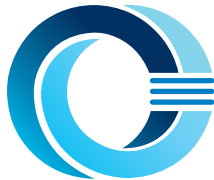


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中國城市基礎設施集團有限公司
China City Infrastructure Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2349)

VOLUNTARY ANNOUNCEMENT
FRAMEWORK AGREEMENT
REGARDING A POSSIBLE ACQUISITION

The Board of the Company is pleased to announce that the Company as the Purchaser entered into the Framework Agreement with the Vendor on 18 May 2017, pursuant to which subject to the entering into of the formal agreement the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to disposal of and procure relevant parties to dispose of 51% equity interests in a company which is principally engaged in investment holding in Hong Kong.

This announcement is made by the Company on a voluntary basis in relation to the Framework Agreement in order to enhance the transparency of the Company.

THE FRAMEWORK AGREEMENT

The Board of the Company is pleased to announce that the Company entered into the Framework Agreement with the Vendor on 18 May 2017, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of and procure relevant parties to dispose of 51% equity interests in a company which is principally engaged in investment holding in Hong Kong. The ultimate holding company of the Target Company is Zhu Hai Shi Hua Ce Group Limited[#]. The wholly-owned subsidiary of the Target Company is Feng Zhen Industrial Development (Shenzhen) Company Limited[#] which owned a plant, two buildings and related land at Shenzhen for the project of urban redevelopment which was approved by the Government. After redevelopment, the gross floor area is approximately 150,000 square meters. The consideration for the Possible Acquisition is subject to further negotiation between the Company, the Vendor and other relevant parties, and a formal agreement will be entered into upon parties' agreement. Consummation of the Possible Acquisition may result in the Target Company becoming a subsidiary of the Company.

The Board of the Company considers that the Framework Agreement was entered into in the ordinary course of business of the Group and on normal commercial terms after arm's length negotiation. The Board is of the view that the Possible Acquisition will expand the Company's business, which is in line with the long term strategy of the Company.

The Possible Acquisition is subject to the execution of legally binding formal agreement(s) by the parties and the Possible Acquisition may or may not proceed. As such, shareholders of the Company and public investors are advised to exercise caution when dealing in the securities of the Company.

No formal agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. The Possible Acquisition, if materialises, may or may not constitute a notifiable transaction under Chapter 14 of the Listing Rules. Further announcement in respect of the Possible Acquisition will be made by the Company in the event that the formal agreement of the Possible Acquisition has been signed.

DEFINITIONS

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

“Possible Acquisition”	the possible acquisition by the Company from the Vendor and other relevant parties of 51% equity interests in the Target Company
“Framework Agreement”	the framework agreement dated 18 May 2017 entered into between, among others, the Purchaser and the Vendor
“Board”	the board of Directors
“Company”	China City Infrastructure Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Directors”	directors of the Company
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not core connected persons of the Company and are third parties independent of the Company and its core connected persons in accordance with the Listing Rules
“core connected person”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	Mimiro Industrial Company Limited, established in Hong Kong and principally engaged in investment holding
“Vendor”	The vendor named under the Framework Agreement and an Independent Third Party
“%”	per cent

By order of the Board
China City Infrastructure Group Limited
Li Chao Bo
Chairman

Hong Kong, 18 May 2017

As at the date of this announcement, the Directors of the Company are Mr. Li Chao Bo (Chairman) and Ms. Wang Wenxia (Vice Chairman and Chief Executive Officer) as Executive Directors; and Mr. Chan Pok Hiu, Mr. Wang Jian and Mr. Ng Chi Ho, Dennis as Independent Non-executive Directors.

the English translations of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words