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**Jia Group Holdings Limited**

**佳民集團有限公司**

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

**(Stock Code: 8519)**

**VOLUNTARY ANNOUNCEMENT  
SUBSCRIBING TO A CONVERTIBLE PROMISSORY  
NOTE ISSUED BY A FOOD DELIVERY AND  
LAST MILE LOGISTICS TECHNOLOGY COMPANY**

This announcement is made by the Company on a voluntary basis.

On 5 January 2022, the Noteholder (an indirect wholly-owned subsidiary of the Company) entered into the Note Purchase Agreement with, among others, the Issuer pursuant to which the Noteholder agreed to purchase the Note from the Issuer in the principal amount of US\$200,000.

Closing of the sale and purchase of the Note pursuant to the Note Purchase Agreement has taken place on 5 January 2022 upon fulfilment of all the conditions precedents specified therein.

A summary of the principal terms of the Note is set out below:

Issuer:	Kin Shun Information Technology Holdings Limited
Noteholder:	Incredible Resources Limited
Principal amount:	US\$200,000 or equivalent in Hong Kong dollars
Interest rate:	9% per annum on the principal amount, calculated on the basis of a 365-day year for the actual number of days for the period commencing on and from the date of the Note up to the maturity date
Maturity date:	twelve (12) months following the date of the Note (except where repayment is accelerated due to occurrence of an event of default)
Repayment:	in the event that no conversion has been effected, the Note shall be redeemed on the maturity date with repayment of the principal amount and all accrued interest
Prepayment:	no prepayment of the principal amount is permitted without consent of the Noteholder

Automatic conversion:	in the event of a Qualified Financing on or before the maturity date, the principal amount of the Note shall be automatically converted into fully paid preferred shares of the Issuer (in the same class of preferred shares issued or to be issued under the Qualified Financing) at a price per share at the lower of: (1) 90% of the price per share of such preferred shares; and (2) calculated based on a pre-money valuation of the Issuer of US\$90,000,000 on a fully-diluted and as-converted basis
Transferability:	freely transferable or assignable by the Noteholder
Ranking:	<i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, except for obligations accorded preference by mandatory provisions of applicable laws
Governing law:	laws of the Hong Kong Special Administrative Region

The Issuer has provided various representations, warranties and undertakings to the Company regarding, without limitation, good standing, capitalisation, lack of competing business, provision of financial statements, budget, business plan and copies of material contracts upon request, compliance status etc. In particular, the Issuer has undertaken that, unless otherwise agreed by the Company, the proceeds from the Note shall only be used by the Issuer for its general expenses for business expansion, capital expenditures and general working capital related to its business of provision of last mile logistics services in Asia.

## **FUNDING OF THE NOTE**

The Note was funded by internal resources of the Group.

## **INFORMATION ON THE ISSUER**

Incorporated in 2019, the Issuer provides smart logistics, SaaS (Software as a Service) solutions and online and offline integrated on-demand/instant delivery services to customers in Hong Kong and various Southeast Asian markets (including, at present, Singapore, Malaysia, Thailand and Vietnam). The Issuer is focused on providing food and parcel delivery and last-mile logistics solutions under the brand “Zeek” and adopts big data and artificial intelligence to enhance customer experience.

## **REASONS FOR AND BENEFITS OF THE PURCHASE OF THE NOTE**

The Company has been actively looking for investment opportunities in the food technology, consumer and digital assets space, in particular, those which may potentially create synergy with the existing business of the Group.

The investment in the Note is expected to generate reasonable financial returns for the Company or, in the event that the Issuer seeks meaningful amount of capital from sophisticated investors through the Qualified Financing with a view to expanding its business, to become a stakeholder of a regional player in the growing food and delivery logistics services market.

The terms of the Note and the Note Purchase Agreement were arrived at after arm's length negotiations between the Issuer and Noteholder, with reference to normal commercial practice.

The Directors consider that the terms of the Note and the Note Purchase Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the followings expressions have the following meanings:

“Board”	the board of Directors of the Company
“Company”	Jia Group Holdings Limited (佳民集團有限公司), an exempted company incorporated in the Cayman Islands, the shares of which are listed on GEM (stock code: 8519)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented or otherwise modified from time to time
“Group”	the Company together with its subsidiaries
“Noteholder”	Incredible Resources Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Independent Third Party”	a company who is independent of the Company and is not a connected person of (within the meaning of the GEM Listing Rules) any Directors, chief executive or substantial shareholders (within the meaning of the GEM Listing Rules) of the Company or any of its subsidiaries or any of their respective associates
“Issuer”	Kin Shun Information Technology Holdings Limited, an exempted company incorporated in the Cayman Islands, and an Independent Third Party
“Note”	the convertible promissory note in the principal amount of US\$200,000 to be issued by the Issuer to the Noteholder pursuant to the Note Purchase Agreement

- “Note Purchase Agreement” the note purchase agreement dated 5 January 2022 entered into between, among others, the Noteholder and the Issuer in relation to the sale and issue by the Issuer and the purchase by the Company of the Note
- “Qualified Financing” an equity financing under which the Issuer issues and sells preferred shares in a transaction or series of related transactions resulting in aggregate gross proceeds to the Issuer of at least US\$10,000,000 at a pre-money valuation of the Issuer of not less than US\$100,000,000, excluding sales of existing shares of the Issuer
- “US\$” United States dollars, the lawful currency of the United States of America

By order of the Board  
**Jia Group Holdings Limited**  
**Wong Pui Yain**  
*Chairperson and Executive Director*

Hong Kong, 5 January 2022

*As at the date of this announcement, the Board comprises Ms. Wong Pui Yain and Ms. Wan Suet Yee Cherry as executive Directors; Mr. Leung Yuk Lun Ulric, Mr. Devin Nijanthan Chanmugam and Mr. Wee Keng Hiong Tony as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 announcement 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 announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for seven days from the day of its posting and on the website of the Company at [www.jiagroup.co](http://www.jiagroup.co).*