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Jujiang Construction Group Co., Ltd.

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(Stock Code: 1459)

PLACING OF BONDS

THE PLACING AGENT



PLACING OF BONDS

On 24 August 2018 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent has agreed to act as the placing agent, on a best effort basis, for the purposes of arranging Placees to subscribe for Bonds up to an aggregate principal amount of HK\$200,000,000 within the Placing Period.

Placing Completion is subject to the fulfilment of the conditions precedent under the Placing Agreement and the Placing Agent's rights of termination of the Placing under the Placing Agreement. Accordingly, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

THE PLACING AGREEMENT

Date: 24 August 2018

Issuer The Company

Placing Agent The Placing Agent

belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Placees The Bonds will be offered to Placees who are any professional, institutional or other investors and not connected with the Company and its connected persons.

Aggregate principal amount Up to HK\$200,000,000

Issue price 100% of the principal amount of the Bonds

Placing period The period commencing upon the execution of this Agreement and terminating on the date falling on the expiration of three months from the date of the Placing Agreement (or such later time and date as the Company and the Placing Agent may agree in writing);

Placing completion Subject to the termination rights of the Placing Agent under the Placing Agreement (such rights being exercisable upon the occurrence of certain events set out under the Placing Agreement which would, in the opinion of the Placing Agent, materially and adversely affect the Placing) and the Placing Agent having served a Placing Completion notice in accordance with the Placing Agreement, Placing Completion shall take place on the date of the Placing Completion (or such later time and date as the Placing Agent and the Company may agree in writing). Placing Completion may take place in multiple rounds (at the sole discretion of the Placing Agent).

Conditions precedent to the Placing Agreement

The obligations of the Placing Agent to procure the Placees to subscribe for the Bonds from the Company are subject to the fulfilment (or waiver) of the following conditions precedent, among others:

- (a) there being no material adverse change in the principal business, operations, properties, conditions (financial or otherwise), or prospects of the Group nor other similar events;
- (b) the Company having duly attended to and carried out all procedures that are required under the respective laws of its relevant jurisdiction in connection with the transaction documents to which it is a party and the transactions contemplated thereby;
- (c) all consents and approvals of, notices to and filings or registrations with any relevant governmental authority in connection with the placing have been duly obtained, and
- (d) there is no action, investigation, prohibition or otherwise challenge of the placing by any relevant government authority.

If any of the above conditions are not fulfilled at or before 4:00 p.m. (Hong Kong time) within three months from the date of Placing Agreement or such later time or date as may be agreed between the Placing Agent and the Company in writing, the Placing Agent may, at any time thereafter, terminate its obligations under the Placing Agreement by notice in writing to the Company, whereupon the obligations of the Placing Agent under Placing Agreement shall forthwith cease and terminate and neither the Company nor the Placing Agent shall have any claim against any of the others, save for any antecedent breach hereof.

PRINCIPAL TERMS OF THE BONDS

Aggregate principal amount	Up to HK\$200,000,000
Denomination	HK\$500,000
Interest	7% per annum, accrued daily on a 365 days basis and payable twice per annum (on 30 June and 31 December of each year) in arrears, up to the maturity date of the relevant Bonds.
Maturity date	The third anniversary of the dates of issue of the Bonds.
Early Redemption	Upon the occurrence of any one of the specific events at any time before the Maturity Date, and by serving on the Company at least ten (10) prior written notice, exercise its right to demand the Company to early redeem the Bond issued to him and duly registered by the Registrar at 107% (after the net of all prepaid interests) of the total principal amount of the relevant Bond(s).

Event of default

If any of the events of default as described in the terms and conditions of the Bonds occurs, a Bondholder may give notice to the Company that the Bonds are immediately due and payable and, upon such notice being given to the Company, the Bonds will immediately become due and payable at their principal amount.

Status of Bonds

The Bonds constitute direct, unconditional and unsubordinated obligations of the Company and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Transferability

Bond may be transferable in whole multiples of HK\$500,000. None of the Bonds may be transferred to a Connected Person of the Company or its associates.

Listing

No application will be made for the listing of the Bonds.

REASONS FOR THE PLACING OF THE BONDS AND USE OF PROCEEDS

The Group is principally engaged in (i) construction contracting; and (ii) design, survey, consultancy and other businesses.

Assuming the Bonds are placed in full, the maximum aggregate principal amount of the Placing will be HK\$200,000,000. The net proceeds (after deducting the placing commission and other related costs and expenses) will be utilised for financing the expansion of construction contracting business of the Company and as general working capital of the Group. The Board considers that the Placing represents a suitable opportunity to strengthen the Group's financial position, the terms of the Placing Agreement and the Bonds are on normal commercial terms and are fair and reasonable, and the Placing is in the best interests of the Company and the

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

- “Board”** the board of directors of the Company;
- “Bonds”** the fixed coupon unsecured and unsubordinated bonds, each in a minimum denomination of HK\$500,000 and in integral multiples of HK\$500,000 above HK\$500,000, to be issued by the Company to the Placees at Closing (or any such other subsequent closing(s) as may be extended by mutual agreement of the Company and the Placing Agent) pursuant to the Placing Agreement and the bonds instrument, and in the aggregate principal amount of up to HK\$200,000,000 with a maturity date of three (3) years from the issue date;
- “Business Day”** a day other than a Saturday, Sunday or public holiday on which commercial banks are opened for business in Hong Kong and the PRC;
- “Company”** Jujiang Construction Group Co., Ltd. (巨匠建設集團股份有限公司), a joint stock company established in the PRC with limited liability, whose H shares are listed and traded on the Hong Kong Stock Exchange (stock code: 1459)

“Placing”	the placing by or on behalf of the Placing Agent of the Bonds on the terms and subject to the conditions set out in this Agreement;
“Placing Agent”	China Hong Kong Capital Asset Management Co., Ltd., being the placing agent under the Placing Agreement;
“Placing Agreement”	the placing agreement dated 24 August 2018 entered into between the Company and the Placing Agent in relation to the Placing;
“Placing Completion”	the completion of the subscription of the Bonds pursuant to the Placing Agreement
“Placing Period”	the period commencing upon the execution of the Placing Agreement and terminating on the date falling on the expiration of three months from the date of the Placing Agreement (or such later time and date as the Company and the Placing Agent may agree in writing);
“PRC”	Agreement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan);
“RMB”	Renminbi, the lawful currency of the PRC;
Stock Exchange	The Stock Exchange of Hong Kong Limited;
“%”	percent or percentage.

By order of the Board