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China Beidahuang Industry Group Holdings Limited

中國北大荒產業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

VOLUNTARY ANNOUNCEMENT SALES COOPERATION WITH JIANGSU WORTACT

This is a voluntary announcement made by China Beidahuang Industry Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide shareholders of the Company and potential investors on the Group’s latest business development.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that, on 23 January 2020, the Company, through its wholly-owned subsidiary, namely Shenzhen Nongjiayuan Vegetable Basket E-Commerce Co., Ltd.* (深圳市農家園菜籃子電子商務有限公司) (“**Shenzhen Nongjiayuan E-Commerce**”) entered into a cooperation agreement (the “**Cooperation Agreement**”) with Jiangsu Wortact Group Co., Ltd.* (江蘇沃田集團股份有限公司), a company listed on the National Equities Exchange And Quotations Co., Ltd. (NEEQ:832139) (“**Jiangsu Wortact**”, together with the Company, the “**Parties**”) in respect of a business cooperation (the “**Sales Cooperation**”) involving, among other things, the sales of blueberries and other related products under the dual-brand name of both of the Parties.

THE SALES COOPERATION

According to the Cooperation Agreement, Jiangsu Wortact shall be responsible for, among other things, the production and delivery of a number of products in accordance with the specifications from Shenzhen Nongjiayuan E-Commerce, and Shenzhen Nongjiayuan E-Commerce shall be responsible for the sales planning and implementation of sales strategy in respect of the sales of blueberries and other related products.

Under the scope of the Sales Cooperation, such products include fresh blueberry and other fruits, raw materials, drinks and dried fruit products, which shall bear the dual-brand name of both of the Parties in the relevant products' packaging. The term of the Sales Cooperation will commence on 1 February 2020 and end on 31 January 2021. The total sales amount of such products is expected to be RMB200 million, in aggregate.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquires, each of Jiangsu Wortact, Xu Ye* (徐燁), being the controlling shareholder of Jiangsu Wortact, is independent of, and not connected with, the Company and any of its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")).

REASONS FOR AND BENEFITS OF THE SALES COOPERATION

The Company is an investment holding company. The Group is principally engaged in sale of green food products; wholesaling and retailing of staple food, cooking oil, alcohol and beverage, frozen and fresh food; construction for municipal public project; flotation selection of non-ferrous metals mines and sales of mineral products; money lending and the rental of logistic warehouse in Hong Kong and office facilities in the PRC. Shenzhen Nongjiayuan E-Commerce is engaged in the sale of green food products business.

According to Jiangsu Wortact, it is a leading enterprise of agricultural and forestry industrialisation in the PRC, and it is engaged in, among other businesses, the plantation of blueberry fruit, sales, processing, and brand marketing, and it is also engaged in the provision of blueberry raw material and product solution services. Jiangsu Wortact is involved in the seedling, fresh fruit, raw material and food businesses, which forms part of its major business segments.

The Sales Cooperation is focused at developing brand integration in order to jointly enhance the Parties' reputation and sales ecology. Moreover, the Sales Cooperation sets common goals for the Parties to achieve at an industry level, promotion of brand image and sales. In accordance with the Cooperation Agreement, the Parties will leverage on their respective strength, resources and expertise with a view to achieve a strategic sales target of RMB1 billion in the coming three-year period. As such, the Directors consider that the terms of the Cooperation Agreement are fair and reasonable and the Sales Cooperation is in the interest of the Company and its shareholders as a whole.

By Order of the Board
China Beidahuang Industry Group Holdings Limited
Li Jiehong
Chairman

Hong Kong, 23 January 2020

As at the date of this announcement, the executive Directors are Mr. Li Jiehong (Chairman) and Mr. Ke Xionghan; the non-executive Director is Ms. Ho Wing Yan; and the independent non-executive Directors are Mr. Chong Cha Hwa, Mr. Ho Man Fai and Mr. Yang Yunguang.

* *The English transliteration of the Chinese name in this announcement, where indicated, is included for information only, and should not be regarded as the official English name of such Chinese name.*