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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your shares in Jiande International Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## **JIANDE INTERNATIONAL HOLDINGS LIMITED**

**建德國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 865)**

### **MAJOR TRANSACTIONS IN RELATION TO SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS**

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All capitalised terms used in this circular shall have the same meanings as set out in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board containing details of the Major Structured Deposit Products is set out on pages 3 to 10 of this circular.

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written shareholders’ approval for the subscription of each of the Major Structured Deposit Products have been obtained from Fame Build and Talent Connect, being the Controlling Shareholders and a closely allied group of Shareholders holding 56.5% of the total issued share capital of the Company as at the Latest Practicable Date. Accordingly, no general meeting will be convened by the Company for approving the subscriptions and the redemptions. This circular is being despatched to the Shareholders for information only.

26 October 2021

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Announcement”	the announcement of the Company dated 22 October 2021 in relation to, among other things, structured deposit products
“Board”	the board of Directors
“Company”	Jiande International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 865)
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and in the context of this circular, refers to Fame Build and Talent Connect, or, where the context so requires, any one of them
“Director(s)”	director(s) of the Company
“Fame Build”	Fame Build Holdings Limited, a company incorporated in the British Virgin Islands and a Controlling Shareholder
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hui An China General”	Hui An China General Real Estate Development Company Limited* (惠安中總房地產開發有限公司), a limited liability company incorporated in the PRC and a non-wholly owned subsidiary of the Company
“Latest Practicable Date”	21 October 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Major Structured Deposit Products”	collectively, the structured deposit products issued by Xiamen International Bank and Xiamen Bank, details of which are set forth in the section headed “Subscription of the Major Structured Deposit Products” of this circular
“PRC”	the People’s Republic of China, which shall, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan

## DEFINITIONS

“Remaining Previous Subscription”	principal amount under the remaining previous subscription of structured deposit products which had not been received by Hui An China General at the relevant time
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“SHIBOR”	Shanghai Interbank Offered Rate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Talent Connect”	Talent Connect Investments Limited, a company incorporated in the British Virgin Islands and a Controlling Shareholder
“Xiamen Bank”	Xiamen Bank Co., Ltd. (廈門銀行股份有限公司), a commercial bank in the PRC
“Xiamen International Bank”	Xiamen International Bank (廈門國際銀行股份有限公司), a commercial bank in the PRC
“%”	per cent

\* *English translated name is for identification purpose only*

**LETTER FROM THE BOARD**

**JIANDE INTERNATIONAL HOLDINGS LIMITED**

**建德國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 865)**

*Executive Directors*

Mr. Shie Tak Chung

*(Chairman and Chief Executive Officer)*

Mr. Wu Zhisong

Mr. Lee Lit Mo Johnny

*Registered Office*

Tricor Services (Cayman Islands) Limited  
Second Floor, Century Yard, Cricket Square  
P.O. Box 902, Grand Cayman, KY1-1103  
Cayman Islands

*Independent Non-executive Directors*

Mr. Ma Sai Yam

Mr. Zhang Senquan

Mr. Yang Quan

*Principal place of business in Hong Kong*

Room 1910, Fortress Tower  
250 King's Road  
Hong Kong

26 October 2021

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTIONS  
IN RELATION TO SUBSCRIPTION OF  
STRUCTURED DEPOSIT PRODUCTS**

**INTRODUCTION**

Reference is made to the Announcement in relation to the subscription of structured deposit products.

On 7 August 2019 and 12 June 2020, Hui An China General, a non-wholly owned subsidiary of the Company, entered into transactions in relation to the subscription of the Major Structured Deposit Products offered by Xiamen Bank and Xiamen International Bank respectively. As at the date of this circular, the Major Structured Deposit Products have been early terminated or matured and Hui An China General has received the principals together with accrued returns of the Major Structured Deposit Products in full.

The purpose of this circular is to provide the Shareholders with, among other things, further details of the subscriptions for the Major Structured Deposit Products as aggregated with the respective Remaining Previous Subscription pursuant to Rules 14.22 and 14.23 of the Listing Rules, financial information of the Group and other information as required by the Listing Rules. As disclosed in the Announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder nor any of their close associates has a material interest in and would be required to abstain from voting on, any resolution to approve, confirm and/or ratify the subscription of each of the Major

## **LETTER FROM THE BOARD**

Structured Deposit Products if the Company were to convene a general meeting to approve, confirm and/or ratify the same. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained written certificate to ratify the subscription of each of the Major Structured Deposit Products from the Controlling Shareholders, being a closely allied group of Shareholders holding 3,298,492,788 issued shares of the Company (representing approximately 56.5% of the total issued share capital of the Company) as at the Latest Practicable Date, for approving the subscriptions and the redemptions. As at the Latest Practicable Date, Fame Build and Talent Connect, being the Controlling Shareholders and a closely allied group of Shareholders, hold 26.0% and 30.5% of the total issued shares of the Company, respectively. Pursuant to a deed of confirmation dated 23 October 2014 executed by Mr. Shie Tak Chung and Mr. Tsoi Kin Sze whereby they confirmed the existence of their acting in concert arrangement, Mr. Shie Tak Chung, Mr. Tsoi Kin Sze, Fame Build and Talent Connect collectively act as the controlling shareholders of the Company. Accordingly, no Shareholders' meeting will be convened for the purpose of considering, ratifying and approving the subscriptions and the redemptions pursuant to Rule 14.44 of the Listing Rules.

### **SUBSCRIPTION OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS**

On 7 August 2019 and 12 June 2020, Hui An China General, a non-wholly owned subsidiary of the Company, entered into the following major transactions in relation to the subscription of the Major Structured Deposit Products offered by Xiamen Bank and Xiamen International Bank.

## LETTER FROM THE BOARD

Set forth below are principal terms of the Major Structured Deposit Products:

No.	Name of product	Subscription date	Principal amount (RMB million)	Expected annualised return rate	Actual annualized return rate	Investment term (days)	Type of product and investment return	Internal risk rating by the bank	Early termination or redemption
<b>Xiamen International Bank</b>									
1.	(i) Structured Deposit Product (SHIBOR Linked Type B) Phase 202007992* (結構性存款產品(掛鈎SHIBOR B款) 202007992期); and  (ii) Structured Deposit Product (SHIBOR Linked Type B) Phase 202007996* (結構性存款產品(掛鈎SHIBOR B款) 202007996期)	12 June 2020	40	0.75%-3.25%	3.25%	From 12 June 2020 to 13 July 2020 (31 days)	Structured deposit product with variable return <sup>(1)</sup>	Low risk	(i) Hui An China General has the right of early termination or early partial or full withdrawal of the principal (for not more than 3 times) seven days after the value date if the six-month RMB SHIBOR is above 0% but below 7%; and  (ii) Xiamen International Bank has the right of early termination and early termination shall be made by Xiamen International Bank if the six-month RMB SHIBOR rate is above 7% for five consecutive days and Hui An China General shall not be entitled to any investment return.

## LETTER FROM THE BOARD

No.	Name of product	Subscription date	Principal amount (RMB million)	Expected annualised return rate	Actual annualized return rate	Investment term (days)	Type of product and investment return	Internal risk rating by the bank	Early termination or redemption
<b>Xiamen Bank</b>									
2.	(i) Structured Deposit Product CK1903442* (結構性存款產品 CK1903442);	7 August 2019	100	1.46%–3.65%	3.06%	From 8 August 2019 to 6 November 2019 (90 days)	Structured deposit product with variable return <sup>(2)</sup>	Low risk	Hui An China General is entitled to terminate the structured deposit product early with the consent of Xiamen Bank by serving one business day's application in advance.
	(ii) Structured Deposit Product CK1903443* (結構性存款產品 CK1903443);								
	(iii) Structured Deposit Product CK1903444* (結構性存款產品 CK1903444);								
	(iv) Structured Deposit Product CK1903445* (結構性存款產品 CK1903445); and								
	(v) Structured Deposit Product CK1903446* (結構性存款產品 CK1903446)								

*Notes:*

- The rate of return of the structured deposit product is linked to six-month RMB SHIBOR.
- The rate of return of the structured deposit product is linked to three-month RMB SHIBOR.

### MATURITY AND EARLY TERMINATION OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS

Major Structured Deposit Product No. 1 above has matured and the principals together with accrued returns were received by Hui An China General in full.

Hui An China General exercised its right of early termination for RMB20 million under Major Structured Deposit Product No. 2 on 2 September 2019 and the principals together with accrued returns were received by Hui An China General in full.

### INFORMATION ON THE PARTIES

#### The Group and Hui An China General

The Group is principally engaged in the development and sale of properties in the PRC.

## **LETTER FROM THE BOARD**

Hui An China General is a limited liability company incorporated in the PRC, and a non-wholly owned subsidiary owned as to 98.4% by the Company.

### **Xiamen International Bank**

Xiamen International Bank is a commercial bank in the PRC, which engages principally in provision of bank products and services, including deposit taking, loans and interbank financing, etc.

### **Xiamen Bank**

Xiamen Bank is a commercial bank in the PRC, which engages principally in the provision of bank products and services, including deposit taking, financing, government bonds, etc., and whose A shares are listed on The Shanghai Stock Exchange.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Xiamen Bank and Xiamen International Bank and their ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined under the Listing Rules) and Xiamen International Bank and Xiamen Bank are not associated nor connected with each other.

## **REASONS AND BENEFITS FOR SUBSCRIPTION OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS**

Hui An China General principally funded the subscription of the Major Structured Deposit Products by utilizing its idle fund deposited at bank accounts. The Major Structured Deposit Products are principal-protected and short-term investment products with low risks. The Major Structured Deposit Products were issued by reputable banks which offered better interest rates than the then prevailing fixed-term deposit interest rates offered by banks or licensed financial institutions. The Directors believe that the subscription of the Major Structured Deposit Products would efficiently and reasonably utilize the idle funds of the Group with secured returns. Accordingly, the Directors are of the view that the subscription of the Major Structured Deposit Products are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The subscription of the Major Structured Deposit Products were financed by internal resources.

## **FINANCIAL EFFECTS OF THE SUBSCRIPTION**

The subscription of the Major Structured Deposit Products were accounted for as financial assets at fair value and recorded as short-term financial products under current assets of the Group. The subscription of the Major Structured Deposit Products increased the short-term financial products and decreased the bank balances and cash of the Group. There is no financial effect of the subscription of the Major Structured Deposit Products on the liabilities of the Group.

## **LETTER FROM THE BOARD**

As at the Latest Practicable Date, all the Major Structured Deposit Products have been early terminated or matured and the principals of RMB140,000,000 together with accrued returns recognised as other income amounting to approximately RMB877,000 in aggregate were received by the Group in full.

### **LISTING RULES IMPLICATIONS**

As the transactions in relation to the subscription of the Major Structured Deposit Products were entered into with the same banks and were of similar nature, pursuant to Rules 14.22 and 14.23 of the Listing Rules, the subscription of the structured deposit products offered by Xiamen International Bank shall be aggregated, if they were made within a 12-month period.

The highest applicable percentage ratio in respect of subscription of each of the Major Structured Deposit Products, when aggregated with the Remaining Previous Subscription pursuant to Rules 14.22 and 14.23 of the Listing Rules, exceeds 25% but is less than 100%, the subscription of each of the Major Structured Deposit Products constitutes a major transaction for the Company and therefore shall subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Major Structured Deposit Products are principal-guaranteed in nature, the responsible staff and management of the Company believed that they would be treated as if they were akin to fixed deposits, which do not constitute "transactions" under Chapter 14 of the Listing Rules. As a result, the Company had not complied with the applicable reporting, announcement and/or shareholders' approval requirements under Chapter 14 of the Listing Rules in a timely manner.

### **REMEDIAL ACTIONS**

Pursuant to Rule 14.34 of the Listing Rules, after the terms of a discloseable transaction have been finalised, the Company must publish an announcement as soon as possible. The subscription of the Major Structured Deposit Products were also subject to the circular and shareholders approval requirements under Rule 14.38A, Rule 14.40 and Rule 14.41. As such, the failure by the Company to comply with the above requirement constituted breach of Rule 14.34, Rule 14.38A, Rule 14.40 and Rule 14.41 of the Listing Rules.

The Company attributes the incidents of non-compliance with the Listing Rules as disclosed in this circular to the misapprehension as to the treatment of the subscription of the Major Structured Deposit Products under Chapter 14 of the Listing Rules by its responsible staff and management. As the Major Structured Deposit Products are principal-guaranteed in nature, the responsible staff and management of the Company believed that they would be treated as if they were akin to fixed deposits, which do not constitute "transactions" under Chapter 14 of the Listing Rules.

The Company deeply regrets its non-compliance with the Listing Rules as disclosed in this circular, but it would like to stress that such non-compliances were inadvertent and the Company had no intention to withhold any information relating to the subscription of the Major Structured Deposit Products from disclosure.

## LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting on any resolution to approve, confirm and/or ratify the subscription of each of the Major Structured Deposit Products if the Company were to convene a general meeting to approve, confirm and/or ratify the same. The Company has received written certificate to ratify the subscription of each of the Major Structured Deposit Products from the Controlling Shareholders, being a closely allied group of Shareholders which holds 3,298,492,788 issued shares of the Company (representing approximately 56.5% of the total issued shares of the Company) as at the date of this circular, in accordance with Rule 14.44 of the Listing Rules. As at the date of this circular, Fame Build and Talent Connect, being the Controlling Shareholders and a closely allied group of Shareholders, holds 26.0% and 30.5% of the total issued shares of the Company, respectively. Fame Build is solely and beneficially owned by Mr. Shie Tak Chung and Talent Connect is solely and beneficially owned by Mr. Tsoi Kin Sze. Pursuant to a deed of confirmation dated 23 October 2014 executed by Mr. Shie Tak Chung and Mr. Tsoi Kin Sze whereby they confirmed the existence of their acting in concert arrangement, Mr. Shie Tak Chung, Mr. Tsoi Kin Sze, Fame Build and Talent Connect collectively act as the controlling shareholders of the Company. No Shareholders' meeting will be convened by the Company to approve, confirm and/or ratify the subscription of each of the Major Structured Deposit Products.

To prevent the reoccurrence of the similar incidents of non-compliance with the Listing Rules as disclosed in this circular, the Company has adopted the following measures:

- (a) The Company has reminded its responsible staff and management of the treatment of the subscription of structured deposit products under the Listing Rules to avoid delay in disclosure in the future should such obligations arise. The Company will also offer trainings to the responsible staff, management and the Directors relating to notifiable transactions under the Listing Rules in order to strengthen and reinforce their existing knowledge as well as their ability to identify potential issues at an early stage.
- (b) The Company will work more closely with its legal advisers on compliance issues and shall, as and when appropriate, consult other professional advisers before entering into any potential notifiable transaction. If necessary, the Company might also consult the Stock Exchange on the proper treatment of a proposed transaction.
- (c) The Company will strengthen the coordination and reporting arrangements for notifiable transactions among various departments of the Company to ensure due compliance of the Listing Rules. Prior to entering into any transaction not in the ordinary and usual course of business of the Group in the future where disclosure threshold is met, the relevant departments will be notified and draft agreements will be circulated for their review to ensure compliance with applicable requirements under the Listing Rules.

## **LETTER FROM THE BOARD**

The Directors believe that the implementation of the remedial measures as disclosed in this circular will effectively rectify such misapprehension, strengthen and reinforce the knowledge of the responsible staff, management and Directors relating to notifiable transactions under the Listing Rules, and improve the regulatory compliance abilities of the Company in the identification and reporting of related issues with assistance from appropriate external advisers.

### **FURTHER INFORMATION**

Your attention is also drawn to the additional information contained in the appendices to this circular.

By order of the Board  
**Jiande International Holdings Limited**  
**Shie Tak Chung**  
*Chairman*

## 1. CONSOLIDATED FINANCIAL STATEMENTS

Details of the financial information of the Group for each of the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and for the six months ended 30 June 2021 are disclosed in the following documents which have been published on both the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.jiande-intl.com>):

- annual report of the Company for the year ended 31 December 2018 published on 29 April 2019 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0429/ltm201904291400.pdf>);
- annual report of the Company for the year ended 31 December 2019 published on 28 April 2020 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0428/2020042800057.pdf>);
- annual report of the Company for the year ended 31 December 2020 published on 27 April 2021 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0427/2021042700521.pdf>); and
- interim report of the Company for the six months ended 30 June 2021 (available at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0921/2021092100229.pdf>).

## 2. INDEBTEDNESS STATEMENT

As at the close of business on 31 August 2021, being the latest practicable date for the purpose of this statement of indebtedness, the Group had: (i) bank borrowings of approximately RMB40,000,000 secured by pledge of certain of the land use rights of the Group and guaranteed by a subsidiary of the Company, Mr. Tsoi Kin Sze, substantial shareholder of the Company, and a company beneficially owned Mr. Shie Tak Chung, director of the Company and Mr. Tsoi Kin Sze; and (ii) lease liabilities of approximately RMB657,000.

As at the close of business on 31 August 2021, the Group provides guarantees for the property buyers' mortgage loans with the PRC banks to facilitate their purchases of the Group's properties. The outstanding financial guarantee providing with guarantee period up to the full settlement of mortgage loans as at 31 August 2021 amounted to approximately RMB420,853,000.

Save as aforesaid or otherwise mentioned herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, the Group did not have any other outstanding borrowings, mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other contingent liabilities at the close of business on 31 August 2021, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular.

### 3. WORKING CAPITAL

The Directors are of the opinion that, in the absence of unforeseeable circumstances, after due and careful enquiry, and after taking into account the existing internal financial resources of the Group, and effect of the subscription of the Major Structured Deposit Products, the working capital available to the Group is sufficient for its requirements for at least twelve months from the date of publication of this circular.

### 4. MATERIAL CHANGE

There was a substantial reduction of revenue and gross profit from the Group's property development business as the properties available for sale and delivered to customers by the Group decreased and most of the Group's real estate projects were still under construction during the six months ended 30 June 2021. As a result, the Group recorded a net loss attributable to owners of the Company for the six months ended 30 June 2021 as compared to the net profit attributable to owners of the Company for the six months ended 30 June 2020. Further details of the profit warning are set out in the announcement of the Company dated 19 August 2021.

Saved as disclosed in this circular, the Directors confirm that there has been no material change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated accounts of the Company were made up.

### 5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The economy of the PRC continued to rebound strongly in the first half of 2021, with a coordinated plan of local pandemic prevention and control and social and economic development from the Central Government. China's GDP for the six months ended 30 June 2021 was RMB53.2 trillion, up 12.7% on a year-on-year basis.

In 2021, the opening year of the "14th Five Year Plan", the Central Government reinforces the principal of "houses are for living in, not for speculation" to continuously improve the long-term development of real estate industry in the PRC. According to the National Bureau of Statistics, the Chinese sales of commodity properties achieved RMB9.3 trillion for the six months ended 30 June 2021, representing a year-on-year growth of 38.9%.

Looking forward to the second half of 2021, backed by the macroeconomic policies precisely implemented by the Central Government, the recent introduction of the "two centralisation" of land supply in certain cities on a trial basis and the property lending concentration system, together with the region-specific regulatory measures will promote the long-term mechanism of stabilising land prices, house prices and expectations in the real estate industry of the PRC.

In the second half of 2021, the Group will continue to develop its property projects in Yangzhou, Xinyang and Wugang in the PRC, sell the completed properties of the existing Binjiang International project in Quanzhou, Fujian Province, the PRC and The Cullinan Bay project in Yangzhou, Jiangsu Province, the PRC, and pre-sell the properties of its projects under development.

The Group is dedicated to developing quality properties accompanied with a living community to customers, particularly in those cities in the PRC where the rigid demand for housing remains strong due to the continuous urbanization process. The Group will also aim at being customer-centred and innovating product functions to realise customers' pursuit for better lives.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors and chief executives' interests and short positions in shares, underlying shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required, pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules ("Model Code"), to be notified to the Company and the Stock Exchange were as follows:

#### *Long Position in Shares and Underlying Shares of the Company:*

Name of Director	Capacity	Number of issued ordinary shares held	Approximate Percentage of issued share capital of the Company
Shie Tak Chung	Interest of a controlled corporation	1,517,896,394 <sup>(Note)</sup>	26.00%

*Note:* Fame Build, a company incorporated in the British Virgin Islands, is the registered owner of these shares. As at the Latest Practicable Date, Fame Build was solely and beneficially owned by Mr. Shie Tak Chung.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under

such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

**(b) Substantial Shareholders' interests and short positions in the Shares and underlying Shares**

As at the Latest Practicable Date, so far as is known to the Directors or the chief executive of the Company, the following persons had, or were deemed to have, interests or short positions in the Shares or underlying Shares of the Company as recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

*Long Positions in Shares and Underlying Shares of the Company*

Name of Director	Capacity	Number of issued ordinary shares held	Approximate Percentage of issued share capital of the Company
Fame Build	Beneficial owner	1,517,896,394	26.00%
Talent Connect <sup>(Note)</sup>	Beneficial owner	1,780,596,394	30.50%
Tsoi Kin Sze <sup>(Note)</sup>	Interest of a controlled corporation	1,780,596,394	30.50%

*Note:* Talent Connect is the registered owner of these shares. As at the Latest Practicable Date, Talent Connect was solely and beneficially owned by Mr. Tsoi Kin Sze.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no other person had interests or short positions in the Shares or underlying Shares of the Company which were recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO.

**3. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the relevant member within one year without payment of compensation other than statutory compensation.

#### 4. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any material litigations or claims and no litigations or claims of material importance were pending or threatened by or against any member of the Group.

#### 5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any assets which have been, since 31 December 2020, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and was significant in relation to any business of the Group.

#### 6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group.

#### 7. MATERIAL CONTRACTS

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) had been entered into by the members of the Group which are or may be material:

- (a) the land use rights grant contract dated 20 March 2020 entered into between Wugang Dejian Real Estate Company Limited\* (武岡德建置業有限公司) (“**Wugang Dejian**”), an indirect subsidiary owned as to 80% by the Company, and Bureau of Natural Resources of Wugang City (“**Wugang Natural Resources Bureau**”), in respect of the acquisition of land use rights in Hunan Province, the PRC of RMB94,000,000. Details of the acquisition are disclosed in the Company’s announcement dated 28 February 2020;
- (b) two land use rights grant contracts dated 8 August 2020 entered into between Wugang Dejian and Wugang Natural Resources Bureau, in respect of the acquisition of land use rights in Hunan Province, the PRC of RMB120,750,000. Details of the acquisition are disclosed in the Company’s announcement dated 22 July 2020;
- (c) Xiamen International Bank structured deposit product agreement(s) dated 12 June 2020 in respect of subscription of the Major Structured Deposit Product No. 1; and

- (d) Xiamen Bank structured deposit product agreement(s) dated 7 August 2019 in respect of the subscription of the Major Structured Deposit Product No. 2.

## **8. GENERAL**

- (a) The company secretary of the Company is Wong Kin Tak, who is a member of Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants.
- (b) The registered office of the Company is at Tricor Services (Cayman Islands) Limited, Second Floor, Century Yard, Cricket Square P.O. Box 902, Grand Cayman, KY1-1103 Cayman Islands.
- (c) The head office and principal place of business in Hong Kong of the Company is at Room 1910, Fortress Tower, 250 King's Road, Hong Kong.
- (d) The address of the Company's branch share registrar in Hong Kong is Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

## **9. DOCUMENTS ON DISPLAY**

Copies of the material contracts referred to in the section headed "Material Contracts" in this appendix will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.jiande-intl.com>) for 14 days from the date of this circular.