

NUTRYFARM INTERNATIONAL LIMITED

(Company Registration Number: 32308)

(Incorporated in Bermuda)

ENTRY INTO A DEED OF AMENDMENT AND SET-OFF

1. INTRODUCTION

The Board refers to the announcement dated 21 June 2019 (the “**Announcement**”) in respect of the Proposed Diversification of Business and Proposed Acquisition of 100% interest in Xinjiang Zhongtong Internet Science and Technology Development Co., Ltd..

Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Announcement.

2. ENTRY INTO A DEED OF AMENDMENT AND SET-OFF

The Board wishes to announce that further to the SPA, the Purchaser, Vendor and Mr. Wang Xiaoxin (“**WXX**”), the sole shareholder of the Vendor, have entered into a deed of amendment and set-off (the “**Deed**”) on 3 December 2019 to further set out the parties’ intention in respect of, *inter alia*, the payment of the Consideration Sum of the Sale Shares.

In connection with the previous proposed acquisition of 45% of the total number of issued shares of the Vendor announced on 15 March 2018, 20 July 2018, and 10 February 2019 respectively and the deed of sale and purchase dated 15 March 2018 (the “**Deed of S&P**”), the parties thereto had agreed for the Purchaser, through LottVision (Hong Kong) Limited (“**LVHK**”), a wholly-owned subsidiary of the Purchaser’s parent company, LottVision Holdings Limited, to provide a refundable deposit of an aggregate amount of HK\$91.4 million (“**Deposit**”) to WXX. On 3 December 2019, the parties to the Deed of S&P had entered into a deed of termination to terminate the Deed S&P and thereby agreed that WXX shall refund the Deposit in full to the Purchaser, through LVHK, without any interest thereon.

To date, the balance of the Deposit remains to be refunded by WXX to the Purchaser, through LVHK, is HK\$66.8 million (“**Remaining Deposit**”).

Pursuant to the Deed, the parties have mutually agreed that the Remaining Deposit shall be transferred and novated from WXX to the Vendor with effect from the Completion Date (“**Novation**”). On the Completion Date, subject to and following the Novation, the amount owing by the Vendor to the Purchaser, through LVHK, in respect of the Remaining Deposit shall be applied towards the payment of the Consideration Sum in the manner set out in the Deed.

In addition, further to Clause 3.1(a) of the SPA, the parties to the SPA have also mutually agreed that the completion of the sale and purchase of the Sale Shares shall be conditional upon the rectification of the irregularities set out in the Deed.

3. EXTENSION OF COMPLETION DATE IN RELATION TO THE SPA IN RELATION TO THE PROPOSED ACQUISITION OF 100% INTEREST IN XINJIANG ZHONGTONG INTERNET SCIENCE AND TECHNOLOGY DEVELOPMENT CO., LTD..

Pursuant to the Deed, the parties to the SPA have mutually agreed to extend the Completion Date of the SPA to 30 June 2020 or such date or such other date as the parties may mutually agree in writing.

4. FURTHER ANNOUNCEMENTS

The Company will make further announcements in relation to the Proposed Diversification and Proposed Acquisition as and when there are material developments.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

- 5.1 It is noted that Mr. Xu Haimin, a non-executive, non-independent director of the Company, has previously been appointed as director of XJZT, and its parent company, Zhonglian Shengtong, purely for the purposes of safeguarding the Company's interests in connection with the previously proposed acquisition of 45% of the equity interests of First Linkage Inc. (as announced on 15 March 2018, 20 July 2018 and 10 February 2019) and as such, is not interested in the Proposed Acquisition.
- 5.2 Subject to the disclosure in section 5.1, none of the Directors, and to the best knowledge of the Directors, none of the controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition and Proposed Diversification.
- 5.3 To the best knowledge of the Directors, there is no relationship between XJZT or its directors to any of the customers of XJZT. There is also no relationship between the Company or the Purchaser and their directors or controlling shareholder(s) to any of the customers of XJZT.

6. DIRECTORS' RESPONSIBILITY STATEMENT

- 6.1 The Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.
- 6.2 Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

7. DOCUMENTS AVAILABLE FOR INSPECTION

- 7.1 While the registered office of the Company is in Bermuda, the principal office of the Company is in Hong Kong and the office of the Company's share transfer agent is in Singapore. Taking into account that Hong Kong and Singapore are more accessible locations than Bermuda, copies of the following documents will be available for inspection at the principal office of the Company at Room 1916, 19/F, Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong, and the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during normal business hours for three (3) months from the date of the announcement:
- (a) the memorandum and bye-laws of the Company;
 - (b) the SPA; and
 - (c) the Deed.

BY ORDER OF THE BOARD

Luk Chung Po, Terence
Executive Director
3 December 2019