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## **Yik Wo International Holdings Limited**

**易和國際控股有限公司**

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

**(Stock Code: 8659)**

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION**

This announcement is made by Yik Wo International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide shareholders (the “**Shareholders**”) and potential investors of the Company with updated information on the business development of the Group.

#### **MEMORANDUM OF UNDERSTANDING**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 4 March 2022 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Mr. Hu Kun (胡昆) (the “**Potential Vendor**”) in relation to a possible acquisition (the “**Possible Acquisition**”) of the entire equity interest in Beijing Youpinhui Trading Co., Ltd.\* (北京優拼匯商貿有限公司) (the “**Target Company**”) by the Group.

Pursuant to the MOU, during the period commencing from the date of the MOU and ending on the later of (i) sixty (60) days upon entering into of the MOU; or (ii) such later date as the parties to the MOU may agree (the “**Exclusivity Period**”), the Potential Vendor as well as its representatives and agents shall not, directly or indirectly, initiate or encourage inquiries or invitations, initiate or continue negotiation or provide any information, or enter into any agreement, arrangement or understanding with any other party other than the Group in relation to the sale or transfer of interest or material assets of the Target Company.

Upon entering into of the MOU and during the Exclusivity Period, the Group (and its advisers and/or agents) shall be entitled to conduct due diligence review on the assets, liabilities, operations and financial affairs of the Target Company. The Potential Vendor shall provide assistance to the Group (and its advisers and/or agents) in this respect.

The parties to the MOU shall negotiate in good faith in ensuring the formal agreement in relation to the Possible Acquisition be entered into as soon as possible upon completion and satisfaction on due diligence results on the Target Company. The consideration of the entire equity interest in the Target Company will be agreed in due course, and no deposit shall be paid by the Company to the Potential Vendor upon the signing of the MOU. The MOU does not create legally binding obligations on the parties as to the substantive terms in relation to the Possible Acquisition (including the percentage of interest to be acquired, consideration and any capital commitment).

## **INFORMATION ABOUT THE TARGET COMPANY**

According to the information provided by the Target Company, the Target Company is a company incorporated in the People's Republic of China on 18 December 2019 with limited liability, and is principally engaged in the development and operation of mobile app and e-commerce platform namely 優拼匯 (“**Youpinhui**”), enabling its users to purchase daily necessities and agricultural products via the mobile app.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Target Company and the Potential Vendor are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**“).

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU**

The Group is principally engaged in the design and development, manufacturing and sales of disposable plastic food storage containers in the PRC. While the Group will continue to expand its market share in the disposable plastic food storage container market, the Group has been exploring potential business opportunities from time to time in order to diversify its business, broaden its income source and eventually optimise the returns to the Shareholders.

The Directors consider that the entering into the MOU is in the interest of the Group and its shareholders as a whole as the cooperation contemplated under the MOU, if materialised, are expected to enlarge the income source of the Group.

## **GENERAL**

Save for certain provisions such as the provisions on confidentiality, exclusivity and governing law, other terms of the MOU are non-legally binding.

Subject to further negotiations with the Potential Vendor and finalisation of a formal agreement, further announcement(s) will be made by the Company in respect of the Possible Acquisition in accordance with all applicable requirements of the GEM Listing Rules as and when appropriate.

**As the MOU is not a legally binding agreement in relation to the Possible Acquisition, the Possible Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Yik Wo International Holdings Limited**  
**Xu Youjiang**  
*Chairman and Executive Director*

Hong Kong, 4 March 2022

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Youjiang, Ms. Xu Liping and Mr. Zhang Yuansheng; and three independent non-executive Directors, namely Mr. Chung Chi Kit, Mr. Liu Dajin and Mr. Deng Zhihuang.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 Listed Company Information” page of GEM’s website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.yikwo.cn](http://www.yikwo.cn).*

\* *For identification purposes only*