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

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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 TRANSACTION
ACQUISITION OF LAND USE RIGHTS IN HENAN PROVINCE,
THE PRC**

25 September 2019

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DEFINITIONS

In this circular, the following expressions have the meanings set forth below unless the context requires otherwise:

“Acquisition”	the acquisition of land use rights of the Land through bidding process at the Auction
“Auction”	the bidding process held by Xixian Natural Resources Bureau at which the Land was offered for sale
“Auction Confirmation”	the auction confirmation dated 31 July 2019 entered into between Xixian Natural Resources Bureau and Xixian Dejian confirming the successful bidding at the Auction
“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)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Cooperation Agreement”	a property project development cooperation agreement dated 12 June 2019 as supplemented by a supplemental agreement dated 25 July 2019 entered into between Xiamen Junyi and Shishi Qixin in relation to the establishment of Xixian Dejian
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party”	a third party which is independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company
“Land”	a parcel of land located at west side of Shuyingongda Road and south side of Kexing West Road (叔穎公大道西側科興西路南側), Xi County, Xinyang City, Henan Province, the PRC
“Land Price”	RMB128,171,030.4, payable by Xixian Dejian for the Acquisition

DEFINITIONS

“Land Use Rights Grant Contract”	the land use rights grant contract to be entered into between Xixian Natural Resources Bureau and Xixian Dejian in relation to the Acquisition
“Latest Practicable Date”	20 September 2019, 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
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shishi Qixin”	Shishi Qixin Trading Company Limited* (石獅市琦鑫貿易有限公司), a limited liability company incorporated in the PRC which owned 20% equity interest of Xixian Dejian
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiamen Junyi”	Xiamen Junyi Real Estate Company Limited* (廈門駿熠置業有限公司), a wholly-owned subsidiary of the Company, and a limited liability company incorporated in the PRC which owned 80% equity interest of Xixian Dejian
“Xixian Dejian”	Xixian Dejian Real Estate Company Limited* (息縣德建置業有限公司), a project company established in the PRC on 14 June 2019 by Xiamen Junyi and Shishi Qixin pursuant to the Cooperation Agreement
“Xixian Natural Resources Bureau”	Bureau of Natural Resources of Xi County* (息縣自然資源局)
“%”	per cent

* For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese name prevails.

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
Mr. Tsoi Kin Sze
Mr. Wu Zhisong
Mr. Lee Lit Mo Johnny

Registered office:

P.O. Box 10008
Willow House, Cricket Square
Grand Cayman KY1-1001
Cayman Islands

Independent non-executive Directors:

Mr. Ma Sai Yam
Mr. Zhang Senquan
Mr. Yang Quan

*Head office and principal place of business
in Hong Kong:*

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

25 September 2019

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

ACQUISITION OF LAND USE RIGHTS IN HENAN PROVINCE, THE PRC

INTRODUCTION

The Board is pleased to announce that on 30 July 2019, Xixian Dejian, an indirect non-wholly-owned subsidiary of the Company, succeeded in the bid of the land use rights of the Land offered for sale by Xixian Natural Resources Bureau at the Auction for RMB128,171,030.4. The Auction Confirmation was entered into by Xixian Natural Resources Bureau and Xixian Dejian on 31 July 2019.

The purpose of this circular is to provide you with, among other things, further details of the Acquisition and such other information as required under the Listing Rules.

LETTER FROM THE BOARD

PRINCIPAL TERMS OF THE LAND USE RIGHTS

Date of the Auction Confirmation:	31 July 2019
Parties to the Auction Confirmation:	Xixian Natural Resources Bureau and Xixian Dejian
Location of the Land:	West side of Shuyinggongda Road and south side of Kexing West Road (叔穎公大道西側科興西路南側), Xi County, Xinyang City, Henan Province, the PRC
Code of the Land:	XT2019 No. 17
Total site area:	54,820.8 square meters
Planned plot ratio:	2.0–2.2
Nature of the land use rights:	Residential use with a term of use of 70 years
Land Price:	RMB128,171,030, which was arrived at after bidding at the Auction based on a starting bid of RMB125,155,886.4 and a minimum bid increment of RMB274,104.
Payment term:	First installment of 50% of the Land Price is payable within 30 days from the date of the Land Use Rights Grant Contract, and the remaining 50% of the Land Price is payable within 30 days from the payment date of the first installment.

As at the date of this circular, the Land Price has been settled in full by Xixian Dejian in the following manner: (i) an amount of RMB125,150,000 has been paid as deposit, which was used to set off against the first installment and part of the remaining balance of the Land Price; (ii) the remaining balance of approximately RMB3,021,030 has been paid on 9 September 2019. The Land Price paid by Xixian Dejian was financed by shareholders' loans made by Xiamen Junyi and Shishi Qixin in proportion to their equity interests in Xixian Dejian.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the development and sale of properties in the PRC. The Board considers that the Acquisition provides a good opportunity for the Group to increase its land reserve and is in line with the business development strategy and planning of the Group.

LETTER FROM THE BOARD

The Board considers that the Acquisition is in the ordinary and usual course of business of the Group and on normal commercial terms which is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Based on the Group's preliminary development plan, subject to the relevant government approval, the Group intends to build 16 blocks of residential property units with aggregate gross floor area of approximately 110,000 square meters.

INFORMATION OF THE PARTIES

Xixian Natural Resources Bureau

Xixian Natural Resources Bureau is a bureau of Xi County, Xinyang City, Henan Province, the PRC and an Independent Third Party.

Xixian Dejian

Xixian Dejian is a project company established in the PRC with limited liability on 14 June 2019 by Xiamen Junyi and Shishi Qixin pursuant to the Cooperation Agreement for the acquisition of the Land and the development and sale of properties erected on the Land. Xiamen Junyi is a wholly-owned subsidiary of the Company and, to the best of the knowledge, information and belief of the Directors having made all reasonable enquires, Shishi Qixin and its ultimate beneficial owner(s) are Independent Third Parties.

The registered capital of Xixian Dejian of RMB20.0 million shall be contributed as to RMB16.0 million and RMB4.0 million by Xiamen Junyi and Shishi Qixin, respectively, representing 80% and 20% of the registered capital of Xixian Dejian, respectively. The development costs of the project on the Land and further financing needs of Xixian Dejian are expected to be funded by borrowings from bank and financial institutions and/or shareholders loans or in such manner to be agreed by Xiamen Junyi and Shishi Qixin.

Xixian Dejian shall have one director and one supervisor, both of whom are appointed by Xiamen Junyi.

Each of Xiamen Junyi and Shishi Qixin shall not dispose of nor create any encumbrance over its equity interest in Xixian Dejian without unanimous consent of Xiamen Junyi and Shishi Qixin.

FINANCIAL EFFECTS OF THE ACQUISITION

The Acquisition is expected to increase the Group's properties under development by approximately RMB128,171,030 while the Group's cash and bank balances are expected to decrease by approximately RMB128,171,030.

Given that the Land is yet to be developed, it is expected that the Acquisition will not have any immediate material impact on the earnings of the Group.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

The Acquisition is regarded as a “Qualified Property Acquisition” under Rule 14.04(10C) of the Listing Rules as the Acquisition involves an acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under the Listing Rules) through a listing-for-sale governed by the PRC law (as defined under Rule 19A.04 of the Listing Rules). The Acquisition is subject to the reporting and announcement requirements but is exempt from shareholders’ approval requirement pursuant to Rule 14.33A of the Listing Rules.

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 2016, 31 December 2017 and 31 December 2018 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 2016 published on 21 April 2017 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2017/0421/ltm20170421746.pdf>);
- annual report of the Company for the year ended 31 December 2017 published on 20 April 2018 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2018/0420/ltm20180420501.pdf>); and
- 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>).

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 July 2019, being the latest practicable date for the purpose of this statement of indebtedness, the Group did not have any bank borrowings.

As at the close of business on 31 July 2019, 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 July 2019 amounted to approximately RMB553,955,000.

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 material contingent liabilities at the close of business on 31 July 2019, 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 satisfied, after due and careful enquiry, that after taking into account the cash generated from future operations and the existing internal financial resources of the Group and the effect of the Acquisition, and in the absence of unforeseen circumstances, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of publication of this circular.

4. MATERIAL CHANGE

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 2018, 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

Management of the Group expects the outlook in 2019 to continue to be challenging, and stabilization on the real estate market will play an important role in stabilizing economic development under the macro background of increasing economic downward pressure. Under the premise of “houses are for living in, not for speculation”, “implementation of policies based on situations of various cities”, promoting the balance between supply and demand and the establishment of a long-term stable and healthy development mechanism of the property market will remain the important measures for adjusting and controlling policies. For the year ending 31 December 2019, the Group remains focused on its two residential property projects, i.e. the Binjiang International project in Quanzhou, Fujian Province and The Cullinan Bay project in Yangzhou, Jiangsu Province. In addition to ongoing sales of the existing completed property units in the Binjiang International and The Cullinan Bay projects, the Group plans to deliver certain new blocks of residential properties of The Cullinan Bay project, which is currently under construction, in the second half of 2019.

In terms of business strategy, the Group will keep focusing on the development of quality properties accompanied with a living community to customers, particularly in those cities in the PRC where the rigid demand for housing remain strong due to the Chinese government’s urbanization and shanty town renovation plans. The Acquisition has provided a good opportunity for the Group to increase its land reserve. The Group will continue to explore other business opportunities to maximize long-term shareholder value.

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	2,043,296,394 (Note 1)	35%
Tsoi Kin Sze	Interest of a controlled corporation	2,043,296,394 (Note 2)	35%

Notes:

1. Fame Build Holdings Limited (“**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.
2. Talent Connect Investments Limited (“**Talent Connect**”), a company incorporated in the British Virgin Islands, 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, 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	2,043,296,394 (Note 1)	35%
Talent Connect	Beneficial owner	2,043,296,394 (Note 2)	35%

Notes:

1. Fame Build Holdings Limited (“**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.
2. Talent Connect Investments Limited (“**Talent Connect**”), a company incorporated in the British Virgin Islands, 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 2018, 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 Cooperation Agreement; and
- (b) the Auction Confirmation.

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 P.O. Box 10008 Willow House, Cricket Square, Grand Cayman KY1-1001, 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 AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at our office of Room 1910, Fortress Tower, 250 King's Road, Hong Kong within 14 days from the date of this circular:

- (a) the material contracts referred to in the section headed "Material Contracts" in this appendix;
- (b) the memorandum and articles of association of the Company;
- (c) the annual reports of the Company for each of the three years ended 31 December 2016, 2017 and 2018;
- (d) the letter from the Board, the text of which is set out in the section headed "Letter from the Board" in the circular; and
- (e) this circular.