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Jiayuan International Group Limited

(In Liquidation)

佳源國際控股有限公司

(清盤中)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2768 and Debt Code: 40779)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by Jiayuan International Group Limited (In Liquidation) (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

References are made to the announcements of the Company dated 15 January 2024, 30 January 2024, 21 February 2024 and 20 March 2024, regarding the Resumption Guidance, updates on business operations of the Group, the restructuring progress and entering into a term sheet in respect of a loan facility (the “**Announcements**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

UPDATE ON RESUMPTION PROGRESS

As disclosed in the announcement of the Company dated 15 January 2024, the Stock Exchange has set out the Resumption Guidance for the Company. The Company has continuously been making efforts in taking steps to fulfill the Resumption Guidance. In compliance with Rule 13.24A of the Listing Rules, the Liquidators would like to provide the shareholders (the “**Shareholders**”) and potential investors of the Company with the following updates on the latest resumption progress as at the date of this announcement.

Business Operations

As disclosed in the announcement of the Company dated 15 January 2024, the Group has been making significant efforts to deliver its property development projects. The Liquidators are working closely with the Group's management to prioritise stabilising business operations in order to safeguard and preserve value for all stakeholders. The Group will continue to ensure the completion and delivery of its projects while consolidating resources to revitalize the construction and sales of its projects, reduce its operating expenses and make every effort to improve the Group's liquidity position.

As disclosed in the announcements made by the Company dated 30 January 2024 and 21 February 2024, receivers were appointed directly and/ or indirectly over some key onshore and/ or offshore property development projects of the Group. The Liquidators have been working with the Group's management and making significant effort to sort out the latest business operation situation of the Group and ascertain the circumstances of other major projects.

Restructuring Progress

Over the past few months, the Liquidators have been actively working with the Group's management to assess the Group's current financial and operational conditions with a view to formulating a restructuring plan in respect of the Company's offshore indebtedness.

As of the date of this announcement, although there is no agreement on the terms of the restructuring, the Company will maintain a positive momentum with the creditors with a view to finalizing the terms of the restructuring proposal as soon as practicable. In this regard, the Company will continue to provide material updates on the restructuring process to all stakeholders as appropriate.

Entering into a Term Sheet

As disclosed in the announcement of the Company dated 20 March 2024, the Company, the Liquidators and the Investor have entered into the Term Sheet on the same date in relation to a loan to be provided by the Investor to the Company for the sole purpose of settling the Professional Fees incurred or to be incurred by the Company in connection with the Proposed Restructuring.

Subsequent to the execution of the Term Sheet, the Liquidators are in the process of liaising with the Investor for entering into a formal definitive loan facility agreement and/ or restructuring framework agreement as soon as practicable.

Preliminary Restructuring Principles

The Company is fully committed to the offshore restructuring and wishes to inform the market that the envisaged restructuring proposal will be based on the following guiding principles:-

1. equitable treatment to all the creditors by respecting their existing legal rights and inter-creditor priority;
2. to achieve a long-term, sustainable capital structure to mitigate business operational risks and unlock value for all stakeholders; and
3. to enhance the Group's adaptiveness to the current market changes, so as to achieve sustainable operations.

The Company is in the midst of engaging legal advisors for the purpose of formulating a consensual restructuring proposal.

The Company will keep the shareholders and the investors informed by publishing further announcements as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 3 April 2023 and will remain suspended until further notice.

The Company will make further announcements as and when appropriate.

Shareholders and potential investors of the Company who have any queries about the implication of the continued suspension of trading of the Company's shares should obtain appropriate professional advice.

For and on behalf of
Jiayuan International Group Limited
(In Liquidation)
Lai Kar Yan (Derek)
Chan Man Hoi (Ivan)
Hau Kai Ling (Cato)
Joint and Several Liquidators
Acting as agents without personal liability

Hong Kong, 3 April 2024

The Board, as at the date of this announcement, comprises Mr. Zhang Yi, Mr. Huang Fuqing and Ms. Cheuk Hiu Nam as executive Directors, Mr. Shum Tin Ching, Mr. Shen Xiaodong and Mr. Yu Anqi as non-executive Directors and Dr. Cheung Wai Bun, Charles, Mr. Gu Yunchang, Mr. Lin Shaoyong and Dr. He Shibin as independent non-executive directors.

The affairs, business and property of the Company are being managed by the Liquidators who act as the agents of the Company only and without personal liability.