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## **Broad Greenstate International Company Limited**

**博大綠澤國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1253)**

### **INSIDE INFORMATION: FRAMEWORK AGREEMENT**

This announcement is made by Broad Greenstate International Company Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company is pleased to announce that on 15 October 2015, the Company entered into a framework agreement (the “**Framework Agreement**”) with the People’s Government of Zhaodong, Heilongjiang Province, the PRC (the “**Zhaodong Government**”) pursuant to which the Company and Zhaodong Dongsheng Urban Construction Investment Company Limited\* (肇東市東盛城市建設投資有限責任公司) (“**Zhaodong Dongsheng**”), a wholly-owned subsidiary of the Zhaodong Government, will cooperate in the form of a Public-Private-Partnership (“**PPP**”) by setting up a company, “Zhaodong Park Construction Investment Company Limited\* 肇東園建投資建設有限公司” (tentative name) (the “**Investment Company**”) and injecting capital of RMB80 million and RMB20 million, respectively. The Investment Company will be responsible for the financing, design, planning, construction and ecology management and maintenance of a wetland park (the “**Proposed Cooperation**”). Detailed terms of the Proposed Corporation are to be determined in definitive agreements to be entered into.

## **INFORMATION ON THE PROPOSED COOPERATION**

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| Nature of project:  | A wetland park  |
| Location:   | Zhaodong, Heilongjiang Province, the PRC  |
| Area:   | 2.3 million square meters   |
| Estimated amount of investments:  | RMB300 million  |
| Estimated time of construction:   | 1.5 years   |
| Estimated time for provision of park management and maintenance services: | 7.5 years; the Zhaodong Government will make annual payments to the Investment Company for purchase of park management and maintenance services             |
| Scope of cooperation:   | (i) Design, planning and construction of the Wetland Park; and<br>(ii) ecology management and maintenance of the Wetland Park after construction completion |

## **INFORMATION ABOUT ZHAODONG DONGSHENG**

Zhaodong Dongsheng is a company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Zhaodong Government. Zhaodong Dongsheng is principally engaged in investment management of urban and rural infrastructure and urban transformation, and land development and management.

To the best of knowledge, information and belief of the Board, having made all reasonable enquiry, Zhaodong Dongsheng is an independent third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

## **REASONS AND BENEFITS OF THE PROPOSED COOPERATION**

The Proposed Cooperation is a significant attempt of the Company to develop landscaping projects in the public sector in the PRC through the innovation PPP cooperation mode. It allows the Company to expand its strengths in the provision of integrated landscape architecture service to the public sector. The Proposed Cooperation is also in line with the Company's plans to seize the opportunity to rapidly expand PPP mode business.

The Board is of the view that the Proposed Cooperation and the Framework Agreement are in the interests of the Company and its shareholders as a whole.

**The Framework Agreement sets out a cooperation framework between the parties and may or may not lead to the entering into of formal and specific cooperation agreements. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Broad Greenstate International Company Limited**  
**WU Zhengping**  
*Chairman and Executive Director*

Shanghai, the People's Republic of China  
15 October 2015

*As at the date of this announcement, our executive Directors are Mr. Wu Zhengping, Ms. Xiao Li, Ms. Zhu Wen and Mr. Wang Lei and our independent non-executive Directors are Mr. Dai Guoqiang, Mr. Zhang Qing and Dr. Jin Hexian.*

\* *For identification purposes only*