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**Best Mart 360 Holdings Limited**

**優品360控股有限公司**

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

**(Stock Code: 2360)**

**ANNOUNCEMENT**

**PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE,  
RULE 13.09 OF THE LISTING RULES AND  
INSIDE INFORMATION PROVISIONS UNDER  
PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE**

This announcement is made by Best Mart 360 Holdings Limited (the “**Company**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**THE MOU AND POSSIBLE SALE AND PURCHASE OF SHARES OF THE COMPANY**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that the Board has been informed by Mr. Lin Tsz Fung (“**Mr. Lin**”) and Ms. Hui Ngai Fan (“**Ms. Hui**”) (the ultimate controlling shareholders of the Company, each of whom holding 375,000,000 shares of the Company (the “**Shares**”), representing 37.5% of the total issued Shares as at the date of this announcement) that, on 24 August 2022, they and entities 100%-owned by them (the “**Potential Vendors**”) entered into a memorandum of understanding (the “**MOU**”) with China Merchants Hoi Tung Trading Company Limited (the “**Potential Purchaser**”), in relation to the possible sale and purchase of the Shares.

The Potential Purchaser is a comprehensive trading company covering food, transportation, and commodity, with subsidiaries in 10 cities in China and 7 branches overseas and is a wholly-owned subsidiary of China Merchants Group Limited, which is a state wholly-owned enterprise under the direct control of the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China. To the best knowledge of the Directors based on the available information after making reasonable enquiries, the Potential Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

Pursuant to the MOU, the Potential Purchaser intends to purchase, and Mr. Lin and Ms. Hui intend to sell (through the Potential Vendors) in equal share, 490,000,000 Shares in aggregate, representing 49% of the total issued Shares as at the date of this announcement (the "**Possible Transaction**"). The Possible Transaction is subject to further negotiation and execution of a definitive sale and purchase agreement among the parties. Under the MOU, parties to the MOU (the "**Parties**") shall not enter into any arrangement or transaction (or enter into any discussion or negotiations for such arrangement or transaction) with any third party that would in any way be inconsistent with or prevent the Possible Transaction for a period of six months after the execution of the MOU (the "**Exclusivity Period**"). The MOU shall be automatically terminated if the Parties have not executed a definitive sale and purchase agreement for the Possible Transaction within nine months from the date of the MOU.

The MOU does not create legally binding obligations on the parties in relation to the Possible Transaction, save for certain provisions relating to (among others) the Exclusivity Period, confidentiality, termination, costs and governing law.

As at the date of this announcement, save as the MOU, no formal or legally binding agreements have been entered into in respect of the Possible Transaction, and negotiation thereof is still in progress and the Possible Transaction may or may not proceed.

## **POSSIBLE GENERAL OFFER**

If completion of the Possible Transaction takes place, it will lead to a change in control of the Company and a mandatory general offer in respect of all the Shares (except the Shares which the Potential Purchaser and parties acting in concert with the Potential Purchaser already owned and/or agreed to acquire) pursuant to Rule 26.1 of the Takeovers Code (the "**Possible MGO**"). The Company understands that the Potential Purchaser intends not to hold more than 49% of the total issued Shares upon completion of the Possible MGO; if the Potential Purchaser is to make the Possible MGO, its shareholding in the Company upon completion of the Possible MGO may be over 49%. Therefore, the Parties' intention under the MOU is that the Potential Vendors (and not the Potential Purchaser) shall fulfill or procure the fulfillment of the Possible MGO. The Potential Vendors and the Potential Purchaser acknowledge that they are parties acting in concert to consolidate control of the Company for the purpose of the Takeovers Code by virtue of entering into the Possible Transaction, if materialised.

## **RELEVANT SECURITIES OF THE COMPANY**

As at the date of this announcement, the Company has in issue a total of 1,000,000,000 Shares. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date hereof.

## **MONTHLY UPDATE**

In compliance with Rule 3.7 of the Takeovers Code, monthly update announcement(s) will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

## **DEALING DISCLOSURE**

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 24 August 2022. In accordance with Rule 3.8 of the Takeovers Code, respective associates of the Company and the Potential Vendors (as defined in the Takeovers Code, including among others, shareholders of the Company and shareholders of the Potential Vendors having interests of 5% or more in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and the Potential Vendors respectively) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

## **RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES**

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.

**WARNING: THERE IS NO ASSURANCE THAT THE POSSIBLE TRANSACTION WILL MATERIALISE OR EVENTUALLY BE CONSUMMATED AND THE RELEVANT DISCUSSIONS MAY OR MAY NOT LEAD TO A GENERAL OFFER UNDER RULE 26.1 OF THE TAKEOVERS CODE. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. PERSONS WHO ARE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE SHOULD CONSULT THEIR STOCK BROKERS, BANK MANAGERS, SOLICITORS OR OTHER PROFESSIONAL ADVISERS.**

By Order of the Board  
**Best Mart 360 Holdings Limited**  
**Lin Tsz Fung**  
*Chairman and Executive Director*

Hong Kong, 24 August 2022

*As at the date of this announcement, the executive Directors are Mr. Lin Tsz Fung and Ms. Hui Ngai Fan; and the independent non-executive Directors are Mr. Sze Irons, Ms. Choy So Yuk and Mr. Lee Ka Lun.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*