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中國農林低碳控股有限公司

**CHINA AGROFORESTRY LOW-CARBON HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 01069)**

**VOLUNTARY ANNOUNCEMENT  
IN RELATION TO THE ACQUISITION OF SHENZHEN HENG FU  
DELAISI INTELLIGENT HOUSING LIMITED INVOLVING ISSUE OF  
CONSIDERATION SHARES UNDER SPECIFIC MANDATE**

Reference is made to the announcements of China Agroforestry Low-Carbon Holdings Limited (the “**Company**”) dated 22 April 2016, 21 June 2016, 15 July 2016 and 9 September 2016 (the “**Announcements**”) and the circular of the Company dated 27 June 2016 (the “**Circular**”) in relation to the acquisition (the “**Acquisition**”) of 深圳恒富得萊斯智能房屋有限公司 (for transliteration purpose only, Shenzhen Heng Fu Delaisi Intelligent Housing Limited). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcements and the Circular.

As disclosed in the Circular, inter alia, subject to the profit guarantee requirements, (i) in the event that the relevant audited net profit after taxation (prepared in accordance with HKFRS) of the Target Group is not less than RMB38,500,000 for the period (the “**2018 Guaranteed Period**”) from 1 January 2018 to 30 June 2018 (the “**2018 Profit Guarantee**”), the Company shall pay the Vendors RMB11,550,000 by cash and RMB26,950,000 by issue of Consideration Shares within 15 Business Days (or other time as agreed by the parties) after the issue of the audited consolidated accounts of Target Group for the 2018 Guaranteed Period; (ii) in the event that the Target Group fails to meet 70% of the 2018 Profit Guarantee or having net loss during the 2018 Guaranteed Period, the Company has no obligation to pay the relevant consideration or any part thereof to the Vendors for the 2018 Guaranteed Period unless the net profits of the Target Group (after tax) of the succeeding half-yearly guaranteed period or the succeeding full year exceeds the amount of Guaranteed Profit of that succeeding period with the surplus being sufficient to make up all or part of the shortfall of the preceding year whereby the Company shall pay back the relevant consideration to the Vendors on a pro rata basis.

The Board confirmed that the profit guarantee for the 2018 Guaranteed Period (a period from 1 January 2018 to 30 June 2018) was not met. This was mainly due to the fact that the net profit after tax for the 2018 Guaranteed Period was less than expected. The Target Group failed to meet 70% of the 2018 Profit Guarantee, and no consideration or any part thereof was paid to the Vendors for the 2018 Guaranteed Period in accordance with the terms of the Acquisition Agreement.

By order of the Board of  
**China Agroforestry Low-Carbon Holdings Limited**  
**Lei Zuliang**  
*Chairman and Executive Director*

Shenzhen, 17 August 2018

*As at the date of this announcement, the executive Directors are Mr. Lei Zuliang, Mr. Wang Yue and Professor Fei Phillip. The non-executive Director is Professor Liu Zhikun. The independent non-executive Directors are Ms. Tian Guangmei, Mr. Liang Guoxin and Mr. Liu Zhaoxiang.*