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中国地利集团
China Dili Group

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1387)

**(1) SERVING OF PUT NOTICE;
(2) UPDATE REGARDING THE LOAN; AND
(3) CONTINUED SUSPENSION OF TRADING**

Reference is made to the announcement of the Company dated 29 August 2019 in relation to, among others, (i) the acquisition of 19% of the entire issued share capital of Million Master Investment Limited; and (ii) the provision of the Loan to the Target Group (the “**Announcement**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

SERVING OF PUT NOTICE ON THE VENDOR

As set out in the Announcement, the Vendor has granted Yield Smart with the Put Option pursuant to the Acquisition Agreement, under which Yield Smart has the right (but no obligation) to sell back the Target Shares to the Vendor and the Vendor has the obligation to purchase the Target Shares within the period commencing from 1 January 2023 and ending on 31 December 2023 (both days inclusive).

Considering the conditions for the exercise of the Put Option have been met and in view of (i) the business performance of the Target Group; and (ii) the recent market conditions and outlook leading to an adjustment and re-focusing of the Target Business, on 19 December 2023, Yield Smart has served a notice to exercise the Put Option (the “**Notice**”) on the Vendor. Based on the Notice, completion of the Put Option exercise is subject to, among others, compliance by the parties thereto of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including but not limited to obtaining approval from independent shareholders of the Company in a general meeting of the Company.

UPDATE REGARDING THE LOAN

As set out in the Announcement, Harbin Dili as lender has provided to Dili Fresh as borrower a revolving facility for the principal amount of not exceeding RMB2.0 billion. As at 30 November 2023, the outstanding amount from Dili Fresh under the Loan amounted to approximately RMB1.36 billion. According to the Loan Agreement, the maturity date of the Loan is the earlier of (i) 31 December 2023; (ii) completion of the exercise of the Put Option; and (iii) the third anniversary from drawdown.

The Company is actively liaising with the Vendor regarding the details of its exercise of the Put Option and the repayment of the Loan, and will publish further announcement(s) as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in all securities of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 28 October 2022, and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares and other securities of the Company.

By Order of the Board
China Dili Group
Wang Yan
Chairman

Hong Kong, 19 December 2023

As at the date of this announcement, the Board comprises Mr. Wang Yan, Mr. Dai Bin and Ms. Qin Xiang as executive directors; Mr. Yin Jianhong and Mr. Yao Yanzhong as non-executive directors; and Dr. Fan Ren-Da, Anthony, Mr. Wang Yifu, Mr. Leung Chung Ki and Mr. Tang Hon Man as independent non-executive directors.