limited* (匯成世紀集團有限公司) holds 90% equity interest in Fuzhou Huicheng Baiyue, while Xue Yeguang (薛葉光) and Xue Xianglin (薛祥霖) hold 70% and 30% equity interest in Huicheng Century Group Limited* (匯成世紀集團有限公司), respectively.

Putian Zhuyuan is a company established in the PRC with limited liability and is principally engaged in real estate investment and development businesses and is held as to 99% by Cai Xiyuan (蔡喜源).

To the best of the knowledge, information and belief of the Board having made all reasonable enquiries, Fuzhou Huicheng Baiyue, Putian Zhuyuan, and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

APPROVAL BY THE BOARD

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, none of the Directors had material interest in the transaction contemplated under the Cooperation Agreement, and accordingly none of them was required to abstain from voting on the Board resolution for considering and approving the transaction contemplated under the Cooperation Agreement.

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

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

Entering into the Cooperation Agreement will enable the Parties (including the Group and Lianfa Group) to collaborate in the process of developing the Land by leveraging their respective strengths to enhance the efficiency of land development and operation as well as the use of capital, therefore sharing its risks and benefits. The Directors believe that the joint development of the Land with Lianfa Group will enable more effective cost and quality control over the development of the Land, explore the advantages of brand synergy and further expand the influence of “C&D” as a brand.

The Directors (including the independent non-executive Directors) consider that the terms of the Cooperation Agreement are on normal commercial terms, fair and reasonable, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As C&D Inc. is a controlling shareholder of the Company and Lianfa Group is a subsidiary of C&D Inc. and Putian Lianxintai is a wholly-owned subsidiary of Lianfa Group, each of Lianfa Group and Putian Lianxintai is a connected person of the Company. As such, the transaction contemplated under the Cooperation Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, the transaction contemplated under the Cooperation Agreement is required to be aggregated with the Previous Transactions. As one or more of the applicable percentage ratios in respect of the Aggregated Transactions is more than 0.1% but less than 5%, the Aggregated Transactions shall be subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

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| “Aggregated Transactions” | collectively, the Previous Transactions and the transactions contemplated under the Cooperation Agreement |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors of the Company |
| “C&D Inc.” | Xiamen C&D Inc. (廈門建發股份有限公司), a joint stock company established in the PRC with limited liability and the controlling shareholder of the Company, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600153) |
| “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 |
| “Cooperation Agreement” | the cooperative development agreement dated 26 December 2024 entered into among the Parties, pursuant to which the Parties agreed to, among other things, engage in the development and construction of residential and/or commercial projects on the Land through the Joint Venture |
| “Director(s)” | the director(s) of the Company |

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| “Fuzhou Huicheng Baiyue” | Fuzhou Huicheng Baiyue Investment Co., Ltd.* (福州匯成佰悅投資有限公司), a company established in the PRC with limited liability |
| “Group” | the Company and its subsidiaries and, where the context so requires, includes its associates and joint ventures |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Joint Venture” | Putian Lianzhaofeng Real Estate Co., Ltd.* (莆田聯兆豐置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Fuzhou Huicheng Baiyue as at the date of this announcement |
| “Land” | a piece of land located at Yuhu development zone, Licheng District, Putian City, the PRC (Parcel No. Licheng District PS-Pai-2024-35 (荔城區PS拍-2024-35號)), with a total site area of approximately 23,415.75 sq.m. and an estimated total gross floor area of not exceeding approximately 86,638 sq.m. |
| “Lianfa Group” | Lianfa Group Company Limited* (聯發集團有限公司), a company established in the PRC with limited liability and a subsidiary of C&D Inc. |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Parties” | Xiamen Zhaochengyao, Putian Lianxintai, Fuzhou Huicheng Baiyue and Putian Zhuyuan |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Previous Transactions” | the cooperation agreement dated 21 December 2023 entered into between Putian Zhaoxi and Putian Lianxintai in relation to, among other things, the establishment of Putian Lianzhaorun Real Estate Co., Ltd.* (莆田聯兆潤置業有限公司) and the acquisition of 45% equity interest in Putian Lianzhaorun Real Estate Co., Ltd.* (莆田聯兆潤置業有限公司) by Putian ZhaoXi |
| “Putian Lianxintai” | Putian Lianxintai Real Estate Co., Ltd.* (莆田聯欣泰置業有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Lianfa Group |

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| “Putian Zhaoxi” | Putian Zhaoxi Property Company Limited* (莆田兆璽置業有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Putian Zhuyuan” | Putian Zhuyuan Property Co., Ltd.* (莆田市築圓置業有限公司), a company established in the PRC with limited liability |
| “Share(s)” | the ordinary share(s) of HK\$0.1 each of the Company |
| “Shareholder(s)” | the shareholder(s) of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed to it under the Listing Rules |
| “Xiamen Zhaochengyao” | Xiamen Zhaochengyao Investment Company Limited* (廈門兆澄壺投資有限公司), 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
Lin Weiguo
Executive Director and Chief Executive Officer

Hong Kong, 26 December 2024

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

* For identification purpose only