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**JIMU GROUP LIMITED**  
**積木集團有限公司**

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

**(Stock Code: 8187)**

**VOLUNTARY ANNOUNCEMENT**  
**MEMORANDUM OF UNDERSTANDING**  
**IN RELATION TO POSSIBLE SUBSCRIPTION OF INCREASED**  
**REGISTERED CAPITAL OF THE TARGET COMPANY**

**MEMORANDUM OF UNDERSTANDING**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 18 April 2024 (after trading hours), the Company, as potential investor, entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Guangzhou Huaxing Media Co., Ltd.\* (廣州市華星傳媒有限公司) (the “**Target Company**”). Pursuant to the MOU, the Company intends to subscribe for the increased registered capital of the Target Company (the precise figure to be further negotiated between and determined by the Company and the Target Company in the Formal Agreement (as defined below)) by way of capital contribution (the “**Possible Capital Contribution**”).

**Principal Terms of the MOU**

Date: 18 April 2024 (after trading hours)

Parties:

- (1) the Company; and
- (2) the Target Company.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Target Company and its ultimate beneficial owner(s) 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**”).

## **Consideration**

The consideration for the Possible Capital Contribution will be further negotiated between and determined by the Company and the Target Company in the Formal Agreement.

## **Exclusivity**

During the period of 60 days from the date of the MOU (the “**Exclusivity Period**”), the Target Company will, in good faith, negotiate with the Company exclusively on the Possible Capital Contribution and will not (whether directly or indirectly through its directors, staff, employees or representatives) discuss, negotiate and/or enter into any agreement, arrangement or understanding with any other party with respect to the subscription of the registered capital of the Target Company.

## **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 Target Company shall use its best endeavours to and procure 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 Target Company shall use their best endeavours to procure the entering into of a legally binding formal agreement in relation to the Possible Capital Contribution (the “**Formal Agreement**”) within the Exclusivity Period.

## **Termination**

Unless mutually agreed otherwise in writing, 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.

## **Non-legally Binding Effect**

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

## **INFORMATION ON THE TARGET COMPANY**

The Target Company is a company incorporated in the People's Republic of China (the "PRC") with limited liability. It principally engaged in the business of operating live broadcast platform and is actively engaging in the short video market and development of influencer marketing through an online platform in the PRC.

## **REASONS FOR AND BENEFIT OF THE POSSIBLE CAPITAL CONTRIBUTION**

The Group is principally engaged in the footwear, apparel and sports-related peripheral products businesses.

As disclosed in the annual report of the Company for the year ended 31 December 2023, there was a decreasing trend in the Group's revenue, in particular, in the trading of footwear. The Directors consider that the investment by way of capital contribution into a media company that specialises in operating live broadcast platform and influencer marketing business will help promote the Group's business and expand the Group's sales and marketing channel. It is expected that the Possible Capital Contribution, if materialised, will bring positive impact on the Group's business and financial position.

The Board considers that the terms of the MOU are fair and reasonable and that the Possible Capital Contribution is in the interest of the Company and the shareholders of the Company as a whole.

## **GENERAL**

As at the date of this announcement, the terms and conditions of the Possible Capital Contribution are still being negotiated and no legally binding agreement has been entered into. The Possible Capital Contribution, if materialises, further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

**As the Possible Capital Contribution may or may not proceed, shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Jimu Group Limited**  
**Tsang Hing Bun**  
*Executive Director*

Hong Kong, 18 April 2024

*As at the date of this announcement, the executive Director of the Company is Dr. Tsang Hing Bun; the non-executive Director of the Company is Mr. Shum Tsz Yeung; and the independent non-executive Directors of the Company are Mr. Hung Wai Che, Mr. Choi Ho Yan and Mr. Yiu Yu Hong John.*

*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 the GEM of The Stock Exchange of Hong Kong Limited 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 Announcements” page of the Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company’s website at <http://www.jimugroup8187.com>.*

*\* For identification purpose only*