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F A R N O V A

FARNOVA GROUP HOLDINGS LIMITED

法諾集團控股有限公司

(Formerly known as Code Agriculture (Holdings) Limited 科地農業控股有限公司)

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

VOLUNTARY ANNOUNCEMENT ENTERING INTO THE ACCESS AGREEMENT ON NEW ENERGY HEAVY DUTY TRUCK INDUSTRIAL CHAIN BASE PROJECT

The board of directors (the “**Board**”) of Farnova Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 28 July 2020, the Company entered into 《新能源汽車重卡及其產業鏈基地項目入園協議書》 (the Access Agreement on New Energy Heavy Duty Truck Industrial Chain Base Project*) (the “**Access Agreement**”) with the Management Committee of Changde Economic and Technological Development Zone* (常德經濟技術開發區) (the “**Development Zone**”). Pursuant to the Access Agreement, the Company will establish a project company in the Development Zone for establishing on a new energy vehicles and heavy duty trucks related industrial chain base project (the “**Project**”).

The total investment is currently estimated at about RMB7.5 billion with RMB1 billion on building new energy buses and heavy duty trucks, RMB5 billion on the Perlini heavy duty truck project, RMB1 billion on the high performance battery project and RMB500 million as the cash reserve. The total site area of the Project is 1,000 mu (equivalent to approximately 666,667 square meters). The total site area for the first phase of the Project is approximately 160,000 square meters which includes factories and offices. This Project will be subsidised by the local government including the rent, tax, machinery, land and other bonuses.

* For identification purpose only

The Board will continue to devote its effort, with the support of Changde Municipal People's Government, to build better new energy cars in order to reduce the pollution on the Earth. Taking into account the rapid growth of new energy cars in recent years, the Directors are of the view that the commencement of the Project will be a good opportunity for the Group to diversify its income streams, which may ultimately enhance the financial performance of the Group.

By order of the Board
Farnova Group Holdings Limited
Guo Gelin
Chairman

Hong Kong, 30 July 2020

As of the date of this announcement, the executive Directors are Mr. Guo Gelin, Mr. Chow Chi Wah Vincent, and Mr. Wang Dequn; and the independent non-executive Directors are Mr. Lee Chi Hwa Joshua, Mr. Wong Ching Keung and Dr. Antonio Maria Santos.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website <http://www.hkgem.com> for at least 7 days from the date of its publication. This announcement will also be published on the Company's website at <http://www.farnovagp-hk.com>.