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CHINA FINANCE INVESTMENT HOLDINGS LIMITED

中國金控投資集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

VOLUNTARY ANNOUNCEMENT

This announcement is made by China Finance Investment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders (the “**Shareholders**”) of the Company and potential investors informed of the latest business developments of the Group.

1. STRATEGIC COOPERATION AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Guangdong Cypress Jade Agricultural Group Company Limited* (廣東從玉農業集團有限公司) (“**Guangdong Cypress Jade**”), an indirect wholly-owned subsidiary of the Company, entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with Huaian Huaiyin Agricultural Development Company Limited* (淮安市淮陰農業發展有限公司) (“**Huaiyin Agricultural Development**”). Pursuant to the Strategic Cooperation Agreement, (i) the Group is responsible for the sales and promotion activities for the local agricultural products provided by Huaiyin Agricultural Development, including but not limited to Huaian Rice; and (ii) Huaiyin Agricultural Development will purchase agricultural products from the Group. The Strategic Cooperation Agreement is for a term of ten years commencing from the date of the Strategic Cooperation Agreement during which the procurement amount is expected to be approximately RMB5 billion.

Huaiyin Agricultural Development is a State-owned enterprise in the People’s Republic of China (the “**PRC**”) wholly-owned by State-owned Assets Supervision and Administration Office of the government of Huaiyin District, Huaian* (淮安市淮陰區人民政府國有資產監督管理辦公室) in the PRC. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Huaiyin Agricultural Development and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

A wholly owned subsidiary of Huaiyin Agricultural Development (i.e. Huaian Huaiyin Piaomujia Ecological Agriculture Development Company Limited* (淮安市淮陰漂母家生態農業發展有限公司)) and the Group have established a joint venture company (the “**Joint Venture Company**”), Jiangsu Huaiwei Millennium Food Supply Chain Management Company Limited* (江蘇淮味千年食品供應鏈管理有限公司), in the PRC in order to cooperate in the field of agriculture development. The Group holds 60% of the equity interest in the Joint Venture Company. The Directors (including the independent non-executive Directors) consider that the formation of the Joint Venture Company is conducted in the ordinary and usual course of business of the Company, the terms of which are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

As all the applicable percentage ratios (as defined under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) in respect of the Joint Venture Company are below 5%, the formation of the Joint Venture Company contemplated is exempt from the requirements under Chapter 14 of the Listing Rules. In the case of any further contribution to the registered capital of the Joint Venture Company, the Company will observe the requirements under Chapter 14 of the Listing Rules and issue further announcement or to seek approval from the Shareholders as and when appropriate.

2. PROCUREMENT AGREEMENT

The Board is also pleased to announce that Guangdong Cypress Jade entered into a procurement agreement (the “**Agreement**”) with Gansu Zhongnong Jiachuang Agriculture Company Limited* (甘肅中農佳創農業有限公司) (the “**Buyer**”), a PRC State-owned enterprise. Pursuant to the Agreement, the Buyer will purchase agricultural products from the Group. The Agreement is for a term of five years commencing from the date of the Agreement, and the annual procurement amount under the Agreement is expected to be approximately RMB1 billion.

The Buyer is a PRC State-owned enterprise directly owned as to 90% by Dongfang Jialiang (Beijing) Agricultural Development Group Company Limited* (東方嘉糧(北京)農業發展集團有限公司) (“**Dongfang Jialiang**”) and 10% by Dongfang Shiyi (Beijing) Supply Chain Management Company Limited* (東方食易(北京)供應鏈管理有限公司) which is a wholly owned subsidiary of Dongfang Jialiang. The ultimate beneficial owner of the Buyer is the State Council of the PRC. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Buyer and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

3. MEMORANDUM OF UNDERSTANDING

The Board is pleased to further announce that the Company entered into a memorandum of understanding (the “**MOU**”) with Million (Far East) Limited (the “**Million Far East**”). Pursuant to the MOU, the Group and Million Far East intend to establish a joint venture company to operate food processing plant and explore the market of Greater Bay Area.

Million Far East principally engages in import, refrigerated transport and sale of frozen meat and frozen seafood with a small portion of importing and sale of seasonings and wine products. Its main products include imported beef, chicken, seafood, pork, etc.. The main markets of Million Far East are concentrated in Hong Kong, Macau and Guangdong of the PRC.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Million Far East and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

The Group is principally engaged in (i) growing of agricultural produce; trading of agricultural and meat produce, seafood and prepared food in the PRC (“**Agricultural and Meat Business**”); and (ii) provision of money lending services. The Group is qualified to export fresh vegetables to Hong Kong and it is one of the “Vegetable Basket” project enterprises in the Guangdong-Hong Kong-Macao Greater Bay Area, one of the key national leading enterprises in agricultural industrialisation and one of the top 100 enterprises in the supply chain of agricultural products and ingredients in the PRC.

The business strategy of the Company is to explore potential business and investment opportunities from time to time in order to increase the share value of the Company. The Board believes that the materialisation of the Agreement will enable the Group to broaden its sales channel and diversify its business offerings under the Agricultural and Meat Business, increase its profitability and bring more considerable returns to the Shareholders. Meanwhile, the Group is seeking any vertical integration business opportunity to enhance its revenue stream, including but not limited to providing door-to-door delivery services for its agricultural, seafood and meat produce in the PRC.

The actual procurement amounts under the Strategic Cooperation Agreement and the Agreement may be different to those stated in this announcement as a result of any unexpected changes in the market environment and other conditions. No forecast or prediction of the profits of the Group has been made with regard to the Strategic Cooperation Agreement and the Agreement in this announcement.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Finance Investment Holdings Limited
Lin Yuhao
Chairman and Chief Executive Officer

Hong Kong, 29 November 2022

As at the date of this announcement, the Board comprises five Directors, including one executive Director, namely Mr. Lin Yuhao, one non-executive Director, namely Ms. Han Xiuhong and three independent non-executive Directors, namely Mr. Li Shaohua, Ms. Zhu Rouxiang and Ms. Li Yang.

* *For identification purpose only*