

Press release
Lerum, January 10, 2018

Oboya establish Joint Venture Company

Oboya Horticulture Industries AB (publ) has through its wholly owned subsidiary Oboya Horticulture Industries HK Ltd ("Oboya") in China, signed a cooperation agreement with Beijing Kebai Sience Inc. Co., Ltd ("Kebai") in China to establish a Joint Venture. Company in China.

The cooperation agreement means that Oboya and Kebai will establish a joint venture company based in Laiwu City, Shandong Province, China during the first quarter 2018. Accordingly to the agreement, Oboya will own 51% of shares and remaining 49% will be owned by Kebai. The new Joint Venture Company will be named Oboya Kebai Digital Agriculture Technology Co., Ltd.

Purpose of the establishment of the Joint Venture Company is to develop and digitize the Chinese cultivation industry. The joint venture company will offer digitalization to its customers, consisting of farms and professional growers as well as private individual growers. Offer includes, for example, surveillance systems through sensors, wireless information transfer to cloud platform with intelligent control as well as application and development of different cultivation models. By digitizing the customer's cultivation activities, information is obtained at an early stage of cultivation, for example nitrogen content, moisture content, soil map for the ground and GPS positioning. With the relevant data, customers can balance the different values in the soil and their crops can maximize harvesting results, called precision agriculture.

The cooperation with Kebai, providing well-known technology for cultivation, enables and creates good conditions for Oboya to become a major player in the Chinese market. Kebai is a partner we can and wish to grow together with in China. In this way we get a good opportunity to achieve good growth in China, which is a market with a great potential for Oboya.

With the formation of the Joint Venture Company, the recruitment process is now started to find a general manager. The Board will consist of five members, of which two representatives from Oboya, two representatives from Kebai and a representative of Tus Holdings, who became the strategic owner of Oboya in connection with Oboya's Rights Issue 2017.

About Kebai

Kebai was founded in 2008 in Beijing, China, and its operation consist production, marketing and sales of technical equipment for precision agriculture. Kebai's products have been used extensively in China, the United States, Europe, Russia, Israel and other countries. For more information about Kebai, see <http://www.kebaiiot.com/>

SWEDEN CHINA NORWAY POLAND DENMARK JAPAN KENYA

Oboya Horticulture Industries AB, Snickarevägen 2, SE-443 61 Stenkullen, Sweden
Phone: + 46 (0)302-244 80
E-mail: info@oboaya.se
Web: www.oboaya.se

"Establish a Joint Venture Company with Kebai creates good opportunity for Oboya to become a major player in the Chinese market. We look forward to this cooperation Kebai and digitize the Chinese cultivation industry with precision agriculture technology," said Mikael Palm Andersson, CEO of Oboya Horticulture Industries AB.

Erik Penser Bank is Oboyas Certified Adviser at Nasdaq First North.

For any inquiry regarding this transaction, kindly contact:

Mikael Palm Andersson, CEO Oboya Horticulture Industries AB (publ)

Phone: + 46 070 899 80 70

E-mail: mpa@oboya.se

Homepage: www.oboya.se

This information is insider information that Oboya Horticulture Industries AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 16.20 on January 10 th, 2018.

About Oboya Horticulture Industries AB

Oboya Horticulture aims to become a world-leading total supplier of consumables and logistics products for the cultivation industry as well as consumer products for home cultivation and indoor environments. Production takes place in factories in China, Vietnam, Poland, Denmark and Kenya. More information about the company is available at www.oboya.se.

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