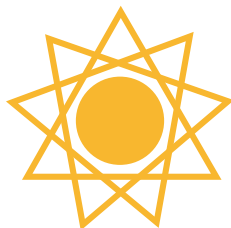


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China International Development Corporation Limited

中聯發展控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 264)

**VOLUNTARY ANNOUNCEMENT
ADOPTION OF SHARE AWARD SCHEME BY
CONTROLLING SHAREHOLDER**

The Board is pleased to announce that the Company was informed that Waterfront, a controlling shareholder of the Company, adopted the Scheme on 13 January 2020.

The Scheme was adopted by Waterfront as a means to (i) recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Persons to the Group, (ii) align the interests of the Selected Persons with those of the Company, and strive for the future development and expansion of the Group; and (iii) attract capable persons to join the Group.

Pursuant to the Scheme, the Waterfront Board may, from time to time and at its sole discretion, choose Selected Persons to participate in the Scheme, determine the number of Awarded Shares to be awarded to each Selected Person, and impose any additional conditions for each Selected Person to accept such Awarded Shares. An Offer Letter, setting out the number of Awarded Shares to be granted and any additional conditions for acceptance of the Awarded Shares, will be issued to each Selected Person. Waterfront shall transfer the Awarded Shares to a Selected Person after the Selected Person signed and returns the Offer Letter. If any Prescribed Event occurs to the Selected Person, Waterfront shall have the right to require the Selected Person to return to Waterfront any Awarded Shares and Related Distributions (if any) which are subject to any Lock-up Period.

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. It is a discretionary award scheme of Waterfront.

ADOPTION OF THE SCHEME

The Board is pleased to announce that the Company was informed that Waterfront has adopted the Scheme on 13 January 2020. The purpose and the principal terms of the Scheme are set out below.

Purposes

The purposes of the Scheme were to (i) recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Persons to the Group, (ii) align the interests of the Selected Persons with those of the Company, and strive for the future development and expansion of the Group; and (iii) attract capable persons to join the Group.

Term

Subject to any early termination of the Scheme by Waterfront, the Scheme shall be valid and effective for ten (10) years commencing on the date of adoption of the Scheme by Waterfront.

Administration

The Waterfront Board shall be responsible for administering the Scheme in accordance with the Scheme Rules. The Waterfront Board has also appointed CVP Securities Limited to assist in the administration of the Scheme, including but not limited to the setting up of securities accounts by the relevant Participants, and assistance to the relevant Participants in the transfer of the Awarded Shares.

Eligible Persons

Eligible Persons shall include:

- (a) any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate;
- (b) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate; and
- (c) a company beneficially owned by any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate.

Pursuant to the Scheme, the Waterfront Board may, from time to time and at its sole discretion, choose Selected Persons to participate in the Scheme, determine the number of Awarded Shares to be awarded to each Selected Person, and impose any additional conditions for each Selected Person to accept such Awarded Shares.

Maximum number of the Awarded Shares

The maximum number of the Awarded Shares to be granted under the Share Award Scheme shall not in aggregate exceed 24% of all Shares held by Waterfront as at the date of this announcement, i.e., approximately 68,885,857 Shares.

Lock-up Periods

For each Participant, the Awarded Shares held by him/her/it shall be subject to Lock-up Periods as follows:

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| 100% of the Awarded Shares | The first 12 months after the Participant accepts the Awarded Shares |
| 80% of the Awarded Shares | The 13th to 24th months after the Participant accepts the Awarded Shares |
| 40% of the Awarded Shares | The 25th to 36th months after the Participant accepts the Awarded Shares |

Operations

An Offer Letter, setting out the number of Awarded Shares to be granted and any additional conditions for acceptance of the Awarded Shares, will be issued to each Selected Person. A Selected Person may accept an offer of the grant of the Awarded Shares in such manner as set out in the Offer Letter. Upon acceptance, the Selected Person becomes a Participant in the Scheme.

Waterfront shall transfer the Awarded Shares to a Participant after the Participant signs and returns the Offer Letter.

(1) *Voting Rights*

A Participant shall be entitled to exercise the voting rights in respect of any Awarded Shares held by him/her/it, unless and until the Participant receives a Revocation Notice (defined below) from Waterfront.

(2) *Entitlement to cash distributions and Related Distributions*

A Participant shall be entitled to the benefits of any cash dividend or distribution derived from any Awarded Shares held by him/her/it and paid to him/he/it by the Company before the Participant receives a Revocation Notice from Waterfront.

For any Awarded Shares subject to a Lock-up Period, a Participant shall deposit or procure to deposit all Related Distributions derived therefrom in the securities account in which such Awarded Shares are deposited. The Participant may withdraw such Related Distribution only after the relevant Awarded Shares cease to be subject to any Lock-up Period.

(3) *Rights attached to Shares*

Subject to any applicable Lock-up Period, any Awarded Shares transferred to a participant under the Scheme will be subject to all the provisions of the Articles and will rank pari passu with the fully paid Shares in issue on the date of the transfer. Accordingly, subject to the sections headed “Voting Rights” and “Entitlement to cash distributions and Related Distributions” above, the Relevant Participant will be entitled to participate in all dividends or other distributions paid or made on or after the date of the transfer.

(4) *No Assignment*

The Awarded Shares granted pursuant to the Scheme are personal in nature. For each Participant, for as long as any Awarded Shares are subject to a Lock-up Period, the Participant shall not sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any such Awarded Shares, or any interest or benefits therein. (“**No Assignment Clause**”)

(5) *Prescribed Events*

For any Participant, if any of the following events (each a “**Prescribed Event**”) occurs, the Participant should serve a written notice (the “**Occurrence Notice**”) on the Waterfront Board within five (5) Business Days after the occurrence of such Prescribed Event and the Waterfront Board shall have the right to, at its sole and absolute discretion, serve a written notice (the “**Revocation Notice**”) on the Participant (or his/her/its trustee, executor, administrator or guardian, if applicable) on or before the date falling 90 days after the occurrence of such Prescribed Event (or, if that day is a day on which Waterfront is prohibited by the Model Code, the Listing Rules or the SFO to acquire any such Awarded Shares, the date falling five (5) Business Days after Waterfront ceases to be so prohibited). If the Waterfront Board does so, the Participant shall at nil consideration transfer all the Awarded Shares subject to any Lock-up Period

to Waterfront. If the Waterfront Board does not serve such the Revocation Notice on the Participant within the above timeframe, all Awarded Shares held by the Participant shall cease to be subject to any Lock-up Period. For the avoidance of doubt, the Waterfront Board retains the right to require the Participant to transfer all the Awarded Shares subject to any Lock-up Period to Waterfront at nil consideration in the event that the Waterfront Board fails to serve the Revocation Notice because the Participant does not serve the Occurrence Notice within the above timeframe.

Each of the following events shall constitute a Prescribed Event:

- (a) the Participant leaves his/her/its employment with the Group or the Waterfront Group, as applicable, for any reason, including without limitation (i) the Participant dies or suffers a permanent loss of physical or mental capacity; (ii) the Participant resigns or is made redundancy, dismissed or laid off; or (iii) the Participant ceases to be physically fit for his/her/its position;
- (b) the Participant is unable to pay his/her debts when due as provided under the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong) and other Ordinances, or enters into an arrangement with his/her creditors;
- (c) the Participant is convicted of any criminal offence involving dishonesty;
- (d) Waterfront has sufficient evidence that the Participant has, during his employment with the Group or the Waterfront Group (as applicable):
 - (i) committed a breach of any term of his employment;
 - (ii) committed a breach of any laws or rules of professional ethics, or appropriated funds from Waterfront or any of its subsidiaries;
 - (iii) appropriated or stole any property or assets of the Waterfront Group, or disclosed any confidential information of Waterfront or any of its subsidiaries;
 - (iv) participated in any bribery or corruption, or any act predominantly benefiting the Participant himself/herself/itself or any third party, in the course of his/her/its employment;
 - (v) committed any gross negligence or dereliction of duty during the course of his/her/its employment, resulting in losses or adverse effects to Waterfront or any of its subsidiaries, or the community;
 - (vi) was responsible for any false records, information or data on the Participant's performance at work; or

- (vii) committed a serious breach of any of the applicable policies, rules or regulations of Waterfront or any of its subsidiaries, causing any damage to the interest of reputation of Waterfront or any of its subsidiaries, or any act of gross negligence causing any loss to Waterfront or any of its subsidiaries;
- (e) the employer of the Participant ceases to be a subsidiary of Waterfront;
- (f) where the Participant is employed by the Company or any of its subsidiaries, and:
 - (i) the Company ceases to be a subsidiary of Waterfront; or
 - (ii) the Company or Waterfront is under an involuntary winding up or has passed a resolution for a voluntary winding up;
- (g) the Participant (where applicable) is under a winding up or has passed a resolution for a voluntary winding up;
- (h) there is a compromise or arrangement between the Participant (where applicable) and its shareholders or creditors in connection with a scheme for the reconstruction of the Participant or its amalgamation with any other company or companies, subject to the relevant scheme of arrangement or compromise becoming effective;
- (i) the Participant breaches the No Assignment Clause;
- (j) if the Awarded Shares were granted subject to such conditions, restrictions or limitations, the Participant has failed to satisfy or comply with such conditions, restrictions or limitations; and
- (k) in respect of the Participant being a consultant or adviser (whether individual or corporation), the Participant fails to comply with any provisions of the relevant contract, or breaches its fiduciary duty under the common law.

LISTING RULES IMPLICATIONS

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. It is a discretionary award scheme of the Waterfront.

DEFINITIONS

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

- “Articles” the memorandum and articles of association of the Company (as amended from time to time)
- “Affiliate” a company, not being a subsidiary, in which the Group and/or the Waterfront Group directly or indirectly holds more than 20% of its issued share capital or the voting power at general meetings or in which an equity interest is held by the Company and/or Waterfront for long term purpose and a significant influence is exercised over its management
- “Awarded Shares” in relation to a Participant or Selected Person, means such Shares awarded to the Participant or to be awarded to the Selected Person at nil consideration, as applicable, under the relevant Offer Letter
- “Board” the board of Directors
- “Company” China International Development Corporation Limited (中聯發展控股集團有限公司), a company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange
- “controlling shareholder” has the meaning ascribed thereto under the Listing Rules
- “Director(s)” the director(s) of the Company
- “Eligible Person(s)” persons eligible to be awarded Awarded Shares under the Scheme, which includes:
- (i) any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate;
 - (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate; and

(iii) a company beneficially owned by any Director, Employee, customer, supplier, business associate, distributor, agent, partner or consultant, professional or other adviser of or contractor to the Group and/or the Waterfront Group or an Affiliate.

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| “Employee” | any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group and/or the Waterfront Group |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) |
| “Lock-up Period” | as to any Awarded Shares, the period in which the Participant is prohibited from selling, transferring, assigning, charging, mortgaging, encumbering or creating any interest in favour of any other person over or in relation to any such Awarded Shares, or any interest or benefits therein, under the terms of the Scheme |
| “Model Code” | the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules |
| “Offer Letter” | means the letter to be issued by Waterfront to a Selected Person for the grant of Awarded Shares |
| “Participant(s)” | a Selected Person who accepts the offer of the grant of Awarded Shares in accordance with the Scheme Rules |
| “Related Distribution” | non-cash distribution(s) derived from the Awarded Shares referable to the Participants during any Lock-up Period applicable to such Awarded Shares, which shall include distributions such as scrip dividend, bonus Shares or bonus warrants pursuant to this Scheme, but exclude nil paid rights, non-cash and non-scrip distributions or proceeds of sale of the same |
| “Scheme” | the share award scheme of Waterfront approved and adopted by Waterfront on 13 January 2020 |
| “Scheme Rules” | the rules of the Scheme as amended from time to time |

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| “Selected Person(s)” | Eligible Persons selected by the Waterfront Board to be granted Awarded Shares under the Scheme |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the issued ordinary share(s) in the share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | has the meaning ascribed thereto under the Listing Rules |
| “Waterfront” | Waterfront Holding Group Co., Ltd., a company incorporated in the British Virgin Islands with limited liability, which is a controlling shareholder of the Company |
| “Waterfront Board” | the board of directors of Waterfront |
| “Waterfront Group” | Waterfront and its subsidiaries |

By order of the Board of
China International Development Corporation Limited
Zhao Jingfei
Chairman and Executive Director

Hong Kong, 13 January 2020

As at the date of this announcement, the executive Directors are Mr. Zhao Jingfei, Mr. Fan Xin and Mr. Qin Bohan; and the independent non-executive Directors are Ms. Han Yu, Ms. Jia Lixin and Mr. Rong Yi.