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BLOCKCHAIN GP
區塊鏈集團有限公司

BLOCKCHAIN GROUP COMPANY LIMITED
區塊鏈集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 364)

VOLUNTARY ANNOUNCEMENT
INVESTMENT IN BLOCKCHAIN FOOD TRACKING
TECHNOLOGY

This announcement is made by Blockchain Group Company Limited (the “**Company**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) is pleased to announce that on 15 March 2018, the Company entered into a technological services agreement (the “**Agreement**”) with an independent third party (the “**Service Provider**”) in relation to the provision of technological development and services of blockchain by the Service Provider.

Pursuant to the Agreement, the Service Provider shall undertake the technology development of both the underlying blockchain platform and the application level system for the intended “Blockchain Group Food Tracking Platform” (“**Blockchain Food Tracking Platform**”) for the Company. Blockchain technology development is expected to be completed by 30 May 2018 and will be rolled out around the world upon completion with provision of access mechanism.

Food safety is one of the priority concerns under the current national policies of the PRC. The traditional food tracking process has shown to be ineffective to promptly and properly trace and identify the source of problematic consumer food products mainly due to the incompatibility of information management system of each party in the supply chain. Manually recorded information of the food products by the suppliers in the chain may also be deficient and may be intentionally tempered with, potentially rendering the food tracking process inaccurate. The PRC government authorities may also face difficulties in exercising their regulatory functions due to the inability in tracing the source of the food safety problem.

The Blockchain Food Tracking Platform is intended to utilize the blockchain technology together the internet of things technology and the “examination and inspection technology” of modern agriculture to modernize the food tracking process. Blockchain technology brings about, among others, the decentralization of information and the security and inalterability of information so that the problem of incompatibility of information management system along the supply chain can be solved. Key information of food product at each supply chain is to be gathered automatically on blockchain with the use of internet of things technology as to minimize any potential man-made information error. The goal of the Food Tracking Platform is to accurately and efficiently track the information of consumer food products along the whole supply chain so that in case of any food safety issues the relevant regulators can promptly obtain the key information through the Food Tracking Platform to identify the source. Further, public confidence in the safety of food products can also be increased given that all such information are to be openly accessible on the Blockchain Food Tracking Platform.

Considering the increasing awareness of the public of and regulatory efforts in all countries around the world over food safety and food fraud issues, the Board is of the view the entering into of the Agreement for the purpose of the Food Tracking Platform will allow the Company to strengthen its as position as the provider of blockchain solutions to food safety, which is in the interest of the Company and its shareholders as a whole.

The Agreement and the transactions contemplated thereunder do not constitute a notifiable transaction for the Company under Chapter 14 or a connected transaction under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

By Order of the Board of
Blockchain Group Company Limited
Cai Yangbo
Executive Director

Hong Kong, 15 March 2018

As at the date of this announcement, the executive Directors are Mr. Cai Zhenrong, Mr. Li Dongfan, Mr. Cai Zhenyao, Mr. Cai Zhenying, Mr. Cai Yangbo, Mr. Choi Wing Toon, Mr. Chen Wenfang and Mr. Yan Ximao. The non-executive Director is Mr. Su Yichao. The independent non-executive Directors are Mr. Lawrence Gonzaga, Mr. Chin Hon Siang, Mr. Lin Hann Ruey and Mr. Wang Qidong.