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KNT

KNT HOLDINGS LIMITED

嘉藝控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1025)

JOINT VENTURE AGREEMENT

JV AGREEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance.

The Board is pleased to announce that on 24 May 2024 (after trading hours of the Stock Exchange), KNT Global has entered into the JV Agreement with China Agricultural Innovation Cross-Border E-Commerce Industrial Park Limited (中國農創港跨境電商產業園有限公司) pursuant to which the parties agreed to establish the JV Company with a registered capital of HK\$1,000,000. Upon its establishment, the JV Company will be owned as to 51% by KNT Global and 49% by China Agricultural.

* For identification purpose only

FORMATION OF JV COMPANY

The Board is pleased to announce that on 24 May 2024 (after trading hours of the Stock Exchange), KNT Global has entered into the JV Agreement with China Agricultural pursuant to which the parties agreed to establish the JV Company with a registered capital of HK\$1,000,000.

THE JV AGREEMENT

Date: 24 May 2024 (after trading hours of the Stock Exchange)

Parties: (1) KNT Global; and
(2) China Agricultural.

China Agricultural is a subscriber in the subscription agreement with the Company dated 23 May 2024. For more details, please refer to the Company's announcement dated 23 May 2024. Except for the above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, China Agricultural and its ultimate beneficial owners are Independent Third Parties.

Formation of the JV Company and its registered capital

Pursuant to the JV Agreement, KNT Global and China Agricultural agree to establish the JV Company that shall be principally engaged in multinational e-commerce trading including textile, garment and other agricultural products.

Upon its establishment, the JV Company will be owned as to 51% by KNT Global and 49% by China Agricultural. The registered share capital of the JV Company shall be HK\$1,000,000, which will be contributed in cash as to 51% by KNT Global (i.e. HK\$510,000), and 49% by China Agricultural (i.e. HK\$490,000). KNT Global and China Agricultural may further invest in aggregate of HK\$9,000,000 in the JV Company with reference to the business development of the JV Company in the first year. The capital contribution of HK\$510,000 by KNT Global will be funded by internal resources of the Group.

The amount of capital contributions was determined after arm's length negotiation between the parties to the JV Agreement with reference to the total registered share capital of the JV Company and their respective shareholding interest in the JV Company.

INFORMATION ON THE PARTIES TO THE JV AGREEMENT

The Company is an investment holding company. The Group is principally engaged in multinational e-commerce trading including textile, garment and other agricultural products.

China Agricultural is a company incorporated in Hong Kong with Limited liability and is principally engaged in international e-commerce trading business. As at the date of this announcement, Comex Cultural and Tourism Holding (China) Co., Limited and Beijing Enterprises Holdings Industrial Park Limited owns 70% and 30% interests of China Agricultural Innovation Cross-Border E-Commerce Industrial Park Limited respectively.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, more than 99% of the ultimate beneficial owners of Comex Cultural and Tourism Holding (China) Co., Limited and Beijing Enterprises Holdings Industrial Park Limited are the Local State-owned Assets Supervision and Administration Commission of the State Council.

China Agricultural is a subscriber in the subscription agreement with the Company dated 23 May 2024. For more details, please refer to the Company's announcement dated 23 May 2024. Except for the above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, China Agricultural and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF FORMATION OF THE JV COMPANY

The JV Company will be established in Hong Kong for multinational e-commerce trading including textile, garment and other agricultural products. It is expected that the formation of the JV Company will enable better business development of the Group and China Agricultural through complementary advantages, synergy and resources integration and also explore and widen the Group's business prospect in Hong Kong and the PRC.

The terms of the JV Agreement were negotiated between the parties thereto after arm's length negotiations. In light of the above, the Directors consider that the terms of the JV Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

DEFINITIONS

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

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| “Board” | the board of Directors |
| “Business Day(s)” | means any day (excluding a Saturday, Sunday or public holiday) on which banks generally are open for business in Hong Kong |
| “China Agricultural” | 中國農創港跨境電商產業園有限公司 (for transliteration purpose only, China Agricultural Innovation Cross-Border E-Commerce Industrial Park Limited) |
| “Company” | KNT Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1025) |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “KNT Global” | KNT Global Trading Limited, an indirect wholly-owned subsidiary of the Company |
| “Independent Third Party(ies)” | a third party independent of and not connected with the Company and/or its subsidiaries and their respective connected persons |

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| “JV Agreement” | the joint venture agreement dated 24 May 2024 entered into between KNT Global and China Agricultural in relation to the formation of the JV Company |
| “JV Company” | the company to be formed under the JV Agreement and to be established under the laws of Hong Kong with limited liability |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | shareholders of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | has the meaning ascribed thereto in the Listing Rules |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

By Order of the Board
KNT Holdings Limited
Chong Sik
Chairman and Executive Director

Hong Kong, 24 May 2024

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chong Sik, Mr. Chong Pun, Mr. Lam Chi Yuen and Dr. Dong Bin; one non-executive director, namely, Mr. Hu Shilin; and four independent non-executive directors, namely, Mr. Leung Martin Oh Man, Mr. Lau Koong Yep, Mr. Yuen King Sum and Mr. Lau Kwok Fan.