

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SIMPLICITY HOLDING LIMITED

倩碧控股有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8367)

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED ACQUISITION

This announcement is made pursuant to Rule 17.10(2) of the GEM Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

On 21 December 2022 after trading hours, the Purchaser, a wholly owned subsidiary of the Company, entered into the MOU with the Vendor in relation to the proposed acquisition of the Target. The Vendor is the ultimate beneficial owner of the Target which is principally engaged in providing aircraft engine stand repair services and aviation related catering services.

To the best of the Directors' information and belief having made all reasonable enquiries, the Vendor is a third party independent of the Company and its connected persons.

Under the MOU, the Vendor shall not directly or indirectly negotiate or agree with any other party relating to the Proposed Acquisition or do anything which is inconsistent with the Proposed Acquisition for a period of 3 months ("**Exclusive Period**") from the date of the MOU.

In consideration of the Vendor granting the Exclusive Period, the Purchaser shall pay to the Vendor a refundable earnest money of HK\$1 million within 5 business days from the date of the MOU.

The MOU does not create legally binding obligations on the parties in relation to the Proposed Acquisition but is legally binding as to such terms relating to exclusive period and confidentiality. The Proposed Acquisition is subject to the negotiation and execution of a formal sale and purchase agreement between the parties.

The MOU shall terminate upon the earlier of : (i) expiry of the Exclusive Period, or (ii) execution of the formal sale and purchase agreement relating to the Proposed Acquisition or (iii) not less than 7 days written notice of termination of the MOU being given by any party to the other. The Earnest Money shall be repaid to the Purchaser forthwith upon termination of the MOU.

As the MOU is not legally binding with regard to the Proposed Acquisition, it may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the expressions below have the following meanings:

“Company”	Simplicity Holding Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“MOU”	the memorandum of understanding dated 21 December 2022 made between the Vendor and the Purchaser
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“PRC”	The People’s Republic of China
“Proposed Acquisition”	the proposed acquisition of the Target
“Purchaser”	Jumbo Spirit Group Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	High Smart Engineering Limited, a company incorporated in Hong Kong
“Vendor”	Wong Sai Cheong

By Order of the Board
Simplicity Holding Limited
Choi Pun Lap
Executive Director

Hong Kong, 21 December 2022

As at the date of this announcement, the executive Directors of the Company are Ms. Wong Sau Ting Peony and Mr. Choi Pun Lap; and the independent non-executive Directors of the Company are Mr. Yeung Man Sun, Mr. Lo Cheuk Fei Jeffrey and Mr. Wong Hoyen Pegasus.

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 GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the date of its publication and posting and will be published and remains on the website of the Company at <http://www.simplicityholding.com>.

* *For identification purpose only*