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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHT IN HEFEI CITY, ANHUI PROVINCE

THE HEFEI LAND PLOT ACQUISITION

The Board is pleased to announce that, on 16 April 2020, Anhui Shuyuan, an indirect wholly-owned subsidiary of the Company, successfully won a bidding in respect of the Hefei Land Plot situated at the intersection of West Side of Mengcheng North Road and South Side of Yongxing River Road, Luyang District, Hefei City, Anhui Province, the PRC by way of public listing and tender held by Hefei Land Bureau.

IMPLICATION OF THE LISTING RULES

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the Hefei Land Plot Acquisition exceed 5% but less than 25%, the Hefei Land Plot Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

THE HEFEI LAND PLOT ACQUISITION

The board of directors (the “**Board**”) of Jiayuan International Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 16 April 2020, Anhui Shuyuan Property Development Company Limited (安徽墅源房地產開發有限公司) (“**Anhui Shuyuan**”), an indirect wholly-owned subsidiary of the Company, successfully won a bidding (the “**Hefei Land Plot Acquisition**”) in respect of the state-owned construction land use right of Land Plot LY202001 (the “**Hefei Land Plot**”) situated at the intersection of West Side of Mengcheng North Road and South Side of Yongxing River Road, Luyang District, Hefei City, Anhui Province, the People’s Republic of China (the “**PRC**”) by way of public listing and tender held by Natural Resources and Planning Bureau, Hefei City (合肥市自然資源和規劃局) (“**Hefei Land Bureau**”).

The site area of the Hefei Land Plot is approximately 72,868 square meters with a land use right of 70 years and 50 years for residential and educational uses, respectively. The permitted land uses are residential and educational purposes, particularly construction of kindergartens and primary schools.

On 16 April 2020, Anhui Shuyuan signed the confirmation letter for the transfer of state-owned construction land use right of Hefei City (合肥市國有建設用地使用權出讓成交確認書), pursuant to which Anhui Shuyuan shall enter into the contract for transfer of state-owned construction land use right (國有建設用地使用權出讓合同) (the “**Land Use Right Transfer Contract**”) with Hefei Land Bureau on or before 29 April 2020.

Consideration

Consideration: RMB773,096,300 (equivalent to approximately HK\$846,579,391).

The consideration will be settled by the Group with internal resources and/or other financing.

Anhui Shuyuan has paid to Hefei Land Bureau an amount of RMB150,000,000 (equivalent to approximately HK\$164,257,556) as deposit for the public listing and tender. A further deposit of RMB236,540,000 (equivalent to approximately HK\$259,023,215) is payable within one month of signing of the Land Use Right Transfer Contract, while the remaining balance of the total consideration is expected to be paid on or around 28 July 2020.

The consideration of the Hefei Land Plot was arrived at by way of public listing and tender held by Hefei Land Bureau on 16 April 2020, which was required to be conducted in accordance with the relevant PRC laws and regulations. In submitting the bid in respect of the Hefei Land Plot, the Group took into account the minimum bid price, current market conditions, location of the Hefei Land Plot, and land price in the surrounding area with reference to the information available from Hefei Land Bureau.

GENERAL INFORMATION OF THE PARTIES TO AND SUBJECT MATTER OF THE TRANSACTION

The Group

The Group is an established property developer of large-scale residential complex projects and integrated commercial complex projects in various provinces and city in the PRC, including Anhui, Jiangsu and Shanghai. 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.

Hefei Land Bureau

Hefei Land Bureau is a local government body of Hefei City, Anhui Province, the PRC. To the best of the knowledge, information and belief of the directors of the Company, after having made all reasonable enquiries, Hefei Land Bureau is a third party independent of the Company and its connected persons.

The Hefei Land Plot

The Hefei Land Plot is located at the intersection of West Side of Mengcheng North Road and South Side of Yongxing River Road, Hefei City, Luyang District, Anhui Province, the PRC, the neighbourhood of which contains a few branded residential and commercial projects that have been completed and delivered. The Hefei 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, transportation system and educational facilities. With established supporting facilities in the surrounding area, convenient transportation network and particularly adequate educational resources, the Hefei Land Plot enjoys locality advantage and has obvious potential for development.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Ever since the acquisition of various property development projects located in Anhui Province from the Company's ultimate controlling shareholder, chairman and non-executive director, Mr. Shum Tin Ching, in 2019, Anhui Province has become one of the significant development areas of the Group. The Hefei Land Plot Acquisition will be the Group's second successful acquisition in Hefei City, Anhui Province, in 2020. As at the date of this announcement, the Group maintains six development projects in the larger Hefei regions. The Group is deeply rooted in the Yangtze River Delta Economic Zone and has been actively seeking development opportunities in the Guangdong-Hong Kong-Macau Greater Bay Area, regions along the One Belt One Road initiative as well as other key cities in the PRC. The Group believes that the Hefei Land Plot Acquisition will further consolidate its brand influence in Anhui Province and introduce synergy effects among the Group's other property development projects in the

region. Given the aforesaid reasons and benefits, the directors of the Company believe that the Hefei 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

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) in relation to the Hefei Land Plot Acquisition exceed 5% but less than 25%, the Hefei Land Plot Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

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

Hong Kong, 16 April 2020

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.