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## **CHINA SUPPLY CHAIN HOLDINGS LIMITED**

**中國供應鏈產業集團有限公司**

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

**(Stock Code: 3708)**

### **VOLUNTARY ANNOUNCEMENT STRATEGIC CO-OPERATION FRAMEWORK AGREEMENT**

This announcement is made by China Supply Chain Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with updated information in relation to the latest business development of the Group.

The board of directors (the “**Board**”) of the Company is pleased to announce that on 15 March 2022, the Company entered into a non-legally binding strategic co-operation framework agreement (the “**Strategic Co-operation Framework Agreement**”) with Shenzhen Baima Yiwu Technology Company Limited\* (深圳市白馬易物科技有限公司) (“**Baima Yiwu**”, together with its subsidiaries, “**Baima Yiwu Group**”) in respect of potential co-operation in the development, optimization and upgrade of new retail consumer goods supply chain management platform in the People’s Republic of China (“**PRC**”).

#### **THE PROPOSED COOPERATION**

The term of the Strategic Co-operation Framework Agreement is three years from the date of the Strategic Co-operation Framework Agreement, which can be terminated by either party by giving three months’ prior written notice to the other party.

Pursuant to the Strategic Co-operation Framework Agreement, the Group and Baima Yiwu Group aim to jointly develop, optimize and upgrade the supply chain management platform for the new retail consumer goods industries, which can provide one-stop supply chain management services to enterprises through a S2B2C (supplier-to-business-to-consumer) system, facilitate enterprises to reach out to upstream suppliers and downstream customers and enhance the sales and distribution of related products (the “**Proposed Co-operation**”). In particular:

1. each party shall make full use of its respective advantages in terms of resources and facilitate the system optimization of the new retail brand supply chain and related products business, and upgrade and expand the existing new retail brand supply chain business;

2. Baima Yiwu shall provide and share its existing connections and supply and sales networks with the Company, and be responsible for conducting marketing activities of new retail consumer brands in accordance with co-operation plans to be agreed between the Company and Baima Yiwu; and
3. the Company shall provide and share its existing connections with Baima Yiwu, leverage on its capital capabilities, and consider investing in the upstream, midstream and downstream sectors of the new retail consumer brand industries in light of the market conditions and in accordance with its business strategies.

The Board considers that the Strategic Co-operation Framework Agreement was entered into on normal commercial terms after arm's length negotiation between the Company and Baima Yiwu, and such co-operation is in the interests of the Company and its shareholders as a whole.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC CO-OPERATION FRAMEWORK AGREEMENT**

The Board considers that the entering into of the Strategic Co-operation Framework Agreement could potentially lead to more business opportunities for the Group and enable both the Group and Baima Yiwu Group to leverage on their respective strengths, resources and/or expertise for the development in the retail brand consumer goods supply chain and related products business. The Proposed Co-operation will enhance the corporate development of the Group which will be in the best interests of the Company and its shareholders as a whole.

### **INFORMATION ON BAIMA YIWU**

Baima Yiwu is a company incorporated under a key incubation project of China Science and Technology Development Institute\* (中國科技開發院). Relying on its strong supply chain system of cosmetics, food products, daily necessities and other products, Baima Yiwu has created an online shopping application "Qiangpai", and aspires in creating a top brand in the entertainment and e-commerce industry. "Qiangpai" is a social e-commerce platform that integrates shopping, social networking, entertainment and e-commerce. Adhering to the operational concept of "giving benefits to users", the application allows users to earn rewards through entertainment shopping, so that users can not only buy their favorite products on the platform, but also experience the new experience of receiving rewards from shopping.

## GENERAL

The Board hereby emphasises that the Strategic Co-operation Framework Agreement is only a framework agreement with the purpose of setting out the intention of cooperative plans between the parties to facilitate further negotiations on specific co-operation projects. Save for certain provisions such as provisions relating to confidentiality, protection of intellectual property rights, force majeure and dispute resolution, the Strategic Cooperation Framework Agreement is non-legally binding. Detailed terms and conditions of the co-operations contemplated under the Strategic Co-operation Framework Agreement will be subject to further negotiations and to be agreed and confirmed in the definitive agreement(s) to be entered into by both parties in respect of the Proposed Co-operation.

As at the date of this announcement, no definitive agreement in relation to the Proposed Cooperation has been entered into by the Group. As such, the Proposed Co-operation as stated in the Strategic Co-operation Framework Agreement may or may not materialise. In the event that the Group enters into any definitive agreement in relation to the Proposed Cooperation, further announcement(s) will be made by the Company in accordance with the Listing Rules if necessary.

By order of the Board  
**China Supply Chain Holdings Limited**  
**Ma Huijun**  
*Chairman*

Hong Kong, 4 April 2022

*As at the date of this announcement, the Board comprises four executive Directors, namely Ms. Ma Huijun (Chairman), Mr. Dai Jian (Vice Chairman and Chief Executive Officer), Mr. Lai Aizhong and Mr. Dai Ming; a non-executive Director, namely Mr. Zhang Junze; and three independent non-executive Directors, namely Mr. Huang Shuhui, Ms. Wang Ying and Mr. Wong Ka Shing.*

\* *For identification purpose only*