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**GROUND  
INTERNATIONAL  
广泽国际**

## **GROUND INTERNATIONAL DEVELOPMENT LIMITED**

**廣澤國際發展有限公司**

*(Incorporated in Bermuda with limited liability)*  
**(stock code: 989)**

### **MAJOR TRANSACTION IN RELATION TO ACQUISITION OF LAND USE RIGHTS IN JIUTAI DISTRICT, CHANGCHUN CITY, THE PRC AND APPOINTMENT OF EXECUTIVE DIRECTOR**

#### **MAJOR TRANSACTION**

##### ***INTRODUCTION***

The Board is pleased to announce that on 10 July 2020, the Project Company (an indirect wholly-owned subsidiary of the Company) was notified by the Changchun City Jiutai District Bureau of Natural Resources that it has successfully bid for the land use rights of the Land at a consideration of RMB96,803,850 (equivalent to approximately HK\$106,484,235) through the Auction. The Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 24 July 2020.

##### ***LISTING RULES IMPLICATIONS***

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 25% but are all less than 100%, the transaction contemplated under the Acquisition constitutes a major transaction for the Company. As the Group's principal businesses include property development, the Company is regarded as a Qualified Issuer and the Acquisition involves an acquisition of governmental land(s) from a PRC Governmental Body through auction governed by the PRC law and thus is regarded as a Qualified Property Acquisition under Rule 14.04(10B) and (10C) of the Listing Rules. As such, the Acquisition is (i) subject to the reporting and announcement requirements but are exempt from shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules; and (ii) exempt from the requirement to include a valuation report in the circular pursuant to Rule 14.33B of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and other information as required by the Listing Rules is expected to be despatched to the Shareholders on or before 31 July 2020.

#### **APPOINTMENT OF EXECUTIVE DIRECTOR**

The Board is also pleased to announce that Ms. Ji Ping has been appointed as an executive Director with effect from 10 July 2020.

## INTRODUCTION

The Board is pleased to announce that on 10 July 2020, the Project Company (an indirect wholly-owned subsidiary of the Company) was notified by CCJDBNR that it has successfully bid for the land use rights of the Land at a consideration of RMB96,803,850 (equivalent to approximately HK\$106,484,235) through the Auction. The Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 24 July 2020.

### The results of the bid

Date	: 10 July 2020
Successful bidder	: The Project Company, an indirect wholly-owned subsidiary of the Company
Location of the Land	: The Land comprises two parcels of land located north of Jiujiao Street Office Guihua Wenti Da Jie Extension Road, east of Guihua Jiuxi Road East, west of Guihua Jiuji Road West and south of Guihua Bingwu Fifth Road, Jiutai District, Changchun City, the PRC
Total site area	: Approximately 58,669 square metres
Total planned gross floor area	: Approximately 117,338 square metres
Proposed use of the Land	: Residential and commercial
Term of the land use rights	: 70 years for residential use and 40 years for commercial use
Consideration	: RMB96,803,850 (equivalent to approximately HK\$106,484,235), being the bidding price of the Land submitted by the Project Company at the Auction.
Deposit paid	: An aggregate security deposit for the Auction of an amount of RMB49,380,000 (equivalent to approximately HK\$54,318,000) has been paid by the Project Company and such deposit will be applied for the settlement of part of the Consideration in relation to the Acquisition

## BASIS OF THE CONSIDERATION

The Consideration was arrived at as a result of successful bidding of the Land by the Project Company at the Auction after taking into account the minimum bid price, current market conditions, location of the Land and the land price in the surrounding area. The aggregate costs relating to the Acquisition, including the Consideration and related tax and administration costs, is expected to be approximately RMB102,165,000 (equivalent to approximately HK\$112,381,500), which will be financed by the Group's internal resources, Shareholders' loans and/or external borrowings.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in property development and management, including planning, design, budgeting, licensing, contract tendering and contract administration, property investment.

The Land is located in a prime area of Jiutai District of Changchun City, which lies strategically across the Changchun City-Jilin City economic belt as well as the Shenyang City-Harbin City economic belt (being a newly developed district belonging to Changchun City). It is also located in the suburbs of Changchun City; and close proximity to Changchun Longjia Airport. Hence, it is considered suitable for the development of commercial and residential properties. In view of the location and the designated use of the Land, it is expected that it will generate stable and satisfactory revenue and profit to the Group. The Directors consider that the Acquisition is in line with the business development strategy and planning of the Group and will replenish its land bank for development.

The Directors consider the Acquisition is in the Group's ordinary and usual course of business and the Acquisition is in the interests of the Company and the Shareholders as a whole, and the terms thereof are on normal commercial terms, which are fair and reasonable.

## **GENERAL**

### **Information relating to the Company and the Project Company**

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.

The Project Company is a company established in the PRC and is an indirect wholly-owned subsidiary of the Company. The principal activity of the Project Company is property development.

### **Information relating to CCJDBNR**

CCJDBNR is a PRC governmental authority and the seller of the Land.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CCJDBNR and its ultimate beneficial owner(s) are Independent Third Parties.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 25% but are all less than 100%, the transaction contemplated under the Acquisition constitutes a major transaction for the Company. As the Group's principal businesses include property development, the Company is regarded as a Qualified Issuer and the Acquisition involves an acquisition of governmental land(s) from a PRC Governmental Body through auction governed by the PRC law and thus is regarded as a Qualified Property Acquisition under Rule 14.04(10B) and (10C) of the Listing Rules. As such, the Acquisition is (i) subject to the reporting and announcement requirements but are exempt from shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules; and (ii) exempt from the requirement to include a valuation report in the circular pursuant to Rule 14.33B of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and other information as required by the Listing Rules is expected to be despatched to the Shareholders on or before 31 July 2020.

## APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is also pleased to announce that Ms. Ji Ping has been appointed as an executive Director with effect from 10 July 2020. Details of Ms. Ji as required under Rule 13.51(2) of the Listing Rules are set out below:-

Ms. Ji, aged 45, has been a senior management of the Group since July 2016.

Ms. Ji joined the Group in February 2011 and was appointed as an assistant president of Ground Real Estate in May 2015. She is now the president, legal representative and general manager of Ground Real Estate. Ms. Ji is responsible for the functions of tendering, purchasing, human resources and administrative management of the Group.

As at the date of this announcement, Ms. Ji is a legal representative (“**LR**”) and/or director (“**Dir**”) and/or supervisor (“**Sup**”) of the following subsidiaries of the Company:

<b>Name of company</b>	<b>Position</b>
長春市築家房地產開發有限公司 (Changchun Zhujia Real Estate Development Company Limited*)	LR and Dir
吉林省廣澤地產有限公司 (Jilin Ground Real Estate Company Limited*)	Dir
吉林省廣澤旅遊開發有限公司 (Jilin Ground Tourism Development Company Limited*)	LR and Dir
吉林省鑫銳企業管理諮詢有限公司 (Jilin Xinrui Enterprise Management Consultancy Company Limited*)	LR and Dir
吉林省華益管理諮詢有限公司 (Jilin World Rich Management Limited)	LR and Dir
上海錦瀚銀通通信產品銷售有限公司 (Shanghai Jinhan Yintong Communication Product Sales Company Limited*)	LR and Dir
上海宏億通信產品銷售有限公司 (Shanghai Hongyi Communication Product Sales Company Limited*)	LR and Dir
長春市融裕房地產開發有限公司 (Changchun Rongyu Real Estate Development Company Limited*)	LR and Dir
撫松長白山烏拉小鎮文化旅遊發展有限公司 (Fusong Changbaishan Wula Village Cultural Tourism Development Company Limited*)	Sup

Prior to joining the Group, Ms. Ji was the purchasing director of 廣澤乳業有限公司 (Ground Dairy Company Limited\*), being responsible for the purchasing management function from September 2001 to February 2011. Ms. Ji completed her study in financial accounting from Jilin Radio and TV University (吉林廣播電視大學), the PRC in July 1998. Ms. Ji is an aunt of Ms. Cui Xintong (the controlling shareholder of the Company and the chairperson of the Board).

Pursuant to bye-law 85(2) of the bye-laws of the Company (the “**Bye-laws**”), Ms. Ji shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that general meeting. Ms. Ji will enter into a service agreement with the Company for a fixed term of three years commencing on 10 July 2020 and subject to rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Ms. Ji is entitled to receive a yearly basic emolument of approximately RMB145,000 and a performance-based bonus. The director’s remuneration package of Ms. Ji is determined with reference to her experience, duties, responsibilities, workload and time devoted to the Group and the prevailing market conditions.

As at the date of this announcement, Ms. Ji is beneficially interested in 7,000,000 Share Options. Save as disclosed above, Ms. Ji does not (i) hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas or hold any major appointments and professional qualifications in the past three years; (ii) hold any other position with the Company or other members of the Group; (iii) have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iv) have any other interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no other matter regarding the appointment of Ms. Ji that need to be brought to the attention of holders of securities of the Company nor are there any other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to extend a warm welcome to Ms. Ji in joining the Board.

## DEFINITIONS

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

“Acquisition”	the acquisition of land use rights of the Land through public bidding process at the Auction
“Auction”	the public auction held by CCJDBNR at which the Land was offered for sale
“Board”	the board of Directors
“CCJDBNR”	長春市九台區自然資源局 (Changchun City Jiutai District Bureau of Natural Resources*)
“Company”	Ground International Development Limited (廣澤國際發展有限公司) (stock code: 989), a company incorporated in Bermuda with limited liabilities whose ordinary shares are listed on the Main Board of the Stock Exchange
“Consideration”	RMB96,803,850, being the price for the acquisition of the land use rights of the Land

“Director(s)”	the director(s) of the Company
“Ground Real Estate”	廣澤地產集團股份有限公司 (Ground Real Estate Group Company Limited*), a joint stock limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Ground Real Estate Group”	Ground Real Estate and its subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of and not connected with the Company and its connected persons
“Ms. Ji”	Ms. Ji Ping
“Land”	two parcels of land described under the section headed “The results of the bid” in this announcement with a total site area of approximately 58,669 square metres which was offered for sale at the Auction
“Land Use Rights Grant Contract”	the land use rights grant contract (國有建設用地使用權出讓合同) to be entered into between the Project Company and CCJDBNR in respect of the acquisition of the land use rights of the Land
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project Company”	吉林省熙盛房地產開發有限公司 (Jilin Province Xisheng Real Estate Development Company Limited*), an indirect wholly-owned subsidiary of the Company, which is established in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Option(s)”	the share option(s) granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 5 September 2012

“Stock Exchange”      The Stock Exchange of Hong Kong Limited

“%”      per cent

*\* The English translation of the Chinese names in this announcement, where indicated, are transliterations from their Chinese names and are for identification purposes only, and should not be regarded as the official English name(s) of such Chinese name(s). If there is any inconsistency, the Chinese name shall prevail.*

*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\$1.10. 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, 10 July 2020

*As at the date of this announcement, the executive Directors are Ms. Cui Xintong and Ms. Ji Ping; 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.*