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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)

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED TRANSACTION

This announcement is made by China Supply Chain Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on 25 October 2023 (after trading hours), 深圳市博商信息諮詢有限公司 (the “**Party A**”), a wholly-owned subsidiary of the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 安徽大運亨通元尊宇宙數字科技股份有限公司 (the “**Party B**”). Pursuant to the MOU, the Party A and the Party B intend to jointly form a company namely 中國蜂狂購供應鏈香港有限公司 in Hong Kong (the “**Joint Venture Company**”). The total capital contribution is RMB100 million, the Party A will invest 10% (RMB10 million) and the Party B will invest 90% (RMB90 million) (the “**Proposed Transaction**”). The principal activity of the Joint Venture Company is set up digital platforms for the integration of agricultural products supply chain.

Principal Terms of the MOU

Date

25 October 2023 (after trading hours).

Parties

- (i) The Party A; and
- (ii) the Party B.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Party B and their ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined under the Listing Rules).

Capital Contribution

The total capital contribution of the Proposed Transaction is RMB100 million, the Party A will invest 10% (RMB10 million) and the Party B will invest 90% (RMB90 million).

Exclusivity

During the period from the date of the MOU to 24 April 2024 (the “**Exclusivity Period**”), the Party B will, in good faith, negotiate with the Party A exclusively on the Proposed Transaction and will not (whether directly or indirectly through affiliate, agent or representative) discuss, negotiate and/or enter into any agreement, arrangement or understanding with any other party with respect to the Proposed Transaction.

Formal Agreement

The Party A and the Party B shall use their best endeavours to procure a legally binding formal agreement in relation to the Proposed Transaction (the “**Formal Agreement**”) within the Exclusivity Period.

Termination

The MOU will be terminated at the earlier of:

- (i) the expiry of the Exclusivity Period; or
- (ii) the date of execution of the Formal Agreement.

REASON FOR AND BENEFIT OF THE PROPOSED TRANSACTION

In order to maximise return to the Company and the shareholders of the Company, the Directors consider that it is in the interests of the Company and its shareholders as a whole to enter into the MOU to explore the possibility of business diversification of the Group.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Transaction are still being negotiated and no legally binding agreement(s) has been entered into. The Proposed Transaction, if materialised, may constitute notifiable transaction(s) for the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

As the Proposed Transaction may or may not proceed, shareholders and investors are reminded to exercise caution when dealing in the shares.

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

Hong Kong, 25 October 2023

As at the date of this announcement, the Board comprises four executive Directors, namely Ms. Ma Huijun (Chairman), Mr. Dai Jian (Vice Chairman), Mr. Lai Aizhong and Mr. Wong Ka Shing (Chief Executive Officer); and three independent non-executive Directors, namely Mr. Zheng Haipeng, Mr. Wang Xiaojia and Mr. Li Zhining.