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China Beidahuang Industry Group Holdings Limited
中國北大荒產業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

COMPLETION OF THE PROPOSED RESTRUCTURING; ISSUE OF THE SUBSCRIPTION SHARES AND THE SCHEME SHARES; AND COMPLETION OF THE CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE DISPOSAL

References are made to the announcements of China Beidahuang Industry Group Holdings Limited (the "**Company**") dated 25 January 2024, 14 February 2024, 19 February 2024, 28 March 2024, 16 May 2024, 31 May 2024, 28 June 2024, 31 July 2024, 9 August 2024, 30 August 2024, 30 September 2024, 31 October 2024, 15 November 2024 and 29 November 2024 and the circular of the Company dated 24 July 2024 (the "**Circular**") in relation to the Proposed Restructuring. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

COMPLETION OF THE RESTRUCTURING

The Board is pleased to announce that the Proposed Restructuring has been completed on 4 December 2024.

The Subscription

Since all the conditions precedent to the Subscription have been fulfilled, on 4 December 2024, 850,000,000 Subscription Shares, representing approximately 11.24% of the Enlarged Issued Share Capital as of the date of this announcement, have been issued to the Investor by the Company at HK$0.10 per Subscription Share pursuant to the Restructuring Agreement.

The Subscription Price of HK$85,000,000 has been applied in the following manner: (a) HK$45,000,000 has been paid to the Scheme Company on 4 December 2024 and will be used, subject to the payment of any Preferential Claims and the Scheme Costs, for the benefit of the Scheme Creditors pursuant to the Creditors' Scheme; (b) HK$20,000,000 has been used to offset against the Loan for Restructuring Costs drawn by the Company; and (c) the remaining will be used as general working capital of the Company.

The Creditors' Scheme and the Scheme Share Issue

The Creditors' Scheme

On 12 December 2023, an office copy of the order of the High Court sanctioning the Creditors' Scheme has been delivered to the Companies Registry in Hong Kong for registration.

On 4 December 2024, HK$45,000,000 out of the Subscription Price have been paid to the Scheme Company, namely Gain North Limited 德若有限公司.

As the conditions precedent to the Creditors' Scheme have been fulfilled, the Creditors' Scheme has become effective on 4 December 2024.

The Scheme Share Issue

On 4 December 2024, the Company has allotted and issued 377,879,793 Scheme Shares, representing approximately 5.00% of the Enlarged Issued Share Capital as of the date of this announcement, to the Scheme Company on trust for the benefit of the Scheme Creditors. The Scheme Shares will either be transferred to the Scheme Creditors who are entitled to and have validly elected to receive Scheme Shares under the Creditors' Scheme, or they will be disposed of and the cash proceeds from such disposal will be used to make payments to the Scheme Creditors who elect to receive cash in lieu of the Scheme Shares.

The Disposal

To effect the Disposal pursuant to the Creditors' Scheme, the Scheme Company and the Group entered into separate transfer agreements (and supplemental agreements thereto) for each Scheme Subsidiary that take effect upon the Creditors' Scheme taking effect (the "**Disposal Agreements**"), pursuant to which the Group agreed to transfer 100% equity interest in the Scheme Subsidiaries to the Scheme Company at nil consideration.

Upon the Creditors' Scheme becoming effective on 4 December 2024, the Group ceased to have any interest in the Scheme Subsidiaries (and their respective wholly-owned and non-wholly-owned subsidiaries). Accordingly, the Scheme Subsidiaries (and their respective wholly-owned and non-wholly-owned subsidiaries) ceased to be subsidiaries of the Company and their financial results will be deconsolidated from the Group's results.

Shareholding structure of the Company immediately upon completion of the Proposed Restructuring

To the best of the Company's knowledge, the shareholding structure of the Company immediately upon completion of the Subscription and the Scheme Share Issue is as follows:

Shareholders	Number of Shares	Approximate %
Directors		
Jiang Jiancheng	27,868,000	0.37%
Ke Xionghan	10,120,000	0.13%
Chen Zhifeng	900,000	0.01%
Yang Yunguang	900,000	0.01%
Ho Wing Yan	900,000	0.01%
Li Dawei	40,000	0.00%
Substantial Shareholders		
The Investor *(Note 1)*	850,000,000	11.24%
Jiang Jianjun *(Note 2)*	829,326,165	10.97%
Scheme Company	377,879,793	5.00%
Public Shareholders		
Beidahuang Business Group (HK) International Trade Co., Limited *(Note 3)*	660,000,000	8.73%
Chen Jiayi *(Note 4)*	33,440,000	0.44%
Other public shareholders	4,768,817,918	63.08%
Total	**7,560,191,876**	**100.00%**

Notes:

1. The Investor is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of China Qujiang Fund, a sub-fund of CIS Fund, an open-ended fund company incorporated in Hong Kong. CIS Securities Asset Management, being the investment manager of CIS Fund and designated sub-funds (including China Qujiang Fund), shall be entitled to exercise, or refrain from the exercise of, any voting or other rights attaching to the Subscription Shares following Completion as CIS Securities Asset Management shall in its absolute discretion think fit, subject to any instructions given to CIS Securities Asset Management by the directors of CIS Fund.

2. These 829,326,165 Shares comprise 807,366,165 Shares beneficially owned by Mr. Jiang Jianjun, and 21,960,000 Shares beneficially owned by his spouse Ms. Li Zhuoxun. Mr. Jiang Jianjun was a former Director who resigned as an executive Director with effect from 14 June 2023.

3. Beidahuang Business Group (HK) International Trade Co., Limited has ceased to be a substantial shareholder (as defined in the Listing Rules) of the Company and is no longer a connected person of the Company. Shares held by it will be counted towards the public float of the Company.

4. These 33,440,000 Shares are beneficially owned by Mr. Chen Jiayi, who is the father of Mr. Chen Chen, an executive Director. Mr. Chen Jiayi is also a holder of Class D Shares in CIS Fund, which sub-fund wholly owns the Investor.

5. Percentage figures are rounded to two decimal places, and certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By Order of the Board
China Beidahuang Industry Group Holdings Limited
Jiang Jiancheng
Chairman

Hong Kong, 4 December 2024

As at the date of this announcement, the Executive Directors are Mr. Jiang Jiancheng (Chairman), Mr. Liu Xiaopeng (Vice-chairman), Mr. Ke Xionghan and Mr. Chen Chen; the Non-executive Directors are Mr. Li Jin (Vice-chairman), Ms. Ho Wing Yan and Mr. Li Dawei; and the Independent Non-executive Directors are Mr. Chong Cha Hwa, Mr. Yang Yunguang and Mr. Chen Zhifeng.