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民商創科

Minshang Creative Technology Holdings Limited
民商創科控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1632)

DISCLOSEABLE TRANSACTION
ESTABLISHMENT OF A NON-WHOLLY OWNED SUBSIDIARY

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On 27 April 2024, Minshang Shenzhen entered into the Cooperation Agreement with Beijing Bio-Energy and Hainan Energy, pursuant to which Minshang Shenzhen, Beijing Bio-Energy and Hainan Energy agreed to establish the Subsidiary to develop the Renewable Energy Technology Business.

LISTING RULES IMPLICATIONS

As all applicable percentage ratios in respect of the establishment of the Subsidiary exceed 5% but less than 25%, the establishment of the Subsidiary constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

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The principal terms of the Cooperation Agreement are set out below:

Date	:	27 April 2024
Parties	:	Minshang Shenzhen, Beijing Bio-Energy and Hainan Energy
Proposed name of the Subsidiary	:	旭科氩醇(海南)科技有限公司 (Xuke Qingchun (Hainan) Technology Company Limited*) (subject to final approval by PRC regulatory authority(ies))
Purpose of the Subsidiary	:	To engage in the renewable energy sector, including technology solution services, research & development, technical consultation and core equipment development & trading etc.
Registered capital	:	RMB50 million
Capital contribution	:	The parties shall make a total contribution of RMB50 million, of which Minshang Shenzhen shall contribute RMB25.5 million in cash, accounting for 51% of the registered capital of the Subsidiary; Beijing Bio-Energy shall contribute RMB17.5 million in cash, accounting for 35% of the registered capital of the Subsidiary; and Hainan Energy shall contribute RMB7 million in cash, accounting for 14% of the registered capital of the Subsidiary.

The parties shall make their respective capital contributions within 5 years from the date which the Subsidiary has completed its business registration.

The amount of capital contribution was determined after arm's length negotiations between the parties with reference to the expected capital requirements and the preliminary business plan of the Subsidiary. The capital contribution to be made by the Company will be funded by internal resources of the Group.

- Board of directors : The board of directors of the Subsidiary shall consist of 5 directors with 3 directors to be nominated by Minshang Shenzhen and 2 directors to be nominated by Beijing Bio-Energy. The chairman of the board of directors shall be nominated by Minshang Shenzhen.
- Supervisor : The supervisor shall be nominated by the shareholders of the Subsidiary and elected by its shareholders at the shareholders' meetings.
- Legal representative : The legal representative shall be nominated by Minshang Shenzhen and elected by shareholders of the Subsidiary at the shareholders' meetings.
- Non-compete undertaking : Minshang Shenzhen, Beijing Bio-Energy and Hainan Energy shall enter into a non-competition agreement with the Subsidiary pursuant to which they shall undertake, and procure the senior management and core technician of the Subsidiary, not to engage in business in competition with the business of the Subsidiary.

REASONS FOR AND BENEFITS OF THE ESTABLISHMENT OF THE SUBSIDIARY

The Company is an investment holding company incorporated under the laws of the Cayman Islands. As at the date of this announcement, the Group is principally engaged in (i) B2B trading business in the PRC; and (ii) information technology solution business in the PRC, including provision and design of Software-as-a-Service, membership benefits solutions services, software customisation services and IT solution services.

The Company has been actively exploring opportunities to enhance the competitiveness of the Group and to enhance the value of the Company to its Shareholders. The establishment of the Subsidiary represents a strategic initiative for the Company to explore opportunities in the emerging green and low-carbon industry, which facilitates the acceleration of the deployment of renewable energy. With the support of Beijing Bio-Energy which possess technology in the Renewable Energy Business and a team of seasoned professionals, the Board believes that the Subsidiary will be well positioned to explore opportunities in such business. The Board considers that the establishment of the Subsidiary and the terms of the Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF PARTIES

Beijing Bio-Energy is a company established in the PRC which principally engaged in the business of research and development and industrialization of biomass renewable methanol technology. Beijing Bio-Energy is owned as to 99% by Jiahe Energy (Beijing) Technology Company Limited* (嘉禾聚能(北京)科技有限公司), which is owned as to 60% by Jiahe Energy (Tianjin) Technology Company Limited* (嘉禾聚能(天津)科技有限公司) and in turn owned by Mr. Chen Shui Miao as to 55%.

Hainan Energy is a limited partnership established in the PRC which principally engaged in the business of research and development of renewable energy technology. The general partner of Hainan Energy is Ms. Zheng Chao and the limited partner is Mr. Huang Bin.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of Beijing Bio-Energy, Hainan Energy and their respective ultimate beneficial owner(s) is a third party independent of the Company and its connected persons.

Minshang Shenzhen is an investment holding company established in the PRC and is a wholly-owned subsidiary of the Company.

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DEFINITIONS

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

“Beijing Bio-energy”	Beijing Bio-energy Technology Company Limited* (北京生物易能科技有限公司), a company established in the PRC
“Board”	the board of Directors

“Company”	Minshang Creative Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Connected persons”	has the meaning ascribed thereto under the Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 27 April 2024 entered into among the Minshang Shenzhen, Beijing Bio-Energy and Hainan Energy in relation to the establishment of the Subsidiary
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hainan Energy”	Hainan Energy Future Technology Partnership* (海南聚能未來科技合夥企業(有限合夥)), a limited partnership established in the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minshang Shenzhen”	Minshang Creative Technology Holdings (Shenzhen) Company Limited* (民商創科控股(深圳)有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“percentage ratio(s)”	has the meaning ascribed thereto under the Listing Rules
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC

“Renewable Energy Business”	renewable methanol and renewable energy and related business
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	Xuke Qingchun (Hainan) Technology Company Limited* (旭科氢醇(海南)科技有限公司) (subject to final approval by PRC regulatory authority(ies)), a company to be established in the PRC
“%”	per cent

By Order of the Board
Minshang Creative Technology Holdings Limited
Wu Jiangtao
Chairman

Hong Kong, 29 April 2024

As at the date of this announcement, the executive directors of the Company are Mr. Wu Jiangtao, Mr. Tao Jingyuan and Mr. Lai Xiaopeng Michael; and the independent non-executive directors are Mr. Choi Tze Kit, Sammy, Mr. Cheung Miu and Mr. Cheung Pak To.

* for identification purpose only