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比速科技集團國際有限公司

Bisu Technology Group International Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

**VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING
IN RESPECT OF INDUSTRIAL HEMP PLANTING**

This is a voluntary announcement made by Bisu Technology Group International Limited (the “**Company**” together with its subsidiaries, the “**Group**”).

THE MOU

On 22 April 2019, Global Harvest Inc. (“**Global Harvest**”), a direct wholly owned subsidiary of the Company, and Mr. Jiang Jianhui (“**Mr. Jiang**”), the controlling shareholder of the Company holding 75% of the total issued shares of the Company, entered into a non-legally binding memorandum of understanding (“**MOU**”), pursuant to which Mr. Jiang and Global Harvest agreed to collaborate on the development of industrial hemp planting (the “**Proposed Transaction**”). No payment is required to be made upon the signing of the MOU.

The Proposed Transaction, if materialised, may or may not constitute a notifiable or connected transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Further details of the Proposed Transaction shall be subject to the Formal Agreement (as defined below) to be entered into by the Parties and further announcement(s) in relation to the Proposed Transaction, if such constitutes a notifiable or connected transaction, will be made by the Company as and when appropriate in compliance with the Listing Rules.

Major terms of the MOU are set out below:

MOU

Date

22 April 2019

Parties

- (1) Global Harvest, a direct wholly-owned subsidiary of the Company; and
- (2) Mr. Jiang Jianhui, the controlling shareholder of the Company holding 75% of the total issued shares of the Company and a connected person of the Company under the Listing Rules.

Collaboration

As at the date of this announcement, Mr. Jiang has entered into a binding sale and purchase agreement for the purchase of 60% equity interest (“**Equity Interest**”) in Qiubei Woma Agricultural Development Company Limited* (丘北沃麻農業開發有限公司) (“**Woma Agricultural**”), which was granted a planting permit (the “**Planting Permit**”) by the relevant authority of the Yunnan Province, the People’s Republic of China (“**PRC**”), for the planting of industrial hemp with planting area of up to 25,000 mu (畝). The Planting Permit is valid for 2 years from 3 February 2019 to 2 February 2021.

Pursuant to the MOU, Mr. Jiang and Global Harvest agreed to collaborate on the implementation of the planting permitted under the Planting Permit and to consider the feasibility of the following different arrangements, subject to the satisfaction of the due diligence exercise by Global Harvest on the Planting Permit, the Equity Interest and the operation model of Woma Agricultural:

- 1) formation of a joint venture for development of planting plan permitted under the Planting Permit;
- 2) acquisition of the Equity Interest;
- 3) injection of capital by Global Harvest into Woma Agricultural; or
- 4) other possible arrangement to implement the planting permitted under the Planting Permit.

Formal agreement

The Proposed Transaction is subject to the negotiation, finalization and signing of formal definitive agreement(s) (the “**Formal Agreement**”) in connection with the Proposed Transaction. If the Formal Agreement is materialized, the Company will comply with the relevant and applicable requirements under the Listing Rules as and when appropriate.

Exclusivity

Within a period of three (3) months from the date of the MOU (the “**Exclusivity Period**”), unless otherwise agreed by the other Party, neither Mr. Jiang nor Global Harvest shall enter into any discussions, negotiations, agreement (verbal or written) or understandings with any other third party in relation to the Proposed Transaction. The Exclusivity Period could be extended by mutual agreement by the Parties.

Non-legally binding

The MOU represents the preliminary mutual understanding of the Parties regarding the Proposed Transaction. With the exception of the clauses regarding the exclusivity, termination and governing law, the MOU is not legally binding on the Parties.

The MOU shall be terminated on the earlier of i) the expiry of the Exclusivity Period; or ii) mutual agreement between the Parties.

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The Group is principally engaged in i) development, production and sale of the automotive engines; and ii) civil engineering works and building construction and maintenance works. With a view to expanding the business portfolio of the Group into the rapid growing industrial hemp market, Global Harvest has on 15 April 2019 entered into a sale and purchase agreement (the “**SPA**”) with Mr. Jiang in relation to the purchase of the entire issued shares of Links Wonder Investment Holdings Limited, which holds 70% equity interest of Yunnan Tairui Biotechnology Company Limited* (雲南太瑞生物科技股份有限公司), a company granted a permit by the relevant authority of the Yunnan Province, PRC for industrial hemp processing. Details of the SPA is set out in the announcement of the Company dated 15 April 2019 (the “**Announcement**”).

The board of directors of the Company considers that, the Proposed Transaction, if materialized, would supplement the Permit (as defined in the Announcement) to complete the supply chain by securing stable supply of industrial hemp for further processing under the Permit, hence maximizing the potential return that can be generated through the implementation of industrial hemp processing permitted under the Permit, for the benefit of the Group and the shareholders as a whole.

The Company wishes to emphasise that the Proposed Transaction is subject to, among other things, the signing of the Formal Agreement, the terms and conditions of which are yet to be agreed. Shareholders and potential investors of the Company should note that the Proposed Transaction may or may not materialize. Shareholders and potential investors of the Company should exercise caution when dealing in the shares and other securities of the Company.

By Order of the Board
Bisu Technology Group International Limited
Lam Wah
Executive Director

Hong Kong, 22 April 2019

As at the date of this announcement, the executive Directors are Mr. Xing Bin and Mr. Lam Wah; and the independent non-executive Directors are Mr. Zhang Guozhi, Mr. Leung Tsz Wing and Mr. Ip Mei Shun.

** for identification purpose only*