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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 NEW ENERGY VEHICLE PROJECT MEMORANDUM**

Reference is made to the announcement of Farnova Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 20 August 2020 in relation to the strategic cooperation memorandum (the “**Previous Memorandum**”). The board of directors (the “**Board**”) of the Company is pleased to announce that on 22 September 2020, based on further negotiation between both parties, the Company entered into a new energy vehicle project memorandum (the “**Memorandum**”) with China Ding Yi Feng Holdings Limited (“**Ding Yi Feng**”), company incorporated in Cayman Islands with limited liability and an investment company listed under Chapter 21 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited with stock code: 00612, pursuant to which both parties agreed to identify and explore possible cooperation and investment opportunities in a project in the new energy vehicle industry in the PRC and/or Germany. The Memorandum shall supersede the Previous Memorandum. Subject to the terms and conditions of the Memorandum, Ding Yi Feng will, having regard to its investment policies, invest in the new energy vehicle project directly in conjunctions with the Company or indirectly through subscribing for the share of the Company.

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, Ding Yi Feng holds 507,452,053 ordinary shares in the share capital of the Company (“**Shares**”), representing approximately 8.81% of the issued share capital of the Company and is an independent third party not connected with the Company and its connected persons.

## **THE MEMORANDUM**

Pursuant to the Memorandum, the parties to the Memorandum shall use their best efforts and good faith to identify and facilitate the negotiation of the new energy vehicle project and enter into a legally binding formal agreement (“**Definitive Agreement**”) within 90 days after the signing date of the Memorandum (or other time period to be agreed by the parties to the Memorandum in writing) (“**Exclusivity Period**”) in respect of the new energy vehicle project.

Ding Yi Feng shall not directly or indirectly negotiate or agree with any other party relating to the new energy vehicle project during the Exclusivity Period.

## **INVESTMENT AMOUNT**

The investment structure, investment amount, payment terms, payment method and various details of the cooperation matters shall be confirmed upon entering into a Definitive Agreement.

## **DUE DILIGENCE**

Ding Yi Feng has right to appoint its representatives and professional parties, including but not limited to legal advisor, accountant, valuer and financial adviser to conduct a due diligence (“**Due Diligence**”) review on the financial, legal, business and other aspects of the Group. The Company shall use its best efforts to assist in Due Diligence, including but not limited to providing information and materials, and arranging inspections reasonably required by the Ding Yi Feng, its representatives and/or professional parties.

## **TERMINATION**

The Memorandum shall be terminated upon (i) expiry of the Exclusive Period; or (ii) execution of the Definitive Agreement; or (iii) both parties to the Memorandum agree in writing to terminate the Memorandum, whichever is earlier. The Memorandum has superseded any and all prior arrangements or agreements between the Company and Ding Yi Feng. The Memorandum does not create legally binding obligations on the parties but is legally binding as to confidentially, fees and expenses and other standard provisions.

As at the date of this announcement, the Company and Ding Yi Feng have not entered into any agreements (whether or not legally binding) in relation to any specific cooperation projects or investment. If any transaction contemplated under the Memorandum constitutes a notifiable transaction or fund raising activity of the Company under the GEM Listing Rules, further announcement(s) will be made by the Company and when appropriate in compliance with the GEM Listing Rules.

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

Hong Kong, 22 September 2020

*As of the date of this announcement, the executive Directors are Mr. Guo Gelin, Mr. Chow Chi Wah Vincent, Mr. Hu Chao and Mr. Mou Zhongwei; the non-executive Director is Mr. Wang Qiang; and the independent non-executive Directors are Mr. Lee Chi Hwa Joshua, Mr. Wong Ching Keung, Dr. Antonio Maria Santos and Mr. Luo Ji.*

*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>.*