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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 URUMUQI CITY, XINJIANG

INTRODUCTION

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

XINJIANG LAND ACQUISITIONS

The board of directors (the “**Board**”) of the Company is pleased to announce that:

- (i) on 21 May 2020, Xinjiang Silu Wanshang Property Co., Ltd. (新疆絲路皖商房地產開發有限公司) (“**Silu Wanshang**”), an indirect wholly-owned subsidiary of the Company, received a confirmation letter regarding successful bidding for the transfer of state-owned construction land use right (國有建設用地使用權掛牌出讓成交確認書) (the “**Initial Xinjiang Land Acquisition**”) in respect of Land Plot Xingfu Reservoir D-01-02 (the “**Xingfu Reservoir Land Plot**”) located in Urumuqi City, Xinjiang, the People’s Republic of China (the “**PRC**”); and
- (ii) on 10 June 2020, Xinjiang Silu Wanlong Property Co., Ltd. (新疆絲路皖隆置業有限公司) (“**Silu Wanlong**”) and Xinjiang Silu Huihong Property Co., Ltd. (新疆絲路徽鴻置業有限公司) (“**Silu Huihong**”), both an indirect wholly-owned subsidiary of the Company, received a confirmation letter regarding successful bidding for the transfer of state-owned construction land use right (國有建設用地使用權掛牌出讓成交確認書) (the “**Further Xinjiang Land Acquisition**”, together with the Initial Xinjiang Land Acquisition, the “**Xinjiang Land Acquisitions**”) in respect of a land parcel comprising 19 land plots in close proximity (the “**Unit 104 Land Parcel**”) located in Xinjiang, the PRC.

CONSIDERATION

The consideration of the Xingfu Reservoir Land Plot and Unit 104 Land Parcel was RMB141,090,000 (approximately HK\$154,493,550) and RMB442,460,000 (approximately HK\$484,493,700), respectively, which was arrived at by way of public listing and tender held by Natural Resources and Planning Bureau, 12th Division (十二師自然資源和規劃局) (the “**12th Division Land Bureau**”). All of the aforementioned public listing and tender were required to be conducted in accordance with the relevant PRC laws and regulations.

In bidding for the Xingfu Reservoir Land Plot and Unit 104 Land Parcel, the Group has taken into account the minimum bid price, current market conditions, their respective locations and land price in the surrounding area with reference to the information available from the 12th Division Land Bureau.

Silu Wanshang, Silu Wanlong and Silu Huihong have paid initial deposits in the aggregate amount of RMB116,710,000 (approximately HK\$127,797,450) in respect of the Xingfu Reservoir Land Plot and Unit 104 Land Parcel, which will be applied towards settlement of the total consideration thereof. The total consideration will be settled by internal resources and/or other financing of the Group.

THE XINGFU RESERVOIR LAND PLOT

The Xingfu Reservoir Land Plot is situated at East to Taoyuan Road (桃園路), South to planned land (規劃用地), West to Caikong District (彩空區) and North to planned land (規劃用地), Urumuqi City, Xinjiang, PRC. The site area of the Xingfu Reservoir Land Plot is 100,808 square metres with a land use right of 50 years. The permitted land use is for residential purpose.

THE UNIT 104 LAND PARCEL

The Unit 104 Land Parcel is consisted of 19 proximate land plots (collectively, the “**Unit 104 Land Plots**”). The Unit 104 Land Parcel is located in 12th Division (十二師), Urumuqi City, Xinjiang, PRC. The total site area of the Unit 104 Land Parcel is approximately 619,596 square metres. The length of land use right and permitted land use of the respective Unit 104 Land Plots are described in more detail below.

	Unit 104 Land Plots	Permitted Land Use Purpose	Length of Permitted Land Use Right
1.	104T 2020-2-1	Residential	50 years
2.	104T 2020-2-2	Residential	50 years
3.	104T 2020-2-2-A	Commercial	40 years
4.	104T 2020-2-2-B	Commercial	40 years

	Unit 104 Land Plots	Permitted Land Use Purpose	Length of Permitted Land Use Right
5.	104T 2020-2-2-C	Commercial	40 years
6.	104T 2020-2-3-A	Commercial	40 years
7.	104T 2020-2-6	Residential	50 years
8.	104T 2020-2-7	Residential	50 years
9.	104T 2020-2-7-A	Commercial	40 years
10.	104T 2020-2-7-B	Commercial	40 years
11.	104T 2020-2-9	Residential	50 years
12.	104T 2020-2-10	Residential	50 years
13.	104T 2020-2-10-A	Commercial	40 years
14.	104T 2020-2-12	Residential	50 years
15.	104T 2020-2-13	Residential	50 years
16.	104T 2020-2-14	Residential	50 years
17.	104T 2020-2-15	Residential	50 years
18.	104T E-03-04-A	Commercial	40 years
19.	104T E-03-04-B	Commercial	40 years

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 XINJIANG LAND ACQUISITIONS

The Xingfu Reservoir Land Plot and Unit 104 Land Parcel are situated in Urumuqi City, Xinjiang, which is part of the “One Belt One Road” region and benefits from preferential PRC governmental policy. The Group believes that the Xingfu Reservoir Land Plot and Unit 104 Land Parcel have great potential, acting as both a “fosterer” and “beneficiary” for the region. The Group also believes that the development of the Xingfu Reservoir Land Plot and Unit 104 Land Parcel is in line with the PRC government’s strategy to develop the Xishan District (西山片區). Combined with government planning, the Xingfu Reservoir Land Plot and Unit 104 Land Parcel will be developed as a social community based on “people”, while extending the cultural features of Urumuqi City, creating a sustainable eco-system and maintaining its historical charm as well as creating a destination for cultural tourism. They will also form a trans-era social community combining healthcare, residence, culture and education. Given the aforesaid reasons and benefits, the directors of the Company believe that the Xinjiang Land Acquisitions are in the ordinary and usual course of business of the Company and on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATION OF THE LISTING RULES

The Xinjiang Land Acquisitions are of a revenue nature in the ordinary and usual course of business of the Company and do 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, 24 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.