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CHINA ASIA VALLEY GROUP LIMITED

中亞烯谷集團有限公司

(formerly known as China Graphene Group Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

BUSINESS UPDATE

This announcement is made by the board (the “**Board**”) of directors (the “**Director**”) of China Asia Valley Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to inform its shareholders and potential investors of the business update on the Group’s development.

Strategic Cooperation Agreement

On 8 April 2021, China Asia Valley Property Management (Shenzhen) Co., Ltd.* (中亞烯谷物業管理(深圳)有限公司) (“**CA Property Management**”, a subsidiary of the Company) entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with Shenzhen Xinzhou City Property Management Co., Ltd.* (深圳市新洲城物業管理有限公司) (“**Xinzhou City**”).

Pursuant to the Strategic Cooperation Agreement, CA Property Management and Xinzhou City shall, on the basis of optimizing traditional property services, collectively explore the development of modern property value-added services, such as the utilization of “big data” and technology with a view of formulating a property management model that could fulfil the sense of comfortability, happiness and satisfaction of users. CA Property Management and Xinzhou City also expect to carry out a deepened cooperation in the aspects of property services personnel, technology and knowledge, including but not limited to mutual visits, exchanges and learning.

The term of cooperation under the Strategic Cooperation Agreement is three (3) years, which may be extended by written agreement to be entered into by both parties.

The details and particulars of the cooperation under the Strategic Cooperation Agreement shall be subject to a formal agreement to be entered into by the parties as and when appropriate.

Information of Xinzhou City

Xinzhou City is a property management company established in 1993 with a registered capital of RMB12 million. It has developed from a welfare housing property manager to a multi-regional property management enterprise with a management portfolio which includes high-end commercial and residential property projects combining various types of properties such as residential properties, shopping malls, office buildings and schools etc. Headquartered in Shenzhen, it has in recent years expanded its branches to other regions in the PRC, with a presence in Hefei, Nanning, Fujian, Chongqing and Hubei etc.

Reasons for and benefits of entering into the Strategic Cooperation Agreement

The Board is of the view that the entering into of the Strategic Cooperation Agreement will be beneficial to facilitate the Group's business development in the property management segment, and is in line with the Group's business strategy to expand the scale and optimize the service quality of its property management business.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
China Asia Valley Group Limited
Huang Binghuang
Chairman

Hong Kong, 8 April 2021

As at the date of this announcement, the Board consists of Mr. Huang Binghuang (Chairman and Chief Executive Officer) and Ms. Xia Ping as executive Directors; Ms. Wang Lijiao as a non-executive Director; and Mr. Lum Pak Sum and Mr. Duan Rihuang as independent non-executive Directors.

* *for identification purpose only*