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Jiayuan International Group Limited
佳源國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2768)

**VOLUNTARY ANNOUNCEMENT
ACQUISITION OF LAND USE RIGHT
IN CHANGSHU CITY, JIANGSU PROVINCE**

INTRODUCTION

This announcement is made by Jiayuan International Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

THE CHANGSHU LAND PLOT ACQUISITION

The board of directors (the “**Board**”) of the Company is pleased to announce that, on 9 June 2020, Anhui Yeyuan Property Development Co., Ltd. (安徽業源房地產開發有限公司) (“**Anhui Yeyuan**”), an indirect wholly-owned subsidiary of the Company, received a confirmation letter regarding successful online bidding for the transfer of state-owned construction land use right (國有建設用地使用權網上掛牌出讓成交確認書) (the “**Changshu Land Plot Acquisition**”) in respect of Land Plot 2020B-008 (the “**Changshu Land Plot**”).

The Changshu Land Plot is situated at East to Jianghai Road, South to Wangjiang Avenue, West to Longteng North Road, and North to Hongqiao Road, Economic and Technological Development Zone, Changshu City, Jiangsu Province, the People’s Republic of China (the “**PRC**”). The site area of the Changshu Land Plot is 69,993 square meters with a land use right of 70 years. The permitted land use is for residential purpose.

CONSIDERATION

The consideration of the Changshu Land Plot was RMB760,550,000 (approximately HK\$832,802,250), which was arrived at by way of public listing and tender held by Natural Resources and Planning Bureau, Changshu City (常熟市自然資源和規劃局) (“**Changshu Land Bureau**”) on 9 June 2020 that was required to be conducted in accordance with the relevant PRC laws and regulations. In bidding for the Changshu Land Plot, the Group has taken into account the minimum bid price, current market conditions, location of the Changshu Land Plot, and land price in the surrounding area with reference to the information available from Changshu Land Bureau. Anhui Yeyuan has paid an initial deposit of RMB152,500,000 (approximately HK\$166,987,500), which will be applied towards settlement of the total consideration. The total consideration will be settled by internal resources and/or other financing of the Group.

THE GROUP

The Group is an established property developer of large-scale residential complex projects and integrated commercial complex projects in various provinces and cities in the PRC. The principal activities of the Group include (i) development and sale of residential and commercial properties; (ii) provision of development services to government organisations for the development of resettlement properties and development or refurbishment of other types of properties, facilities or infrastructure; (iii) leasing of commercial properties owned or developed by the Group; and (iv) provision of property management services primarily to residential communities.

REASONS FOR AND BENEFITS OF THE CHANGSHU LAND PLOT ACQUISITION

The Changshu Land Plot is situated at a location which the Company considers to be maturely developed and well supported by readily available infrastructure, public facilities and amenities and transportation system. In that light, the Changshu Land Plot has obvious locality advantage and great potential for development. The Group believes that the Changshu Land Plot Acquisition represents an excellent opportunity for the Group to further enhance its presence and influence in Jiangsu Province, expand the Group’s land bank and is in line with the Group’s strategy and commercial criteria for land development. It is conducive for the Company to better build on and utilise its brand advantage in the region and bring synergy to the Group’s existing property development projects in the region. Given the aforesaid reasons and benefits, the directors of the Company believe that the Changshu Land Plot Acquisition is in the ordinary and usual course of business of the Company and on normal commercial terms which is fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATION OF THE LISTING RULES

The Changshu Land Plot Acquisition is of a revenue nature in the ordinary and usual course of business of the Company and does not constitute a notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
Jiayuan International Group Limited
Shum Tin Ching
Chairman

Hong Kong, 18 June 2020

For the purpose of this announcement, all amounts denominated in RMB have been converted (for information only) into HK\$ using the exchange rate of RMB1:HK\$1.095. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

As at the date of this announcement, the Board of the Company comprises: (i) Mr. Shum Tin Ching, the Chairman and a Non-executive Director; (ii) Mr. Zhang Yi, a Vice Chairman and an Executive Director; (iii) Mr. Huang Fuqing, a Vice Chairman and an Executive Director; (iv) Ms. Cheuk Hiu Nam, an Executive Director; (v) Mr. Wang Jianfeng, an Executive Director; (vi) Mr. Tai Kwok Leung, Alexander, an Independent Non-executive Director; (vii) Dr. Cheung Wai Bun, Charles, JP, an Independent Non-executive Director; (viii) Mr. Gu Yunchang, an Independent Non-executive Director; and (ix) Mr. Shen Xiaodong, a Non-executive Director.