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**GROUND
INTERNATIONAL
廣澤國際**

GROUND INTERNATIONAL DEVELOPMENT LIMITED

廣澤國際發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 989)

DISCLOSEABLE TRANSACTIONS - PROVISION OF GUARANTEE SERVICES

PROVISION OF GUARANTEE SERVICES

Guarantee Agreements A

On 17 January 2020, FR Guarantee, an indirect wholly owned subsidiary of the Company, entered into the Guarantee Agreements A with each of the Customers A pursuant to which FR Guarantee has agreed to provide a guarantee to the Bank in connection with each of the customers' obligations under each of the Loan Agreements A entered into between the Bank and each of the Customers A.

In consideration of FR Guarantee entering into the Guarantee Agreements A, each of the Customers A has procured the provision of securities in favour of FR Guarantee, among which includes (i) for the Customer A1, five commercial property units with an aggregate gross floor area of approximately 669.17 square metres; (ii) for the Customer A2, nine commercial property units with an aggregate gross floor area of approximately 796.82 square metres; (iii) for the Customer A3, nine commercial property units with an aggregate gross floor area of approximately 960.94 square metres; (iv) for the Customer A4, eight commercial property units with an aggregate gross floor area of approximately 730.87 square metres; all of which are located in Jilin Province, the PRC and all these properties are held by companies that are owned by certain ultimate beneficial owners of the Customers B. In addition, corporate and personal guarantees had been provided in favour of FR Guarantee by certain ultimate beneficial owners of the Customers B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the values of properties exceed the guaranteed obligations of FR Guarantee under each of the Guarantee Agreements A.

FR Guarantee has charged the each of Customers A a guarantee fee of RMB125,000 (equivalent to approximately HK\$138,750)(i.e. 2.5% of the principal amount of RMB5,000,000 under each of the Loan Agreements A). All the rates are on normal commercial terms and in the ordinary and usual course of business of FR Guarantee. The total guarantee fees under the Guarantee Agreements A aggregate to RMB500,000 (equivalent to approximately HK\$555,000).

Guarantee Agreements B

Reference is made to the announcement of the Company dated 18 October 2019 in relation to, among others, the Guarantee Agreement D1 and Guarantee Agreement D2 entered into between FR Guarantee and the Customer D. Capitalised terms used herein shall have the same meaning as those defined in the Announcement unless the context requires otherwise.

On 17 January 2020, FR Guarantee, an indirect wholly owned subsidiary of the Company, entered into the Guarantee Agreements B with each of the Customers B pursuant to which FR Guarantee has agreed to provide a guarantee to the Bank in connection with each of the customers' obligations under each of the Loan Agreements B entered into between the Bank and each of the Customers B.

In consideration of FR Guarantee entering into the Guarantee Agreements B, each of the Customers has procured the provision of securities in favour of FR Guarantee, among which includes (i) for the Customer B1, one commercial property unit with an gross floor area of approximately 504.66 square metres; and (ii) for the Customer B2, six commercial property units with an aggregate gross floor area of approximately 844.56 square metres; all of which are located in Jilin Province, the PRC and all these properties are held by companies that are owned by their certain ultimate beneficial owners. In addition, corporate and personal guarantee had been provided in favour of FR Guarantee by their certain ultimate beneficial owners. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the values of properties exceed the guaranteed obligations of FR Guarantee under each of the Guarantee Agreements B.

FR Guarantee has charged the each of Customers B a guarantee fee of RMB125,000 (equivalent to approximately HK\$138,750)(i.e. 2.5% of the principal amount of RMB5,000,000 under each of the Loan Agreements B). All the rates are on normal commercial terms and in the ordinary and usual course of business of FR Guarantee. The total guarantee fees under the Guarantee Agreements B aggregate to RMB250,000 (equivalent to approximately HK\$277,500).

Listing Rules Implications

As the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Guarantee Agreements A and the Guarantee Agreements B on a standalone basis, are all below 5%, the provision of the guarantee service under each of the Guarantee Agreements A and the Guarantee Agreements B are not subject to the disclosure requirement under the Listing Rules.

Since (i) the counter-guarantee measures (including the properties and the personal and corporate guarantees) under each of the Guarantee Agreements A and the Guarantee Agreement B are provided by certain ultimate beneficial owners of the Customers B; and (ii) the Customer D, the Customer B1 and the Customer B2 have common shareholders, all the Customers A, the Customers B and the Customer D are considered to be connected or associated with each other. Pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under each of the Guarantee Agreements A and the Guarantee Agreements B shall be aggregated and together with transactions contemplated under the Guarantee Agreements D1 and the Guarantee Agreement D2 for the purposes of compliance with Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Guarantee Agreement D1, the Guarantee Agreement D2, the Guarantee Agreements A and the Guarantee Agreements B on an aggregate basis exceed 5% but all are less than 25%, the entering into of the Guarantee Agreements A and the Guarantee Agreements B and the transactions contemplated thereunder constitute a discloseable transaction of the Company and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF GUARANTEE SERVICES

Guarantee Agreements A

On 17 January 2020, FR Guarantee, an indirect wholly owned subsidiary of the Company, entered into the Guarantee Agreements A with each of the Customers A pursuant to which FR Guarantee has agreed to provide a guarantee to the Bank in connection with each of the customers' obligations under each of the Loan Agreements A entered into between the Bank and each of the Customers A.

The salient terms of the Guarantee Agreements A are summarised as below:

Guarantee Agreement	:	Guarantee Agreement A1	Guarantee Agreement A2	Guarantee Agreement A3	Guarantee Agreements A4
Date	:	17 January 2020			
Guarantor	:	FR Guarantee			
Principal and the borrower	:	Customer A1	Customer A2	Customer A3	Customer A4
Loan period	:	One year			
Term	:	The guarantee obligation shall continue until two years from the final repayment date of the each of Loan Agreements A. If the loan agreement is extended or the amounts owed by the customer under the loan agreement are declared due and repayable in advance of the expiry date, the guarantee obligation shall continue until two years from the relevant extended date/final repayment date. In case of repayment by instalments, continue until two years from the repayment date of the final tranche.			
Guaranteed obligations	:	FR Guarantee shall guarantee each of the Customers A's obligations under each of the Loan Agreements A including the respective principal amount, interest (including compound interest and default interest), penalty, damages, fees and etc.			

In consideration of FR Guarantee entering into the Guarantee Agreements A, each of the Customers A has procured the provision of securities in favour of FR Guarantee, among which includes (i) for the Customer A1, five commercial property units with an aggregate gross floor area of approximately 669.17 square metres; (ii) for the Customer A2, nine commercial property units with an aggregate gross floor area of approximately 796.82 square metres; (iii) for the Customer A3, nine commercial property units with an aggregate gross floor area of approximately 960.94 square metres; (iv) for the Customer A4, eight commercial property units with an aggregate gross floor area of approximately 730.87 square metres; all of which are located in Jilin Province, the PRC and all these properties are held by companies that are owned by certain ultimate beneficial owners of the Customers B. In addition, corporate and personal guarantees had been provided in favour of FR Guarantee by certain ultimate beneficial owners of the Customers B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the values of properties exceed the guaranteed obligations of FR Guarantee under each of the Guarantee Agreements A.

FR Guarantee has charged the each of Customers A guarantee fee of RMB125,000 (equivalent to approximately HK\$138,750)(i.e. 2.5% of the principal amount of RMB5,000,000 under each of the Loan Agreements A). All the rates are on normal commercial terms and in the ordinary and usual course of business of FR Guarantee. The total guarantee fees under the Guarantee Agreements A aggregate to RMB500,000 (equivalent to approximately HK\$555,000).

Guarantee Agreements B

Reference is made to the announcement of the Company dated 18 October 2019 in relation to, among others, the Guarantee Agreement D1 and Guarantee Agreement D2 entered into between FR Guarantee and the Customer D (the “Announcement”). Capitalised terms used herein shall have the same meaning as those defined in the Announcement unless the context requires otherwise.

On 17 January 2020, FR Guarantee, an indirect wholly owned subsidiary of the Company, entered into the Guarantee Agreements B with each of the Customers B pursuant to which FR Guarantee has agreed to provide a guarantee to the Bank in connection with each of the customers’ obligations under each of the Loan Agreements B entered into between the Bank and each of the Customers B.

The salient terms of the Guarantee Agreements B for Customers are summarised below:

Guarantee Agreements	Guarantee Agreement B1	Guarantee Agreement B2
Date	17 January 2020	
Guarantor	FR Guarantee	
Principal and the borrower	Customer B1	Customer B2
Loan period	One year	
Term	: The guarantee obligation shall continue until two years from the final repayment date of the each of Loan Agreements B. If the loan agreement is extended or the amounts owed by the customer under the loan agreement are declared due and repayable in advance of the expiry date, the guarantee obligation shall continue until two years from the relevant extended date/final repayment date. In case of repayment by instalments, continue until two years from the repayment date of the final tranche.	
Guaranteed obligations	: FR Guarantee shall guarantee each of the Customers B’s obligations under the each of Loan Agreements B including the respective principal amount, interest (including compound interest and default interest), penalty, damages, fees and etc.	

In consideration of FR Guarantee entering into the Guarantee Agreements B, each of the Customers has procured the provision of securities in favour of FR Guarantee, among which includes (i) for the Customer B1, one commercial property unit with an gross floor area of approximately 504.66 square metres; and (ii) for the Customer B2, six commercial property units with an aggregate gross floor area of approximately 844.56 square metres; all of which are located in Jilin Province, the PRC and all these properties are held by companies that are owned by their certain ultimate beneficial owners. In addition, corporate and personal guarantee had been provided in favour of FR Guarantee by their certain ultimate beneficial owners. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the values of properties exceed the guaranteed obligations of FR Guarantee under each of the Guarantee Agreements B.

FR Guarantee has charged the each of Customers B a guarantee fee of RMB125,000 (equivalent to approximately HK\$138,750) (i.e. 2.5% of the principal amount of RMB5,000,000 under each of the Loan Agreements B). All the rates are on normal commercial terms and in the ordinary and usual course of business of FR Guarantee. The total guarantee fees under the Guarantee Agreements B aggregate to RMB250,000 (equivalent to approximately HK\$277,500).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Customer A1, the Customer A2, the Customer A3, the Customer A4, the Customer B1 and the Customer B2, the companies that are owned by certain ultimate beneficial owners of the Customers B, the Bank and their respective ultimate beneficial owner(s) of the counterparty are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS FOR THE TRANSACTIONS

FR Guarantee, an indirect wholly-owned subsidiary of the Company, is a licensed guaranty company in Jilin Province, the PRC, and is principally engaged in the provision of guarantee services to its customers. All the terms under each of the Guarantee Agreements A / each of the Guarantee Agreements B were separately negotiated on an arm's length basis between FR Guarantee and the Customers A / the Customers B.

Taking into account that it is in FR Guarantee's ordinary course of business to provide the guarantee service and the guarantee fee income and the related cash inflow generated for the Group arising from these guarantee agreements, the Directors are of the opinion that all these guarantee agreements were entered into on normal commercial terms based on the FR Guarantee's credit policy and the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GENERAL

Information relating to the Company and FR Guarantee

The Company is an investment holding company. The Group is principally engaged in property development and management, including planning, design, budgeting, licensing, contract tendering and contract administration, property investment, and provision of financial services.

FR Guarantee is a company established in the PRC and is an indirect wholly owned subsidiary of the Company. The principal activity of FR Guarantee is the provision of guarantee services.

Information relating to the customers

The Customer A1 is an entity established in the PRC, which is principally engaged in accommodation, catering, bathing services, sales of packaged food. The ultimate beneficial owner of the Customer A1 is Zhang Xiaowei who is PRC individual.

The Customer A2 is an entity established in the PRC, which is principally engaged in hardware and electricity, wires and cables, mechanical and electrical equipment, construction materials, decoration materials, office supplies, daily necessities, clothing and apparel, needle textiles, leather products, cosmetics, steel, waterproof materials, chemical products, wood, water treatment agents and equipment, non-ferrous metals, asphalt concrete, concrete, cement additives, crushed stone, cement, railway equipment, hotel supplies, sand, beverages, mineral water sales; machinery and equipment. The ultimate beneficial owners of the Customer A2 are Zhang Xiaowei and Zhang Zeyan, both of which are PRC individuals.

The Customer A3 is an entity established in the PRC, which is principally engaged in production and sales of concrete, general cargo transportation. The ultimate beneficial owner of the Customer A3 is Zhang Zeyan who is PRC individual.

The Customer A4 is an entity established in the PRC, which is principally engaged in building construction, engineering construction, building decoration construction, mechanical and electrical engineering construction, municipal public works construction, landscape and green space facility construction, landscaping construction, steel structure engineering professional contracting, general cargo transportation. The ultimate beneficial owners of the Customer A4 are Zhang Xiaowei and Zhang Zeyan, both of which are PRC individuals.

The Customer B1 is an entity established in the PRC, which is principally engaged in hotel management services; Chinese and Western catering services, Chinese and Western food production, accommodation services; conference and exhibition display services, ceremonial celebration services, ticket agency services, property management and comprehensive management of properties, rental of housing and parking spaces, fitness and leisure services, performing arts performance services; hotel supplies, daily necessities, books, clothing, beverages, tea, crafts, jewelry, cosmetics, local products, packaged food, tobacco retail. The ultimate beneficial owners of the Customer B1 are Li Chunsheng, Li Qingjun and Li Shengrui, all of which are PRC individuals.

The Customer B2 is an entity established in the PRC, which is principally engaged in commercial management services, parking lot management services, house rental services, shop rental services, advertising space leasing, design, agency, and publishing; landscaping, design, and production; clothing, leather goods, jewellery, accessories, office supplies and equipment, hardware, electricity, home appliances, food, agricultural and sideline products, labor protection supplies, sporting goods. The ultimate beneficial owners of the Customer B2 are Li Qingjun and Li Shengrui, both of which are PRC individuals.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Guarantee Agreements A and the Guarantee Agreements B on a standalone basis, are all below 5%, the provision of the guarantee service under each of the Guarantee Agreements A and the Guarantee Agreements B are not subject to the disclosure requirement under the Listing Rules.

Since (i) the counter-guarantee measures (including the properties and the personal and corporate guarantees) under each of the Guarantee Agreements A and the Guarantee Agreement B are provided by certain ultimate beneficial owners of the Customers B; and (ii) the Customer D, the Customer B1 and the Customer B2 have common shareholders, all the Customers A, the Customers B and the Customer D are considered to be connected or associated with each other. Pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under each of the Guarantee Agreements A and the Guarantee Agreements B shall be aggregated and together with transactions contemplated under the Guarantee Agreements D1 and the Guarantee Agreement D2 for the purposes of compliance with Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Guarantee Agreement D1, the Guarantee Agreement D2, the Guarantee Agreements A and the Guarantee Agreements B on an aggregate basis exceed 5% but all are less than 25%, the entering into of the Guarantee Agreements A and the Guarantee Agreements B and the transactions contemplated thereunder constitute a discloseable transaction of the Company and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“Bank”	Changchun Nanguan Huimin Village Bank Company Limited which is a licensed bank under the PRC laws
“Board”	the board of Directors
“Company”	Ground International Development Limited, a company incorporated in Bermuda with limited liabilities whose ordinary shares are listed on the Main Board of the Stock Exchange
“Customer A1”	長春弘安麗水溫泉酒店有限公司(Changchun Hongan Lishui Hot Spring Hotel Co., Ltd.*) an entity established in the PRC which is a third party independent of the Company and its connected persons
“Customer A2”	長春弘桑經貿有限公司(Changchun Hongshen Trade Co., Ltd. *) an entity established in the PRC which is a third party independent of the Company and its connected persons
“Customer A3”	長春弘桑混凝土有限公司(Changchun Hongshen Concrete Co., Ltd. *) an entity established in the PRC which is a third party independent of the Company and its connected persons
“Customer A4”	吉林弘安建築工程集團有限公司(Jilin Hongan Construction Engineering Group Co., Ltd. *) an entity established in the PRC which is a third party independent of the Company and its connected persons
“Customer B1”	長春華億香谷酒店管理有限公司(Changchun Huayi Xianggu Hotel Management Co., Ltd.*) an entity established in the PRC which is a third party independent of the Company and its connected persons
“Customer B2”	吉林省鉅城華億實業有限公司 (Jilin Province Jucheng Huayi Industry Co., Ltd. *) an entity established in the PRC which is a third party independent of the Company and its connected persons

“Customers A”	collectively, the Customer A1, the Customer A2, the Customer A3 and the Customer A4
“Customers B”	collectively, the Customer B1 and the Customer B2
“Directors”	the directors of the Company
“FR Guarantee”	吉林省豐潤融資擔保有限公司 (Jilin Province Fengrun Financing Guaranty Company Limited*), a company established under the laws of the PRC and an indirect wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guarantee Agreement A1”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer A1 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreement A2”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer A2 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreement A3”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer A3 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreement A4”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer A4 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreement B1”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer B1 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreement B2”	the corporate guarantee agreement dated 17 January 2020 entered into between FR Guarantee (as guarantor) and the Customer B2 (as borrower), in relation to the provision of guarantee service
“Guarantee Agreements A”	collectively, the Guarantee Agreement A1, the Guarantee Agreement A2, the Guarantee Agreement A3 and the Guarantee Agreement A4
“Guarantee Agreements B”	collectively, the Guarantee Agreement B1 and the Guarantee Agreement B2
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement A1”	loan agreement dated 15 January 2020 entered into between the Customer A1 as borrower and the Bank as lender
“Loan Agreement A2”	loan agreement dated 15 January 2020 entered into between the Customer A2 as borrower and the Bank as lender

“Loan Agreement A3”	loan agreement dated 15 January 2020 entered into between the Customer A3 as borrower and the Bank as lender
“Loan Agreement A4”	loan agreement dated 15 January 2020 entered into between the Customer A4 as borrower and the Bank as lender
“Loan Agreement B1”	loan agreement dated 15 January 2020 entered into between the Customer B1 as borrower and the Bank as lender
“Loan Agreement B2”	loan agreement dated 15 January 2020 entered into between the Customer B2 as borrower and the Bank as lender
“Loan Agreements A”	collectively, the Loan Agreement A1, the Loan Agreement A2, the Loan Agreement A3 and the Loan Agreement A4
“Loan Agreements B”	collectively, the Loan Agreement B1 and the Loan Agreement B2
“Percentage Ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of RMB1.00 to HK\$1.11. This exchange rate is adopted for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rate at all.

By order of the Board
Ground International Development Limited
Cui Xintong
Chairperson

Hong Kong, 17 January 2020

As at the date of this announcement, the executive Directors are Ms. Cui Xintong and Ms. Liu Hongjian; the non-executive Director is Mr. Cong Peifeng and the independent non-executive Directors are Mr. Tsang Hung Kei, Mr. Zhu Zuoan and Mr. Wang Xiaochu.

**For identification only*