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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)**

**PROPOSED ISSUE OF US\$100,000,000 7.00%**  
**CONVERTIBLE BONDS DUE 2025**  
**UNDER GENERAL MANDATE**

The Board is pleased to announce that the Company has entered into the Subscription Agreement, under which the Managers have agreed severally and not jointly to use its best efforts to procure subscribers to subscribe and pay for, the Convertible Bonds to be issued by the Company in an aggregate principal amount of US\$100,000,000, on the terms and subject to the conditions set out therein.

Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$3.50 per Share, the Convertible Bonds will be convertible into 222,074,285 Shares, representing approximately 4.54% of the issued share capital of the Company as at the date of this announcement and approximately 4.34% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Convertible Bonds. The Conversion Shares to be issued upon conversion of the Convertible Bonds will rank pari passu and carry the same rights and privileges in all respects with the Shares then in issue on the relevant Conversion Date.

The Convertible Bonds shall at all times rank pari passu and without any preference or priority among themselves.

**The Convertible Bonds and the Conversion Shares have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Convertible Bonds are being offered and sold outside the United States in reliance on Regulation S under the Securities Act.**

The estimated net proceeds from the Subscription of the Convertible Bonds, after deduction of commission and expenses, amount to approximately US\$98,000,000. The Company intends to use the net proceeds from the Subscription primarily for refinancing of existing indebtedness in accordance with its green financing framework.

The Conversion Shares are to be issued under the General Mandate. The issue of the Convertible Bonds is not subject to the approval of the Shareholders.

The Company will apply to the Stock Exchange for the listing of the Convertible Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Listing Rules) only and for the listing of and permission to deal in the Conversion Shares.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” below for further information.**

**WARNING: As the Subscription Agreement may or may not complete, and the Convertible Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

21 July 2021

### **Parties**

- (i) the Company as issuer; and
- (ii) HSBC, Valuable Capital Limited and BOCOM International Securities Limited as Managers.

### **Subscription**

Pursuant to the Subscription Agreement, the Managers have agreed severally and not jointly to use its best efforts to procure subscribers to subscribe and pay for, the Convertible Bonds to be issued by the Company in an aggregate principal amount of US\$100,000,000, on the terms and subject to the conditions set out therein. To the best of the Directors' knowledge, information and belief, the Managers are third parties independent of the Company and are not connected with the Company and its connected persons (as defined in the Listing Rules).

### **Subscribers**

The Managers have informed the Company that they intend to offer and sell the Convertible Bonds to no less than 6 independent placees (who will be independent individual, corporate and/or institutional investors). To the best of the Directors' knowledge, information and belief as at the date of this announcement, each of the placees of the Convertible Bonds (and their respective ultimate beneficial owners) is a third party independent of the Company and is not connected with the Company and its connected persons (as defined in the Listing Rules).

## Conditions Precedent

The obligations of the Managers to subscribe and pay for the Convertible Bonds are subject to, among others, the following conditions precedent:

- (a) **Other Contracts:** the execution and delivery (on or before the Closing Date) of the trust deed, the agency agreement and the accession deed to the intercreditor agreement, each in a form reasonably satisfactory to the Managers, by the respective parties;
- (b) **Lock-up:** Mr. Shum Tin Ching (“Mr. Shum”) shall have executed lock-up agreement on or before the date of the Subscription Agreement in the form set out in the Subscription Agreement and such lock-up agreements shall be in full force and effect on the Closing Date;
- (c) **Auditors’ Letters:** on the date of the Subscription Agreement and on the Closing Date, there having been delivered to the Managers auditors’ letters, in form and substance satisfactory to the Managers, dated the date of the Subscription Agreement and dated the Closing Date, and addressed to the Managers from PricewaterhouseCoopers, Certified Public Accountant to the Company;
- (d) **Compliance:** at the Closing Date (i) the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct at, and as if made on such date; (ii) the Company, Subsidiary Guarantors and the Subsidiary Guarantor Pledgors having performed all of its respective obligations under the Subscription Agreement to be performed on or before such a date; and (iii) there having been delivered to the Managers a certificate in the form attached as in the Subscription Agreement, of a duly authorised officer of the Company to such effect;
- (e) **Material Adverse Change:** after the date of the Subscription Agreement or, if earlier, the dates as of which information is given in the Offering Circular up to and at the Closing Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the condition (financial or other), prospects, results of operations or general affairs of the Company or of the Group, which, in the opinion of the Managers, is material and adverse in the context of the issue and offering of the Convertible Bonds;

- (f) **Other consents:** on or prior to the Closing Date there shall have been delivered to the Managers copies of all consents and approvals required in relation to the issue of the Convertible Bonds and the performance of the Company's, the Subsidiary Guarantor's and the Subsidiary Guarantor Pledgor's obligations under the trust deed, the agency agreement and the Convertible Bonds (including the consents and approvals required from all lenders);
- (g) **Certificate of No Default:** on the date of the Subscription Agreement and on the Closing Date, there having been delivered to the Managers a certificate of no default in the form attached in the Subscription Agreement dated as of such date, of a duly authorised officer of the Company;
- (h) **Legal Opinions:** on or before the Closing Date, there having been delivered to the Managers opinions, in form and substance satisfactory to the Managers, dated the Closing Date, of certain legal opinions on the laws of various jurisdictions, and such other resolutions, consents, authorities and documents relating to the issue of the Convertible Bonds, as the Managers may reasonably require;
- (i) **Rating:** there having been confirmation from Fitch that it has assigned a "B" rating to the Bonds and, on or prior to the Closing Date, there having been no announcement from Fitch that such agency has revised downwards, withdrawn or placed on review or "creditwatch" with negative implications any existing credit rating assigned to the Bonds or other long-term debt of the Issuer;
- (j) **Fee Letters:** on or before the Closing Date, there having been executed and delivered by the Issuer to the Managers the fee letters pursuant to the Subscription Agreement;
- (k) **Green Framework Alignment Opinion:** on or before the Closing Date, there having been delivered to the Managers the green framework alignment opinion from S&P Global Ratings confirming that the Bonds are in compliance with the requirements of the green finance framework of the Issuer;

### **Shareholder's Lock-up Undertaking**

Mr. Shum has undertaken that, for a period of 90 calendar days from the Pricing Date that neither it nor its nominees nor any person acting on its behalf will (except with the prior written approval of the Managers) (a) issue, offer, sell, contract to sell, pledge, encumber or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any of the Shares held by it (directly or indirectly) or securities of the same class as the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Shares or securities of the same class as the Shares or other instruments representing interests in the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

### **Company's Lock-up Undertaking**

Neither the Company nor any person acting on its behalf will (a) issue, offer, sell, contract to sell, pledge, encumber or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Convertible Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Convertible Bonds, the Shares or securities of the same class as the Convertible Bonds, the Shares or other instruments representing interests in the Convertible Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Managers between the date hereof and the date which is 90 calendar days after the Closing Date (both dates inclusive); except for (i) the Convertible Bonds and the Conversion Shares.

## **Termination**

Notwithstanding anything contained the Subscription Agreement, the Managers may, by notice to the Company given at any time prior to payment of the net subscription monies for the Convertible Bonds to the Company, in its sole discretion terminate the Subscription Agreement in any of the following circumstances:

- (a) if there shall have come to the notice of the Managers any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Subscription Agreement or any failure to perform any of the Company's undertakings or agreements in the Subscription Agreement;
- (b) if any of the conditions precedent to the Subscription Agreement have not been satisfied or waived by the Managers on or prior to the Closing Date;
- (c) if in the opinion of the Managers, there shall have been, since the date of the Subscription Agreement, any change, or development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Company on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls such as would in its view, be likely to prejudice materially the success of the offering and distribution of the Convertible Bonds or dealings in the Convertible Bonds in the secondary market;
- (d) if in the opinion of the Managers, there shall have occurred any of the following events:
  - (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the SGX-ST and/or the Stock Exchange and/or any other stock exchange on which the Company's securities are traded;
  - (ii) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange and/or any other stock exchange on which the Company's securities are traded;
  - (iii) a general moratorium on commercial banking activities in the United States, the PRC, Hong Kong, Singapore and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, the PRC, Hong Kong, Singapore or the United Kingdom; or
  - (iv) a change or development involving a prospective change in taxation affecting the Company, the Convertible Bonds and the Conversion Shares or the transfer thereof; or

- (e) if, in the opinion of the Managers, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in their view be likely to prejudice materially the success of the offering and distribution of the Convertible Bonds or dealings in the Convertible Bonds on the secondary market.

## **PRINCIPAL TERMS OF THE CONVERTIBLE BONDS**

The principal terms of the Convertible Bonds are summarised as follows:

Issuer:	The Company
Denomination:	US\$200,000 each and integral multiples of US\$1,000 in excess thereof
Principal amount of the Convertible Bonds:	US\$100,000,000, convertible into fully paid ordinary shares with a par value of HK\$0.01 each in the issued and paid up capital of the Company
Maturity Date:	27 January 2025
Guarantee:	The Convertible Bonds will be unconditionally and irrevocably guaranteed by the Subsidiary Guarantors and JV Subsidiary Guarantors and will have the benefit of the Security granted by the Subsidiary Guarantor Pledgors and will be subject to the terms of the Intercreditor Agreement
Security:	The Convertible Bonds will be secured by pledges by the Company and the Subsidiary Guarantor Pledgors of the capital stock of the Subsidiary Guarantors and the JV Subsidiary Guarantors on the Issue Date



- Initial Conversion Price: HK\$3.50 per Share, representing:
- (i) a premium of 6.06% to the closing price of HK\$3.30 per Share as quote on the Stock Exchange on the Last Trading Day;
  - (ii) a premium of 9.86% to the average closing price of HK\$3.19 per Share for the last 5 consecutive trading days up to and including the Last Trading Day; and
  - (iii) a premium of 0.92% to the average closing price of HK\$3.47 per Share for the last 10 consecutive trading days up to and including the Last Trading Day.

The Conversion Price is subject to adjustment upon the occurrence of certain prescribed events namely, consolidation, subdivision, redesignation or reclassification of shares, capitalization of profits or reserves, distributions, rights issues of Shares and other securities or options over Shares at less than 95% of the current market price, rights issues of other securities, issues at less than 95% of the current market price, modification of rights of conversion at less than 95% of the current market price and other offers to Shareholders

Initial Conversion Ratio: 444,148.5714 Shares per US\$200,000 principal amount of the Convertible Bonds at the Initial Conversion Price, apply the Fixed Exchange Rate

Conversion Period: Convertible into the Shares at the option of the Bondholder on or after July 27, 2022 to seven days before the Maturity Date

Ranking of the Conversion Shares: The Conversion Shares to be issued upon conversion of the Convertible Bonds will rank pari passu and carry the same rights and privileges in all respects with the Shares then in issue on the relevant Conversion Date

Redemption Price at Maturity:	111.36% of the principal amount
Reference Share Price:	HK\$3.30 per Share (as of market close on 21 July 2021)
Redemption at the Option of the Company:	<ul style="list-style-type: none"> <li>• <b><i>Tax Call</i></b> – callable anytime in whole but not in part at their Early Redemption Amount as at such date if (i) the Company, a Subsidiary Guarantor or a JV Subsidiary Guarantor has or will become obliged to pay additional tax amounts as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the Cayman Islands or the PRC which change or amendment becomes effective on or after 21 July 2021, and (ii) such obligation cannot be avoided by the Company, the Subsidiary Guarantor or the JV Subsidiary Guarantor taking reasonable measures available to it. Bondholders have the right to elect for the Convertible Bonds not to be redeemed but with no entitlement to any additional tax amounts</li> <li>• <b><i>Clean Up Call</i></b> – callable anytime in whole but not in part at the Early Redemption Amount if the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued</li> <li>• <b><i>Issuer Call</i></b> – callable after 27 January 2024 in whole but not in part at the Early Redemption Amount if the Closing Price of each of the Shares for each of 20 out of 30 consecutive trading days prior to the date upon which of such redemption notice is given, was at least 130% of the applicable Early Redemption Amount per Bond divided by the Conversion Ratio then applicable</li> </ul>

Redemption at the Option  
of the Bondholders:

- ***Change of Control Put*** – each Bondholder will have the right at such Bondholder's option, to require the Company to redeem all, or some only, of such Bondholder's Convertible Bonds at their Early Redemption Amount when there is a Change of Control Triggering Event
- ***Other Relevant Events*** – each Bondholder will have the right at such Bondholder's option, to require the Company to redeem all, or some only, of such Bondholder's Convertible Bonds at their Early Redemption Amount when (i) the Shares cease to be listed or admitted to trading or are suspended from trading for a period equal to or exceeding 20 consecutive trading days on the Stock Exchange; (ii) less than 25% of the Company's total number of issued shares are held by the public or (iii) if listing approval from the Stock Exchange for (a) all Shares to be issued on the exercise of the Conversion Rights or (b) the Bonds, in either case, is not obtained by August 27, 2021
- ***Bondholders' Put*** – each Bondholder will have the right at such Bondholder's option, to require the Company to redeem all or some of the Bondholders' Bonds on 27 January 2024 at 107.72% of the principal amount of the Bonds.

Early Redemption Amount:

For each US\$200,000 in principal amount of the Convertible Bonds, the amount determined to represent for the Bondholder on the relevant date for determination of the Early Redemption Amount, a gross yield of 9.80% per annum calculated on a semi-annual basis

The applicable Early Redemption Amount for each US\$200,000 in principal amount of Convertible Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards:

$$\begin{array}{lcl} \text{Early} & & \text{Previous} \\ \text{Redemption} & = & \text{Redemption} \\ \text{Amount} & & \text{Amount} \end{array} \times (1 + r/2)^{d/p} - AI$$

Where:

“Previous Redemption Amount” means the Early Redemption Amount for each US\$200,000 in principal amount on the semi-annual date immediately preceding the date fixed for redemption as in the Conditions (or, if the Convertible Bonds are to be redeemed prior to 27 January 2022, US\$200,000):

	<b>Early Redemption Amount (US\$)</b>
<b>Semi-annual Date</b>	
27 July 2021	200,000
27 January 2022	202,800
27 July 2022	205,737
27 January 2023	208,818
27 July 2023	212,050
27 January 2024	215,441
27 July 2024	218,997
27 January 2025	222,728

“r” means 9.80% expressed as a fraction

“d” means the number of days from and including the date immediately preceding the semi-annual date (or, if the Convertible Bonds are to be redeemed on or before 27 January 2022, from and including the Issue Date) to, but excluding, the date fixed for redemption, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed

“p” means 180

“AI” means the accrued interest on the principal amount of US\$200,000 of a Bond

Change of Control  
Triggering Event:

The occurrence of both a Change of Control and a Rating Decline

Negative Pledge:

Applicable to the Company and certain of its subsidiaries on Relevant Indebtedness (as defined in the Conditions)

Transferability:

The Convertible Bonds are freely transferable subject to conditions

Status:

The Convertible Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Company and shall at all times rank pari passu and without preference or priority among themselves. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to the terms and conditions of the Convertible Bonds, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations

## **APPLICATION FOR LISTING**

The Company will apply to the Stock Exchange for the listing of the Convertible Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Listing Rules) only and for the listing of and permission to deal in the Conversion Shares.

## **GENERAL MANDATE TO ISSUE THE CONVERSION SHARES**

Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$3.50 per Share, the Convertible Bonds will be convertible into 222,074,285 Shares, representing approximately 4.54% of the issued share capital of the Company as at the date of this announcement and approximately 4.34% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Convertible Bonds.

The issue of the Convertible Bonds and the Conversion Shares is not subject to Shareholders' approval. The Conversion Shares will be issued pursuant to the General Mandate, subject to the limit of up to 811,146,924 Shares (representing 20% of the issued share capital of the Company on the date on which the General Mandate was granted). As at the date of this announcement, the General Mandate has not been previously utilized. The issue of the Conversion Shares fall within the limit of the General Mandate and is not subject to the approval of the Shareholders.

The Conversion Shares to be issued upon conversion of the Convertible Bonds will rank pari passu and carry the same rights and privileges in all respects with the Shares then in issue on the relevant Conversion Date. The Conversion Shares have a nominal value of HK\$2,220,742.85 and a market value of HK\$732,845,140.5, based on the closing price of HK\$3.30 on the Last Trading Date. The net price of each Conversion Share to the Company based on the estimated net proceeds of approximately US\$98,000,000 and 222,074,285 Conversion Shares resulting from the conversion of the Convertible Bonds, is estimated to be approximately HK\$3.43 (based on the Fixed Exchange Rate).

## **INFORMATION ON THE GROUP**

The Group is an established property developer of large-scale residential complex projects and integrated commercial complex projects in the PRC. The principal activities of the Group include (i) the development and sale of residential and commercial properties; (ii) the 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; and (iii) property investment, which mainly consists of the leasing of commercial properties owned or developed by the Group.

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

The Directors are of the view that the issue of the Convertible Bonds can provide the Company with additional funds at lower funding cost for the purposes of repayment of existing debt and general working capital. The Issue Price and the Conversion Price were arrived at after arm's length negotiations between the parties to the Subscription Agreement with reference to the prevailing trading prices of the Shares and the financial conditions of the Company. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreement and the Conditions are made on normal commercial terms and are fair and reasonable as far as the Shareholders are concerned, and the issue of the Convertible Bonds is in the interests of the Company and the Shareholders as a whole.

## **CAPITAL RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company has not raised any funds by issuing equity securities in the past twelve months immediately before the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

The following table illustrates (1) the existing shareholding structure as at the date of this announcement; and (2) the shareholding structure assuming the Convertible Bonds are fully converted into Conversion Shares at the initial Conversion Price of HK\$3.50 each; on the assumptions that (a) there will be no other change to the share capital of the Company from the date of this announcement until the completion of the conversion of the Convertible Bonds in full, save for the issue of the Conversion Shares as a result of the conversion of the Convertible Bonds in full (as the case may be); and (b) the Bondholders do not and will not hold any Shares other than the Conversion Shares as a result of the conversion of the Convertible Bonds.

	As at the date of this announcement		Assuming the Convertible Bonds are fully converted into Conversion Shares at the initial Conversion Price	
	<i>No. of Shares</i>	<i>% of issued share capital of the Company</i>	<i>No. of Shares</i>	<i>% of enlarged share capital of the Company</i>
<b>The Subscribers (Note 3)</b>	–	–	222,074,285	4.34
<b>Existing Shareholders (Note 1)</b>				
Mr. Shum and his associate(s)	3,668,310,136	74.93	3,668,310,136	71.68
	(Note 2)			
Public Shareholders	1,227,424,487	25.07	1,227,424,487	23.98
<b>Total</b>	<b>4,895,734,623</b>	<b>100.00%</b>	<b>5,117,808,908</b>	<b>100.00%</b>

### Notes:

- Existing Shareholders represent those Shareholders who did not subscribe for the Convertible Bonds or participate in the Subscription.
- 3,596,308,418 of these Shares are held by Mingyuan Group Investment Limited, which is ultimately and beneficially wholly-owned by Mr. Shum.
- The Company does not expect any of the Subscribers would become a connected person of the Company due to the exercise of the conversion rights attaching to the Convertible Bonds.



## PROPOSED USE OF NET PROCEEDS

The estimated net proceeds from the Subscription of the Convertible Bonds, after deduction of commission and expenses, amount to approximately US\$98,000,000. The Company intends to use the net proceeds from the Subscription primarily for refinancing of existing indebtedness in accordance with its green financing network.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” above for further information.**

**WARNING:** As the Subscription Agreement may or may not complete, and the Convertible Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

## DEFINITIONS

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

“Board” the board of Directors

“Bondholder(s)”                      holder(s) of the Convertible Bond(s) from time to time

“Change of Control”

the occurrence of one or more of the following events:

- (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and certain of its subsidiaries as defined in the Conditions, taken as a whole, to any “person” (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders;
- (2) the merger, amalgamation or consolidation of the Company with or into another Person or the merger or amalgamation of another Person with or into the Company, or the sale of all or substantially all the assets of the Company to another Person;
- (3) the Permitted Holders are the beneficial owners within the meaning of Rule 13d-3 under the Exchange Act of less than 50.1% of the total voting power of the Voting Stock of the Company;
- (4) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the Voting Stock of the Company greater than such total voting power held beneficially by the Permitted Holders;
- (5) individuals who on the Issue Date constituted the board of directors of the Company, together with any new directors whose election by the board of directors was approved by a vote of at least two-thirds of the directors then still in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or
- (6) the adoption of a plan relating to the liquidation or dissolution of the Company.

“Closing Date”	27 July 2021, or such other date as agreed between the Company and the Managers
“Company”	Jiayuan International Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Conditions”	the terms and conditions in relation to the Convertible Bonds
“Conversion Date”	the conversion date in respect of the Convertible Bonds
“Conversion Price”	the price per Share at which the Shares will be issued upon conversion of the Convertible Bonds and the initial conversion price being HK\$3.50 per Conversion Share (subject to adjustments)
“Conversion Share(s)”	the Share(s) to be issued by the Company upon conversion of the Convertible Bonds
“Convertible Bonds”	green convertible bonds with an initial aggregate principal amount of US\$100,000,000 due 2025 to be issued by the Company pursuant to the Subscription Agreement
“Director(s)”	director(s) of the Company
“Fixed Exchange Rate”	HK\$7.7726/US\$1.00
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 9 June 2021
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“HSBC”

The Hongkong and Shanghai Banking Corporation Limited

“Intercreditor  
Agreement”

an intercreditor agreement dated April 6, 2017, as amended, modified and supplemented from time to time entered into between the Company, the initial subsidiary guarantor pledgors named therein, the trustee and the collateral agent entered into pursuant to which the benefit of the security interest in the collateral was extended on a pari passu basis in favor of the holders of (a) the 11.375% senior secured notes due 2022 issued by the Company on May 2, 2019 (and further on August 29, 2019, which were consolidated and formed a single series with the 11.375% senior secured notes due 2022 issued by the Company on May 2, 2019); (b) the 13.75% senior notes due 2022 issued by the Company on July 11, 2019 (and further on December 3, 2019 and February 24, 2020, which were consolidated and formed a single series with the 13.75% senior notes due 2022 issued by the Company on July 11, 2019); (c) the 13.75% senior notes due 2023 issued by the Company on October 18, 2019 (and further on December 3, 2019, on January 21, 2020 and on February 6, 2020, which were consolidated and formed a single series with the 13.75% senior notes due 2023 issued by the Company on October 18, 2019); (d) the 11.75% senior notes due 2021 issued by the Company on June 24, 2020 (and further on July 21, 2020, which were consolidated and formed a single series with the 11.75% senior notes due 2021 issued by the Company on June 24, 2020); (e) the 12.5% senior notes due 2023 issued by the Company on October 8, 2020 (and further on November 12, 2020, which were consolidated and formed a single series with the 12.5% senior notes due 2021 issued by the Company on October 8, 2020); (f) the 12% senior notes due 2022 issued by the Company on October 30, 2020; (g) the 12.5% senior notes due 2023 issued by the Company on January 21, 2021 and (h) the 11% senior notes due 2024 issued by the Company on May 17, 2021 in their own capacity

“Issue Date”	27 July 2021
“JV Subsidiary Guarantors”	certain existing subsidiaries of the Company that execute a JV Subsidiary Guarantee
“JV Subsidiary Guarantees”	guarantees to be provided by the JV Subsidiary Guarantors in respect of the Convertible Bonds
“Last Trading Day”	21 July 2021
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Managers”	HSBC, Valuable Capital Limited and BOCOM International Securities Limited
“Maturity Date”	27 January 2025, being the date on which the Convertible Bonds mature
“Offering Circular”	the offering circular to be issued by the Company in respect of the Convertible Bonds and the listing of the Convertible Bonds on the Stock Exchange
“Permitted Holders”	<p>any or all of the following:</p> <ol style="list-style-type: none"> <li>(1) Mr. Shum Tin Ching, his spouse or immediate family members or any estate or trust established by any of them for their own benefit or for the benefit of any of their immediate family members;</li> <li>(2) any person directly or indirectly controlling, controlled by or under direct or indirect common control with the persons specified in clause (1); and</li> <li>(3) any person both the capital stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by persons specified in clauses (1) and (2)</li> </ol>

“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pricing Date”	21 July 2021
“Publication Date”	the date of the Offering Circular, which shall be no later than two business days prior to the Closing Date or such other date as may be agreed between the Company and the Managers
“Regulation S”	Regulation S under the US Securities Act
“Securities Act”	the US Securities Act of 1933, as amended
“Security”	the share charges dated 15 September 2016, as amended and supplemented from time to time by the Company and the Subsidiary Guarantor Pledgors, a valid and enforceable first priority security interest (subject to certain permitted liens and exceptions as set forth in the indenture) in the collateral (such term used herein as defined in the trust deed) has been pledged in favor of Citicorp International Limited as collateral agent
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers to the Convertible Bonds

“Subscription”	the subscription and issue of the Convertible Bonds pursuant to the Subscription Agreement
“Subscription Agreement”	a conditional subscription agreement dated 21 July 2021 entered into between the Company, the Subsidiary Guarantors and the Managers in relation to, among other things, the Subscription
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors in respect of the Convertible Bonds
“Subsidiary Guarantors”	certain existing subsidiaries of the Company which guarantee the Convertible Bonds
“Subsidiary Guarantor Pledgors”	certain Subsidiary Guarantors that pledge to secure the obligations of the Company under the Convertible Bonds and the trust deed and of such Subsidiary Guarantor under its Subsidiary Guarantee
“US\$”	United States dollars, the lawful currency of the United States of America
“Voting Stock”	with respect to any person, capital stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such person
“%”	per cent.

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

Hong Kong, 22 July 2021

*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, a Vice President and 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.*