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CHINA GREENFRESH GROUP CO., LTD.

中國綠寶集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6183)

INSIDE INFORMATION UPDATE ON THE LEGAL PROCEEDINGS ON BREACH OF LOAN AGREEMENTS

This announcement is made by the board of directors (the “**Board**”) of China Greenfresh Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 24 December 2020 (the “**Announcement**”) in relation to the Legal Proceedings on breach of loan agreements by Greenfresh Foods (Zhangzhou) Company Limited* (綠鮮食品(漳州)有限公司) (“**Greenfresh Foods**”) and Greenfresh Ecological Agriculture (Zhangzhou) Company Limited* (綠寶生態農業(漳州)有限公司) (“**Greenfresh Ecological Agriculture**”), both of which are wholly-owned indirect subsidiaries of the Company. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

The Board wish to update the shareholders and potential investors of the Company that, according to a Civil Mediation Agreement* (民事調解書) (the “**Mediation Agreement**”) issued by the Intermediate People’s Court of Zhangzhou City, Fujian Province* (福建省漳州市中級人民法院) dated 30 December 2020 relating to case number (2020) Min 06 Min Chu No. 382* ((2020)閩06民初382號), the parties to the case had reached agreement and confirmed that:

1. the sixteen (16) “Working Capital Loan Agreements”* (流動資金借款合同) (the “**Loan Agreements**”) entered into between the plaintiff, Agricultural Bank of China Co., Ltd. Long Hai City Branch (the “**Plaintiff**”) and Greenfresh Ecological Agriculture shall become due;

2. Greenfresh Ecological Agriculture shall repay to the Plaintiff a total principal amount of RMB76,900,000 plus interest, penalty interest, and compound interest in a total amount of RMB431,483.90 (temporarily calculated as of 31 October 2020) under the Loan Agreements before 10 January 2021, and shall repay to the Plaintiff subsequent interest, penalty interest and compound interest calculated in accordance with the calculation standard and method as set out in the Loan Agreements up to the day of full repayment; and
3. in the event that Greenfresh Ecological Agriculture fails to make the repayment in accordance with the foregoing, the Plaintiff has the right to auction the collateral lands and properties provided by Greenfresh Ecological Agriculture and Greenfresh Foods (the “**Mortgaged Assets**”) and use the sale proceeds to repay the outstanding loans.

As at the date of this announcement, Greenfresh Ecological Agriculture has not complied with its obligations pursuant to the Mediation Agreement. The Plaintiff is going through the seizure process of the Assets, which is expected to be completed next week. The bank account of Greenfresh Ecological Agriculture has been frozen.

The Board expresses that the Company will take positive measures to communicate and negotiate with the Plaintiff, and the Company’s other business has not been affected.

Further announcement(s) will be made by the Company as and when appropriate.

Shareholders and potential investors should accordingly exercise caution when dealing in the securities of the Company.

By Order of the Board
CHINA GREENFRESH GROUP CO., LTD.
Shu Zhongwen
Chairman

Hong Kong, 29 January 2021

As at the date of this announcement, the Board comprises Mr. Shu Zhongwen and Ms. He Pei as executive Directors; Mr. Liu Falin as non-executive Director; and Ms. Shang Wenna, Mr. Zheng Liangjian and Ms. Feng Li Xuan as independent non-executive Directors.

** For identification purposes only*