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中國海洋集團

**CHINA OCEAN GROUP
DEVELOPMENT LIMITED**

China Ocean Group Development Limited

中國海洋集團發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8047)

**VOLUNTARY ANNOUNCEMENT
COOPERATION AGREEMENT WITH
ZHUHAI NONG KONG OCEAN DEVELOPMENT LIMITED***

The Board is pleased to announce that on 23 October 2020, Jin Yu Tang (Shenzhen) Fishery Group Co., Ltd and Zhuhai Nong Kong Ocean Development Limited* (珠海市農控海洋發展有限公司) entered into a Cooperation Agreement whereby Jin Yu Tang and ZHNC will operate a aquaculture project (“深遠海智慧網箱養殖項目”) (the “**Aquaculture Project**”) in Zhuhai which includes the breeding of mid-to-high end grouper by ZHNC, and Jin Yu Tang shall supply the technology and professional team for the breeding of grouper.

THE COOPERATION AGREEMENT

Date: 23 October 2020

Parties:

- (a) Jin Yu Tang Shenzhen Fishery Group Co., Ltd., a company established in the PRC with limited liability and is a subsidiary of the Company; and
- (b) Zhuhai Nong Kong Ocean Development Limited* (珠海市農控海洋發展有限公司), a company established in the PRC with limited liability

(each a “**Party**”, and collectively the “**Parties**”)

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

Principal terms

Pursuant to the Cooperation Agreement,

- (a) ZHNK intends to establish a project company (hereinafter referred to as the “**Project Company**”) in Zhuhai City, Guangdong Province. In addition to traditional breeding species, other species such as mid-to-high-end grouper and coral trout will be independently added (hereinafter referred to as “**Grouper Culture**”).
- (b) Jin Yu Tang uses its breeding and engineering technologies and other intellectual achievements and technical solutions as intangible assets to invest in 20% of the equity in the Project Company. ZHNK agrees to the aforementioned shareholding investment. Both parties agree to cooperate on the Aquaculture Project in Wanshan, Zhuhai, based on the Grouper Culture species (on separate accounts) in the Project Company.
- (c) ZHNK is responsible for providing all the investment funds, aquaculture equipment and working capital for the Grouper Culture operations in the Project Company, including but not limited to registered capital, working capital, labor costs and equipment and materials procurement.
- (d) ZHNK is responsible for the management and staffing of aquaculture production and operation of the Project Company.
- (e) ZHNK is responsible for the Project Company's aquaculture personnel and shall set up scientific and technological research and development teams, and shall be jointly responsible for the research and development of aquaculture species with Jin Yu Tang.
- (f) ZHNK undertakes to give Jin Yu Tang the right to sell 20% (according to product weight, per ton) of the total output products of the Project Company in the Aquaculture Project. For the avoidance of doubt the factory price of the above products shall be determined jointly by ZHNK and Jin Yu Tang in accordance with the market price at that time. The net sales amount, being the sales amount minus the factory price of the products mentioned above, shall belong to Jin Yu Tang. After receiving the net sales amount, Jin Yu Tang shall pay the factory price to the Project Company.

- (g) Jin Yu Tang shall be responsible for providing technical guidance, consultation and suggestions on the operation and management of the Aquaculture Project. Jin Yu Tang shall also be responsible for carrying out aquaculture species selection, species breeding, breeding of special aquaculture products, disease control and other cooperative operations. Culture of the targeted species will mainly focus on mid-to-high-end grouper, coral trout and sea bream.
- (h) Jin Yu Tang shall be responsible for providing suggestions and technical guidance on culturing adult fish of the Aquaculture Project at which ZHNC bears all costs. Both Parties shall, in accordance with the marine environment in Wanshan, jointly negotiate the contents of the equipment and accessories to be used.

INFORMATION OF THE PARTY

ZHNC, a company established in the PRC with limited liability, is a wholly-owned subsidiary of Zhuhai Agriculture Investment Holdings Group Limited* (“**Nong Kong Group**”) (珠海市農業投資控股集團有限公司) and is principally engaged in the development of aqua products. Zhuhai Nong Kong Group is a government-approved municipal stated-owned enterprise which operates in the areas of featured agricultural production, the flow of safe agricultural by-product, rural financial services, agricultural tourism and urban ecological agriculture.

REASONS FOR ENTERING INTO THE COOPERATION AGREEMENT

The principal activity of the Company is investment holding. The Group is principally engaged in ocean fishing business, supply chain management services and money lending business.

The Company has been actively looking for opportunities to create shareholders’ value through making investments and/or acquiring businesses or entering into projects that have promising outlooks and prospects, in particular, marine fishing business and other related businesses. The Directors consider that entering into this Cooperation Agreement could provide an opportunity to the Company to expand its fishing business, and therefore it is in the interest of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Board”	The board of Directors;
“Cooperation Agreement”	The cooperation agreement dated 23 October 2020 made between Jin Yu Tang and ZHNK;
“Company”	China Ocean Group Development Limited (Stock code: 8047), a company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“Group”	The Company and its subsidiaries from time to time;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“Jin Yu Tang”	Jin Yu Tang Shenzhen Fishery Group Co., Ltd., a company established in the PRC with limited liability and is a subsidiary of the Company
“PRC”	People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“ZHNK”	Zhuhai Nong Kong Ocean Development Limited* (珠海市農控海洋發展有限公司)

* *for identification purposes only*

By Order of the Board
China Ocean Group Development Limited
Liu Rongsheng
Executive Director and Chairman

Hong Kong, 23 October 2020

As at the date of this announcement, the executive Directors are Mr. Liu Rongsheng, Mr. Fan Guocheng and Ms. Wei Qing; the non-executive Directors are Mr. Lui Chun Pong and Mr. Cai Haiming; and independent non-executive Directors are Mr. Kam Hou Yin, John, Mr. Lam Man Hing and Mr. Li Cao.

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 at <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.chinaoceangroup.com.hk>.