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CHINA ZHONGDI DAIRY HOLDINGS COMPANY LIMITED
中國中地乳業控股有限公司

(A company incorporated under the laws of the Cayman Islands with limited liability)

(Stock code: 1492)

DISCLOSEABLE TRANSACTIONS
FORMATION OF A LIMITED PARTNERSHIP
AND
DEEMED DISPOSAL OF EQUITY INTEREST IN A NON-WHOLLY OWNED
SUBSIDIARY

PARTNERSHIP AGREEMENT AND CAPITAL INCREASE AGREEMENT

The Board announces that on 7 August 2020 (after trading hours), Linyi Caijin Equity (as the general partner), Linyi New Growth Drivers Fund (as a limited partner), Yinan New Growth Drivers Fund (as a limited partner), and Beijing Sinofarm Stud Livestock (as a limited partner) entered into the Partnership Agreement in relation to the formation of the Limited Partnership. After the Partnership Agreement is signed and the capital contribution is paid up by the parties pursuant to the Partnership Agreement, the Limited Partnership (as the investor), Beijing Sinofarm Stud Livestock (as an existing shareholder of Yinan ZhongDi Farm), Yinan Xingyi Agricultural Development (as an existing shareholder of Yinan ZhongDi Farm) and Yinan ZhongDi Farm (as the target company) will enter into the Capital Increase Agreement in relation to the capital increase of Yinan ZhongDi Farm.

LISTING RULES IMPLICATIONS

The Company's equity interest in Yinan ZhongDi Farm will be diluted from 80% to 68% after the capital increase under the Capital Increase Agreement is completed. Pursuant to Rule 14.29 of the Listing Rules, the transaction contemplated under the Capital Increase Agreement shall be deemed as a disposal of equity interest in Yinan ZhongDi Farm by the Company.

As the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement are related to the deemed disposal of equity interest in Yinan ZhongDi Farm, such transactions shall be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement exceed 5% but all are below 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The exercise of the Option in relation to investment exit is at the discretion of Beijing Sinofarm Stud Livestock. Pursuant to Rule 14.75(1) of the Listing Rules, on the grant of an option, only the premium will be taken into consideration for the purpose of classification of notifiable transactions. Since no premium is required for the grant of the Option, the grant does not constitute a notifiable transaction of the Company.

The Company will comply with the applicable Listing Rules when exercising the Option.

The Board announces that on 7 August 2020 (after trading hours), Linyi Caijin Equity (as the general partner), Linyi New Growth Drivers Fund (as a limited partner), Yinan New Growth Drivers Fund (as a limited partner), and Beijing Sinofarm Stud Livestock (as a limited partner) entered into the Partnership Agreement in relation to the formation of the Limited Partnership. After the Partnership Agreement is signed and the capital contribution is paid up by the parties pursuant to the Partnership Agreement, the Limited Partnership (as the investor), Beijing Sinofarm Stud Livestock (as an existing shareholder of Yinan ZhongDi Farm), Yinan Xingyi Agricultural Development (as an existing shareholder of Yinan ZhongDi Farm) and Yinan ZhongDi Farm (as the target company) will enter into the Capital Increase Agreement in relation to the capital increase of Yinan ZhongDi Farm.

PARTNERSHIP AGREEMENT

The principal terms of the Partnership Agreement are as follows:

Date

7 August 2020 (after trading hours)

Parties

1. Linyi Caijin Equity, as the general partner;
2. Linyi New Growth Drivers Fund, as a limited partner;
3. Yinan New Growth Drivers Fund, as a limited partner; and
4. Beijing Sinofarm Stud Livestock, as a limited partner.

As at the date of this announcement, Beijing Sinofarm Stud Livestock is a wholly-owned subsidiary of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the other partners of the Limited Partnership and their respective ultimate beneficial owners are independent third parties.

Purpose of Formation

The purpose of formation of the Limited Partnership is to seek investment returns by investing in the new 10,000-cow ecological dairy farm project of Yinan ZhongDi Farm through equity investment or other means, while protecting the legitimate rights and interests of all partners.

Business Scope

The business scope of the Limited Partnership is to make external investments with its own funds (subject to the final business scope as approved by the industrial and commercial registration authority).

Term of Operation

The term of operation of the Limited Partnership shall be 7 years from the date of formation of the Limited Partnership.

Capital Contribution

Pursuant to the Partnership Agreement, the total capital contribution by all partners shall be RMB200 million, which shall be made in cash. The capital contribution of the partners is as follows:

Name of partner	Capital contribution (RMB million)	Percentage of total capital contribution in the equity of the Limited Partnership
Linyi Caijin Equity	2	1%
Linyi New Growth Drivers Fund	48	24%
Yinan New Growth Drivers Fund	48	24%
Beijing Sinofarm Stud Livestock	102	51%
Total	200	100%

The Limited Partnership shall receive capital payments based on the investment progress of the underlying project, and all partners shall make contribution according to their respective capital commitment percentages. The capital contribution sequence is as follows: Beijing Sinofarm Stud Livestock, Yinan New Growth Drivers Fund, Linyi Caijin Equity, and Linyi New Growth Drivers Fund.

The partners shall make contribution based on the investment progress of the new 10,000-cow ecological dairy farm project of Yinan ZhongDi Farm in accordance with the requirements of any capital contribution notice to be issued by the general partner. The amount to be paid each time shall be the estimated amount to be invested in the project (which shall be submitted to the investment committee established by the partners (the “**Investment Committee**”) for resolution) plus expenses incurred by the Limited Partnership as of the date of capital contribution notice.

The amount of capital contribution to be made by each partner is arrived after arm's length negotiation among the parties with reference to, among other things, the estimated capital demand of the Limited Partnership. The Group intends to use its internal resources to fund its capital contribution.

Corporate Governance Arrangements for the Limited Partnership

General Meeting of Partners

Any resolutions, among other things, to amend the Partnership Agreement, to determine the rules of procedure of the Investment Committee, to extend the duration of the Limited Partnership, to increase or reduce capital commitment to the Limited Partnership, to terminate or dissolve the Limited Partnership, or to change the form of the Limited Partnership are subject to the unanimous consent of all the partners who observe the terms of the Partnership Agreement.

Investment Committee

The Limited Partnership shall set up the Investment Committee, which serves as the investment decision-making body of the Limited Partnership and consists of 4 members. The committee members shall consist of candidates recommended by each of Linyi Caijin Equity, Linyi New Growth Drivers Fund, Yinan New Growth Drivers Fund and Beijing Sinofarm Stud Livestock.

The terms of reference of the Investment Committee, among other things, to consider and decide external investments of the Limited Partnership; to consider and decide investment exit of the Limited Partnership; to amend the investment agreement, supplementary agreement and related terms of the Limited Partnership; and to discuss other matters about which the general partner believes should consult the Investment Committee.

Profit Distribution of the Limited Partnership

The income of the Limited Partnership shall be distributed to the partners on a pro rata basis based on their respective paid-in capital contribution. The distribution shall be made in the sequence of Linyi New Growth Drivers Fund, Yinan New Growth Drivers Fund, Beijing Sinofarm Stud Livestock and Linyi Caijin Equity:

- (1) Cumulative paid-in capital shall be paid back;
- (2) The distribution shall be made to partners in proportion to their respective paid-in capital contribution until the annual average rate of return on the capital paid in by the above partners reaches the threshold rate of return of 6%;
- (3) For the balance after all partners recover their capital contribution and the threshold rate of return is met, 80% shall be distributed to limited partners in proportion to their respective paid-in capital contribution and 20% be distributed to the general partner.

Transfer of Interest by a Partner

With the consent of the general meeting of partners, a limited partner may transfer its interest in the Limited Partnership, where other partners have the right of first refusal under the same conditions. Where two or more partners choose to exercise their right of first refusal, they shall determine the percentage of property they each will subscribe through negotiation; if the negotiation fails, they shall exercise their right of first refusal in proportion to their respective capital contribution to the Limited Partnership; if no partner wants to be a transferee, such interest may be transferred to any third party in accordance with the provisions of the Partnership Agreement. If there is neither a partner nor a third party would subscribe for such interest, the total paid-in capital of the Limited Partnership shall be reduced accordingly, provided that the total paid-in capital of the Limited Partnership and the percentages of capital contribution by the partners are not in breach of relevant laws and regulations.

CAPITAL INCREASE AGREEMENT

The principal terms of the Capital Increase Agreement are as follows:

Date of Signing

After the Partnership Agreement is signed and the capital contribution of the parties are paid up

Parties

1. the Limited Partnership, as the investor;
2. Beijing Sinofarm Stud Livestock, as an existing shareholder of Yinan ZhongDi Farm;
3. Yinan Xingyi Agricultural Development, as an existing shareholder of Yinan ZhongDi Farm;
and
4. Yinan ZhongDi Farm, as the target company.

As at the date of this announcement, Beijing Sinofarm Stud Livestock is a wholly-owned subsidiary of the Company, and Yinan ZhongDi Farm is a non-wholly-owned subsidiary of the Company. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Yinan Xingyi Agricultural Development and its ultimate beneficial owner are independent third parties.

Capital Increase

As at the date of this announcement, the registered capital of Yinan ZhongDi Farm is RMB300 million. Pursuant to the Capital Increase Agreement, Beijing Sinofarm Stud Livestock, Yinan Xingyi Agricultural Development and Yinan ZhongDi Farm agreed to increase the registered capital of Yinan ZhongDi Farm by RMB200 million, which is to be subscribed by the Limited Partnership in accordance with the terms and conditions of the Capital Increase Agreement. Beijing Sinofarm Stud Livestock and Yinan Xingyi Agricultural Development will not subscribe for the increased registered capital of Yinan ZhongDi Farm. The amount of capital increase is arrived with reference to the estimated capital demand of Yinan ZhongDi Farm.

Conditions Precedent to the Capital Increase Agreement

The investment obligations of the Limited Partnership under the Capital Increase Agreement are conditional on the satisfaction of all the following conditions:

- (1) All parties agree to and formally sign the Capital Increase Agreement;
- (2) Yinan ZhongDi Farm has amended its articles of association in accordance with relevant provisions of the Capital Increase Agreement, and the amended articles of association have been formally signed by existing shareholders. Such amendments and signing have been approved by the Limited Partnership in writing. Except for the aforementioned amendments, the articles of association of Yinan ZhongDi Farm shall not be amended or restated during the period from the date of signing of the Capital Increase Agreement to the date of completion of the investment by the Limited Partnership (“**Transition Period**”);
- (3) All necessary consents and approvals from government departments (if required), Yinan ZhongDi Farm and other third parties have been obtained for the capital increase;
- (4) Yinan ZhongDi Farm has fully, truly and completely disclosed its assets, liabilities, equity, external guarantees and all information related to the Capital Increase Agreement as at the reference date of 31 May 2020 to the Limited Partnership in writing;
- (5) During the Transition Period, Yinan ZhongDi Farm does not undergo any material adverse changes in its operations or financial status, nor does it make any profit distribution;
- (6) During the Transition Period, Yinan ZhongDi Farm does not create, or allow the creation of, any encumbrance on any of its assets or property. Yinan ZhongDi Farm does not dispose of its main assets directly or indirectly in any way, nor does it incur or assume any major debt (except for disposal or liabilities incurred in the normal course of business); and
- (7) Yinan ZhongDi Farm does not and must not have any illegal or rule-breaking activities as a continuously operating entity.

Investment Exit

Pursuant to the Capital Increase Agreement, the investment period is 7 years, and Beijing Sinofarm Stud Livestock must buy back the equity held by the Limited Partnership by 30 July 2027. Beijing Sinofarm Stud Livestock may, by giving a notice to the Limited Partnership, buy back the equity held by the Limited Partnership in advance at any time (“**Option**”) according to the actual situation of Yinan ZhongDi Farm, in which case the Limited Partnership shall cooperate:

- (1) If Beijing Sinofarm Stud Livestock chooses to buy back the equity held by the Limited Partnership within 3 years after the incorporation of the Limited Partnership, the consideration for the equity repurchase shall be the investment principal of the Limited Partnership, and the investment income (if any) previously received by the Limited Partnership from Yinan ZhongDi Farm can be deducted as a part of the consideration.
- (2) Except for the situation mentioned in paragraph (1) above, the consideration for the repurchase payable by Beijing Sinofarm Stud Livestock shall be the sum of the Limited Partnership’s investment principal of RMB200 million and the investment return calculated at an annual interest rate of 2.94%, and the investment income (if any) previously received by the Limited Partnership from Yinan ZhongDi Farm can be deducted as a part of the consideration.

Corporate Governance of Yinan ZhongDi Farm

Beijing Sinofarm Stud Livestock is responsible for the daily operations and management of Yinan ZhongDi Farm. After the capital increase is completed, the Limited Partnership is entitled to nominate two persons to serve as a director and a supervisor of Yinan ZhongDi Farm respectively.

Major matters of Yinan ZhongDi Farm shall be considered and approved by its board of directors or shareholders’ meeting in accordance with the amended articles of association of Yinan ZhongDi Farm. For matters requiring resolution of the shareholders’ meeting, such a resolution is subject to the consent of shareholders or their proxies representing more than two-thirds (2/3) of the voting rights at a shareholders’ meeting and the consent of the proxy of the Limited Partnership. Major matters include, among other things, increase or decrease of registered capital; merger, division, acquisition, dissolution or liquidation of the company or change of corporate form; material changes in business scope; provision of guarantees to external parties; provision of loans to external parties; other matters that may have a significant impact on the company’s production, operations, performance and assets.

Impact of the Capital Increase and Use of Proceeds

As at the date of this announcement, the registered capital of Yinan ZhongDi Farm is RMB300 million, of which RMB240 million has been paid up by Beijing Sinofarm Stud Livestock. As such, Beijing Sinofarm Stud Livestock holds 80% equity interest in Yinan ZhongDi Farm.

After the capital increase is completed, the total registered capital of Yinan ZhongDi Farm will increase from RMB300 million to RMB500 million, which will be owned as to 48%, 12% and 40% by Beijing Sinofarm Stud Livestock, Yinan Xingyi Agricultural Development and the Limited Partnership, respectively. After the capital increase is completed, the ownership structure of Yinan ZhongDi Farm will be as follows:

Shareholder name	Capital contribution (RMB million)	As a percentage of registered capital (%)
Beijing Sinofarm Stud Livestock	240	48
Yinan Xingyi Agricultural Development Limited Partnership	60	12
	200	40
Total	500	100

The amount of capital increase under the Capital Increase Agreement is determined by the parties after arm's length negotiation with reference to the registered capital of Yinan ZhongDi Farm after the capital increase. After the capital increase is completed, the Company's equity interest in Yinan ZhongDi Farm will be diluted from 80% to 68%. Yinan ZhongDi Farm will continue to be a subsidiary of the Company and its financial results will continue to be consolidated into the financial statements of the Group. The capital increase will not have any significant impact on the consolidated income statement of the Group.

The amount of capital increase will only be used for the construction of the "new 10,000-cow ecological dairy farm" project of Yinan ZhongDi Farm in Yinan County, Linyi, and for other purposes approved by the shareholders' meeting or the board of directors of Yinan ZhongDi Farm.

INFORMATION ABOUT YINAN ZHONGDI FARM

Yinan ZhongDi Farm is a limited liability company incorporated pursuant to PRC laws mainly engaged in breeding and sale of dairy cows and beef cattle, production and sale of raw milk, treatment of livestock and poultry manure, planting and sale of crops, sale of feed and agricultural technology development. As at the date of this announcement, it has a registered capital of RMB300 million and is a non-wholly-owned subsidiary of the Company.

The following table sets out the audited consolidated financial information of Yinan ZhongDi Farm prepared for the years ended 31 December 2018 and 31 December 2019 in accordance with the Accounting Standards for Business Enterprises of the PRC:

	For the year ended 31 December 2018 (RMB million)	For the year ended 31 December 2019 (RMB million)
Net profit/(loss) before tax	N/A*	(2.73)
Net profit/(loss) after tax	N/A*	(2.73)
Total assets	N/A*	395.21

*Note: Yinan ZhongDi Farm started dairy farm construction in May 2019, so there is no financial data for 2018.

INFORMATION ABOUT THE GROUP AND THE PARTIES

The Group

The Group is a modern agricultural and animal husbandry enterprise mainly engaged in dairy farming in China. The Group's business model covers multiple stages of the value chain of the dairy farming industry, including breeding of dairy cows, production and sale of premium raw milk, import and sale of high-quality dairy cows and breeding stock, and import trade of alfalfa hay and other animal husbandry-related products.

Beijing Sinofarm Stud Livestock

Beijing Sinofarm Stud Livestock is a wholly-owned subsidiary of the Company mainly engaged in breeding and sales of dairy cows, sales of feed, agricultural technology development, and import and export of goods.

Linyi Caijin Equity

Linyi Caijin Equity is a wholly-owned subsidiary of Linyi New Growth Drivers Fund mainly engaged in fund management services; fund management; supervision, reorganization, transfer, maintenance and appreciation of state-owned assets; state-owned fund project management; construction fund project management and treasury bond project management; and self-funded industrial investment activities.

Linyi New Growth Drivers Fund

Linyi New Growth Drivers Fund is a wholly-owned subsidiary of Linyi Caijin Investment Group Co., Ltd. which is wholly-owned by Linyi Municipal Bureau of Finance, mainly engaged in equity investment, venture capital investment, project financing, financial consulting, venture investment activities such as mergers and acquisitions, restructuring and listing (not allowed to raise funds from the public by issuing securities), and investment management.

Yinan New Growth Drivers Fund

Yinan New Growth Drivers Fund is a wholly-owned subsidiary of Yinan County Caijin Investment Group Co., Ltd. which is wholly owned by Yinan County Finance Bureau, mainly engaged in equity investment, venture capital investment, project financing, financial consulting, venture investment activities such as mergers and acquisitions, restructuring and listing (not allowed to raise funds from the public by issuing securities), and investment management.

Yinan Xingyi Agricultural Development

Yinan Xingyi Agricultural Development is a wholly-owned subsidiary of Yinan County Urban Development Group Co., Ltd. which is owned as to 66.95% by Linyi Municipal Bureau of Finance, mainly engaged in agricultural project development, animal husbandry, planting of crops and fruits, production, processing and sale of agricultural and animal husbandry products, and eco-tourism development.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE PARTNERSHIP AGREEMENT AND CAPITAL INCREASE AGREEMENT

The Company believes that the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement are beneficial to the Company and the Shareholders as they will bring funds to the Group for the development of Yinan ZhongDi Farm. After the capital increase is completed, the Company will still hold interest in Yinan ZhongDi Farm and continue to benefit from the future growth and success of Yinan ZhongDi Farm's development projects.

The Directors (including independent non-executive Directors) are of the view that the terms of the Partnership Agreement and the Capital Increase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement or is required to abstain from voting on the Board resolutions for considering and approving such transactions pursuant to the articles of association of the Company.

LISTING RULES IMPLICATIONS

The Company's equity interest in Yinan ZhongDi Farm will be diluted from 80% to 68% after the capital increase under the Capital Increase Agreement is completed. Pursuant to Rule 14.29 of the Listing Rules, the transactions contemplated under the Capital Increase Agreement shall be deemed as a disposal of equity interest in Yinan ZhongDi Farm by the Company.

As the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement are related to the deemed disposal of equity interest in Yinan ZhongDi Farm, such transactions shall be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions contemplated under the Partnership Agreement and the Capital Increase Agreement exceed 5% but all are below 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The exercise of the Option is at the discretion of Beijing Sinofarm Stud Livestock. Pursuant to Rule 14.75(1) of the Listing Rules, on the grant of an option, only the premium will be taken into consideration for the purpose of classification of notifiable transactions. Since no premium is required for the grant of the Option, the grant does not constitute a notifiable transaction of the Company.

The Company will comply with the applicable Listing Rules when exercising the Option.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Beijing Sinofarm Stud Livestock”	Beijing Sinofarm Stud Livestock Co., Ltd.* (北京中地種畜有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Board”	the board of Directors of the Company
“Capital Increase Agreement”	the capital increase agreement on capital increase of Yinan ZhongDi Farm to be entered into among the Limited Partnership (as the investor), Beijing Sinofarm Stud Livestock (as an existing shareholder of Yinan ZhongDi Farm), Yinan Xingyi Agricultural Development (as an existing shareholder of Yinan ZhongDi Farm), and Yinan ZhongDi Farm (as the target company) after the Partnership Agreement is signed and the capital contribution of the parties are paid up

“Company”	China ZhongDi Dairy Holdings Company Limited (中國中地乳業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 24 April 2014, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Limited Partnership”	Linyi Rural Revitalization ZhongDi Investment Partnership (Limited Partnership)* (臨沂鄉村振興中地投資合夥企業(有限合夥)), a limited partnership to be established under the Partnership Agreement
“Partnership Agreement”	the partnership agreement dated 7 August 2020 entered into among Linyi Caijin Equity (as the general partner), Linyi New Growth Drivers Fund (as a limited partner), Yinan New Growth Drivers Fund (as a limited partner), and Beijing Sinofarm Stud Livestock (as a limited partner) in relation to the formation of the Limited Partnership
“Linyi Caijin Equity”	Linyi Caijin Equity Investment Fund Management Co., Ltd.* (臨沂市財金股權投資基金管理有限公司), a company incorporated in the PRC with limited liability
“Linyi New Growth Drivers Fund”	Linyi New Growth Drivers Fund Investment Co., Ltd.* (臨沂市新舊動能轉換基金投資有限公司), a company incorporated in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	share(s) with par value of US\$0.00001 each in the share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yinan New Growth Drivers Fund”	Yinan County New Growth Drivers Fund Investment Co., Ltd.* (沂南縣新舊動能轉換基金投資有限公司), a company incorporated in the PRC with limited liability
“Yinan Xingyi Agricultural Development”	Yinan County Xingyi Agricultural Development Co., Ltd.* (沂南縣興沂農業開發有限公司), a company incorporated in the PRC with limited liability
“Yinan ZhongDi Farm”	Yinan ZhongDi Farm Co., Ltd.* (沂南中地牧業有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“%”	per cent

On behalf of the Board
China ZhongDi Dairy Holdings Company Limited
Zhang Jianshe
Chairman

Hong Kong, 7 August 2020

As at the date of this announcement, the Board comprises Mr. Zhang Jianshe and Mr. Zhang Kaizhan as executive Directors; Mr. Liu Dai, Mr. Du Yuchen, Mr. Li Jian and Ms. Yu Tianhua as non-executive Directors; and Prof. Li Shengli, Dr. Zhang Shengli and Mr. Zhang Juying Jerry as independent non-executive Directors.

* *For identification purpose only*