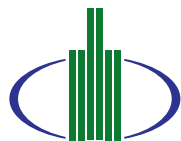


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WLS Holdings Limited
滙隆控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8021)

**MEMORANDUM OF UNDERSTANDING IN RELATION TO
PROPOSED ACQUISITION**

This announcement is made by WLS Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (“**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 21 September 2020 (after trading hours), the Company, as potential purchaser, entered into a non-legally binding memorandum of understanding (the “**MOU**”) with potential vendor (the “**Potential Vendor**”). Pursuant to the MOU, the Company intends to acquire, and the Potential Vendor intend to dispose of, part of the registered capital in 寧波乾達泓鑫集團有限公司 (the “**Target Company**”) (the “**Proposed Acquisition**”). The Target Company is a company incorporated in the People’s Republic of China (the “**PRC**”). The principal activities of the Target Company are: (i) the provision of corporate consultancy services; (ii) research and development of the new infrastructure technology; (iii) operation and management of the big data platform and; (iv) operation and development of the social platform.

* *For identification purpose only*

Principal Terms of the MOU

Date

21 September 2020 (after trading hours).

Parties

- (i) The Company; and
- (ii) the Potential Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Potential Vendor and their ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined under the GEM Listing Rules).

Consideration

The consideration for the Proposed Acquisition and the manner of payment shall be further negotiated between the Company and the Potential Vendor and be determined in the Formal Agreement (as defined below).

Exclusivity

During the period from the date of the MOU to 20 June 2021 (the "**Exclusivity Period**"), the Potential Vendor will, in good faith, negotiate with the Company exclusively on the Proposed Acquisition and will not (whether directly or indirectly through affiliate, agent or representative) discuss, negotiate and/or enter into any agreement, arrangement or understanding with any other party with respect to the disposal of the Target Company or any of its business.

Due diligence review

Pursuant to the MOU, the Company may conduct due diligence review on the business, financial and legal affairs of the Target Company upon signing of the MOU. The Potential Vendor shall use their best endeavours to procure the Target Company and its agent to provide such assistance and information as is necessary for the Company to complete its due diligence review on the Target Company.

Formal Agreement

The Company and the Potential Vendor shall use their best endeavours to procure a legally binding formal agreement in relation to the Proposed Acquisition (“**Formal Agreement**”) within the Exclusivity Period.

Termination

The MOU will be terminated at the earlier of:

- (i) the expiry of the Exclusivity Period; or
- (ii) the date of execution of the Formal Agreement.

Binding effect

Save for the provisions relating to the exclusivity, due diligence review, confidentiality, termination, notices, binding effect, governing law and jurisdiction, the MOU does not constitute a legally binding agreement on the parties to the MOU.

REASON FOR AND BENEFIT OF THE PROPOSED ACQUISITION

In order to maximise return to the Company and the shareholders of the Company, the Directors consider that it is in the interests of the Company and its shareholders as a whole to enter into the MOU to explore the possibility of diversification of the investment portfolios of the Group.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Acquisition are still being negotiated and no legally binding agreement has been entered into. The Proposed Acquisition, if materialised, may constitute notifiable transaction for the Company under the GEM Listing Rules. Further announcement will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

As the Proposed Acquisition may or may not proceed, shareholders and investors are reminded to exercise caution when dealing in the shares.

On behalf of the Board
WLS Holdings Limited
So Yu Shing
Chairman

Hong Kong, 21 September 2020

As at the date of this announcement, the Board comprises Dr. So Yu Shing (Chairman and Executive Director), Mr. Kong Kam Wang (Executive Director and Chief Executive Officer), Ms. Lai Yuen Mei, Rebecca (Executive Director), Mr. So Wang Chun, Edmond (Executive Director), Mr. Tse Fung Chun (Executive Director), Mr. Law Man Sang (Independent Non-executive Director), Ms. Lam Wai Yu (Independent Non-executive Director) and Mr. Lo Ka Ki (Independent Non-executive Director).

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website and on the website of the Company at www.wls.com.hk at least 7 days from the date of its posting.

** For identification purposes only*