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## **GROUND INTERNATIONAL DEVELOPMENT LIMITED**

### **廣澤國際發展有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 989)**

## **VOLUNTARY ANNOUNCEMENT – FRAMEWORK AGREEMENT IN RELATION TO A POSSIBLE ACQUISITION**

This is a voluntary announcement made by Ground International Development Limited (the “**Company**”).

### **THE FRAMEWORK AGREEMENT**

The board of the directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 9 January 2017 (after trading hours), Wise Earn Limited (an indirect wholly-owned subsidiary of the Company, the “**Subsidiary**”) entered into a non-legally enforceable framework agreement (the “**Framework Agreement**”) with, among others, the respective shareholders (the “**Vendors**”) of a company based in Jilin Province (“**Target Company-A**”) and another company also based in Jilin Province (“**Target Company-B**”, together with Target Company-A, the “**Target Companies**”) in relation to the potential acquisition of the entire equity interest in the Target Companies (the “**Possible Acquisition**”). Pursuant to the Framework Agreement, the Subsidiary agreed to acquire the entire equity interest in the Target Companies from the Vendors, and certain equity interest in the Target Companies is state-owned and has to be acquired by the Subsidiary by way of public tender. The completion of the Possible Acquisition will be subject to, among others, (i) the Subsidiary being satisfied with the results of the due diligence review to be conducted on the assets, business, legal identities and financial information of the Target Companies and the Target Subsidiary (as defined below) and (ii) the Subsidiary having won the public tender.

### **Information on the Target Companies**

Both Target Company-A and Target Company-B were established in the People’s Republic of China (“**PRC**”). The principal business of each of Target Company-A and Target Company-B is business information consulting.

Target Company-A and Target Company-B holds 70% and 30% equity interest in a company (the “**Target Subsidiary**”) established in the PRC respectively, and such equity interest is the main asset of the Target Companies and the principal subject target of the Possible Acquisition. The principal business of the Target Subsidiary is provision of guarantee services in the PRC.

### **Reasons for the Possible Acquisition**

The Group is principally engaged in the property development and management, including planning, design, budgeting, licensing, contract tendering and contract administration, property investment, and provision of telecommunications retail sales and management services.

The Company from time to time explores projects with investment potentials. As disclosed in the interim report of the Company for the six months ended 30 September 2016, the micro-finance sector in Jilin Province in the PRC has experienced rapid growth in 2016 and the Company is seeking opportunities to develop and expand into micro-finance sector to create potential synergies with the Company’s current business and enhance value to the Company’s shareholders. The Directors consider that the Possible Acquisition is in line with the Company’s development strategies and represents a good investment opportunity for the Company.

### **General**

The Possible Acquisition, if materialised, may constitute a notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Company will keep potential investors and the shareholders of the Company (the “**Shareholders**”) informed of any material development in connection with the Possible Acquisition by way of further announcement(s) as and when appropriate in compliance with the requirements under the Listing Rules.

**The Board wishes to emphasize that as at the date of this announcement, the Subsidiary has not entered into any legally enforceable agreement in respect of the Possible Acquisition. Acquisition of certain equity interest in the Target Companies will be conducted by way of public tender through assets and equity exchange and it is uncertain whether the Subsidiary will win the public tender. If the Subsidiary does not win the public tender, the Possible Acquisition will not proceed. Potential investors and the Shareholders should pay attention to investment risks and are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Ground International Development Limited**  
**Chai Xiu**  
*Chairperson*

Hong Kong, 9 January 2017

*As at the date of this announcement, the executive Directors of the Company are Ms. Chai Xiu, Ms. Cui Xintong, Mr. Wang Guanghui and Mr. Huang Bingxing; and the independent non-executive Directors of the Company are Mr. Chan Yuk Tong, Mr. Mei Jianping and Mr. Xiang Qiang.*