

China Fangda Group Co., Ltd.
Announcement on Signing Strategic Cooperation Framework
Agreement

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. No false record, misleading statement or significant omission is carried in this announcement.

Special Prompts

1. This agreement is only a framework agreement for cooperation between the two parties. There is uncertainty about the final implementation of the project. Please pay attention to the investment risks.

2. The signing of the framework agreement will not have a significant impact on the Company's financial status and operating results for this year.

3. Please refer to VI. Other Related Explanations in this announcement for information regarding the framework agreement and its implementation status disclosed by the company in the last three years.

I. Signing of the Investment Framework Agreement

China Fangda Group Co., Ltd. (hereinafter referred to as "the Company" or "Fangda Group") and the People's Government of Zhanggong District, Ganzhou City, Jiangxi Province signed the Strategic Cooperation Framework Agreement (hereinafter referred to as "the Framework Agreement") on September 28, 2022. The Company plans to invest in the construction of Fangda (Ganzhou) low-carbon intelligent manufacturing headquarters base

project in Zhanggong District, Ganzhou City, Jiangxi Province.

The agreement is an investment framework agreement. It does not constitute a related transaction or a material reorganization defined in Regulations on Material Capital Reorganization by Listed Companies. Based on the specific cooperation matters and the specific amounts involved, the company will implement appropriate decision-making procedures and disclosure obligations.

II. Introduction to the counterparty

The Company's partner is the People's Government of Zhanggong District, Ganzhou City, Jiangxi Province, which has a strong ability to perform the contract. The Company has no associated relationship with the People's Government of Zhanggong District, Ganzhou City, and has not had similar transactions with it in recent three years.

III. Framework Agreement

Party A: People's Government of Zhanggong District, Ganzhou City

Party B: China Fangda Group Co., Ltd.

(1) Cooperation details

Party B plans to invest a total of RMB2.2 billion (currency unit: RMB, the same below) in Zhanggong High Tech Zone, Ganzhou City to build the Fangda (Ganzhou) low-carbon intelligent manufacturing headquarters base, with a construction land of about 300 mu (determined according to the investment plan and land planning), mainly building production workshops, research and development and testing centers, exhibition centers, training centers, office and living supporting facilities, etc., for the smart curtain wall system manufacturing project PVDF aluminum veneer and other new material projects, aluminum alloy precision processing projects, BIPV photovoltaic building integration projects, precision steel component manufacturing projects, etc.

(2) Cooperation mechanism

Party A and Party B shall establish a long-term working mechanism, with the participation of the leaders in charge of both parties and the heads of relevant departments, establish a coordination group to

accelerate cooperation, form a task list and a department responsibility system, regularly communicate and consult on major issues, jointly study specific implementation measures, and ensure the smooth and effective implementation of the cooperation matters defined in the cooperation framework agreement.

(3) Term of cooperation

The term of cooperation starts from the effective date of this agreement and is valid for one year. One month before the expiration date, both parties can renew this agreement through friendly negotiation.

(4) Confidentiality

Both parties agree that relevant materials and information formed in the course of cooperation involve state secrets, trade secrets, business secrets and non-public information of the other party, and both parties have the responsibility and obligation of confidentiality. Without the written consent of the right party, neither party shall disclose them to other parties outside this agreement or use them for any purpose other than the purpose of this cooperation.

(5) Other terms

(1) This agreement is a framework document guiding the cooperation between the two parties, and it is not enforceable. In case of any inconsistency between the terms of this Agreement and the project or business contract, the project or business contract shall prevail.

(2) During the performance of this framework agreement, if any specific project is not implemented within one year after the agreement is signed, or the approval of the corresponding supervisor and superior unit is not obtained, or other major changes occur, which lead to the failure to achieve the purpose of cooperation between the two parties, the agreement can be terminated through negotiation, and both parties will not bear any liability for breach of contract.

(3) This agreement shall come into force after being signed by

authorized representatives of both parties and affixed with official seals or special seals for contract.

IV. Impacts on the Company

The signing of the Strategic Cooperation Framework Agreement coincides with with the Company's strategic plan. If the project goes ahead smoothly, it will further promote the development of the Company's intelligent curtain wall system manufacturing business, PVDF aluminum veneer and other new material businesses, enhance the Company's competitiveness and sustainable development capabilities, and will benefit the Company's future development.

The agreement signed this time is a framework agreement. During the implementation of specific projects, there may be unpredictable risks such as changes in the market environment, industrial policy adjustments, and so on. The impact on the Company's future business performance is uncertain, but it does not have a significant impact on the Company's current business performance.

The Company has no association with the People's Government of Zhanggong District, Ganzhou City, and the performance of the framework agreement has no impact on the independence of the Company's business.

V. Risks

1. The signing of this framework agreement will not have a significant impact on the Company's financial status and operating results in the current year, and the impact on the future annual operating results depends on the implementation of the project.

2. This agreement is an investment framework agreement, and the final implementation of the project is uncertain. The Company will perform corresponding decision-making and approval procedures for specific investment projects in accordance with relevant regulations, and timely perform the obligation of information disclosure. Investors are kindly requested to pay attention to investment risks.

VI. Others

1. The framework agreement disclosed by the company in the last three years and its implementation includes:

(1) On May 21, 2021, the Company signed the investment framework agreement with the People's Government of Xiegang Town, Dongguan City, Guangdong Province. The Company plans to invest in the development of Fangda Bay District Headquarters project in Xiegang Town, Dongguan City, Guangdong Province. The Company disclosed the announcement on signing the project investment framework agreement on May 22, 2021 and communicated and negotiated on specific matters. After careful consideration and comprehensive evaluation, based on commercial considerations, the Company will not promote the signing of formal agreements with Xiegang town government (see the announcement on March 30, 2022).

(2) On October 22, 2021, the Company signed the cooperation framework agreement on Wan'an Fangda photovoltaic building integration (BIPV) and distributed photovoltaic power generation project with the People's Government of Wan'an County, Jiangxi Province, to develop photovoltaic building integration (BIPV) and distributed photovoltaic power generation projects within the agreed scope of Wan'an county. On October 25, 2021, the Company disclosed the announcement on signing the cooperation framework agreement of Wan'an Fangda photovoltaic building integration (BIPV) and distributed photovoltaic power generation project, and communicated and discussed specific matters. Due to the objective conditions failing to meet the company's requirements, based on commercial considerations, the Company will not continue to promote the relevant matters of the "Wan'an Fangda photovoltaic building integration (BIPV) and distributed photovoltaic power generation project cooperation framework agreement" (see the announcement on August 30, 2022).

2. Within three months of the signing of this agreement, the company's actual controller, shareholders holding more than 5% of the shares, and

directors, supervisors, and senior executives have no changes in shareholding; within the next three months, the company's actual controller, shareholders holding more than 5% of the shares, and directors, supervisors, and senior executives have no changes in shareholding; The directors, supervisors, and senior executives are not in a position where the restricted shares are about to be lifted; as of the disclosure date of this announcement, the company had not received plans for actual controllers, shareholders holding more than 5% of the shares, and directors, supervisors, and senior executives to reduce their shareholding.

VII. Reference

Strategic Cooperation framework Agreement

The above is for the attention of the shareholders.

Board of Directors of China

Fangda Group Co., Ltd.

September 29, 2022