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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
STRATEGIC COOPERATION FRAMEWORK AGREEMENT
WITH JINGGU

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 7 September 2022, the Company entered into a strategic cooperation framework agreement (the “**Framework Agreement**”) with Xishuangbanna Jinggu Agricultural Development Co., Ltd.* (西雙版納精谷農業開發有限公司), (“**Jinggu**”, together with the Company, the “**Parties**”) in respect of the proposed cooperation in the import and export businesses in Southeast Asia (the “**Strategic Cooperation**”).

THE FRAMEWORK AGREEMENT

According to the Framework Agreement, the Parties shall utilise their respective advantages and cooperate based on the concept of industry and capital integrated development. Details of the major terms of the Framework Agreement are as follows:

Date	:	7 September 2022
Parties	:	(1) the Company (2) Jingga
Term	:	Ten years from the date of the Framework Agreement
Scope of the Strategic Cooperation	:	Trading of fruit, rubber, food, minerals and other import and export businesses in Southeast Asia
Responsibilities of the Parties	:	1. The Company is responsible for the funding 2. Jingga is responsible for import and export, storage, transportation, insurance, customs declaration, foreign exchange settlement, tax refund, etc.
Estimated trade amount under the Strategic Cooperation	:	RMB300 million per annum, totaling RMB3 billion for the ten year period
Profit sharing ratio	:	Profit will be ascertained with reference to the financial statements of Jingga. Profits from each project (Specific Cooperation Agreement(s) (see below) of each project) will be shared between the Company and Jingga at a percentage of 70% and 30%, respectively

The Framework Agreement is a strategic framework agreement, with an intention to create a strategic relationship between the Parties. The Parties shall designate a specific entity to enter into a separate formal cooperation or supply project contract (the “**Specific Cooperation Agreement(s)**”) in respect of the implementation of each cooperation matter and the ascertainment of rights and obligations (including the purchase amount) between the Parties in such matter.

INFORMATION OF THE PARTIES

The Company is an investment holding company. The Group is principally engaged in the sale and distribution of wine and liquor; wholesaling and retailing of staple food, cooking oil, alcohol and beverage, frozen and fresh food, commodity hog; construction and land development; the leasing of logistic facilities in Hong Kong and office facilities in the PRC; the provision of financial leasing services; and the flotation selection of non-ferrous metals mines and sales of mineral products.

According to Jinggu, it is a private limited liability company established in the PRC with a registered capital of RMB30 million and it is based in Xishuangbanna, Yunnan Province, the PRC. It’s scope of business includes raising of livestock, production of feed and trading of agricultural product.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquires, each of Jinggu and their ultimate beneficial owner(s) 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 AND BENEFITS OF ENTERING INTO THE FRAMEWORK COOPERATION

The entering into of the Framework Agreement is in line with the business strategies of the Group to explore new business opportunities in relevant industries, and the Directors believe that it will be able to leverage on the expertise and experience of the Group in the trading of food and mineral products. The participation in the trading of fruit and rubber in Southeast Asia through the Strategic Cooperation may also be a new profit growth point to the Group.

The Board considers the Framework Agreement and the Strategic Cooperation will be beneficial to the future growth and business development of the Group as a whole; and will also be in the interests of the Group and its shareholders as a whole.

GENERAL

Shareholders of the Company and potential investors are reminded that the Framework Agreement only sets out the cooperation intention of the parties to the agreement and does not constitute the substantive rights and obligations of any party. The transactions contemplated under the Framework Agreement and the terms thereof are subject to further negotiation between the Parties and are still subject to the entering into of the Specific Cooperation Agreement(s). Therefore, the transactions contemplated thereunder may not be implemented or may not proceed. In the event that a Specific Cooperation Agreement is reached in respect of any of the transactions contemplated under the Framework Agreement, the Company will comply with the relevant and applicable requirements under the Listing Rules and will make further announcements in accordance with the Listing Rules as and when necessary or appropriate in a timely manner. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China Beidahuang Industry Group Holdings Limited
Jiang Jianjun
Chairman

Hong Kong, 7 September 2022

As at the date of this announcement, the Executive Directors are Mr. Jiang Jianjun (Chairman), Mr. Ke Xionghan and Mr. Chen Chen; the Non-executive Directors are Mr. Zhao Wanjiang (Vice-chairman), Ms. Ho Wing Yan and Mr. Li Dawei; and the Independent Non-executive Directors are Mr. Chong Cha Hwa, Mr. Yang Yunguang and Mr. Chen Zhifeng.

* *The English translations of the Chinese names in this Announcement are for reference only, and should not be regarded as the official English names of such Chinese names*