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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 ACQUISITION

This announcement is made by Jimu Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of keeping shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to announce that on 10 November 2021, the Company and Mr. Li Kwok Ming and Mr. Dai Aleix (collectively the “**Vendors**”, and together with the Company, the “**Parties**”) entered into a non-legally binding memorandum of understanding (the “**MOU**”) in relation to the possible acquisition by the Group (the “**Possible Acquisition**”) of approximately 67% interests in Stay Fresh Footwear Inc., a footwear company specializing in premium and collector sneakers, streetwear, and accessories in Canada (the “**Target Company**”), which is owned by the Vendors as to approximately 67% as at the date of the MOU.

To the best of the knowledge, information and belief of the Directors after having made reasonable enquiries, the Vendors are third parties independent of and not connected with the Group 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**”)).

Pursuant to the terms of the MOU, the Company is entitled to conduct due diligence review in connection with the Possible Acquisition on or before 31 March 2022 or such other date as may be agreed in writing between the Parties. The Vendor shall provide to the Company the documents and information reasonably necessary for the evaluation of the Possible Acquisition upon request for due diligence purpose.

The Board wishes to emphasise that the MOU does not create legally binding obligations on the Parties in relation to the Possible Acquisition, save as to, *inter alia*, the right of exclusivity on the negotiation for the Possible Acquisition under the MOU. As no legally binding agreement in relation to the Possible Acquisition has been entered into as of the date of this announcement, the Possible Acquisition may or may not materialise. There is no assurance that the Possible Acquisition will proceed or as to when it may take place.

The Board considers that the Possible Acquisition, if materialised, will provide an additional and diversified income stream in our trading business so as to enhance the return of the Shareholders.

As the terms and conditions of the Possible Acquisition have not yet been finalised, should there be any further information arising indicate the disclosure obligation under Chapter 19 of the GEM Listing Rules, the Company will make further announcement(s) as and when appropriate in accordance with the relevant requirements.

As the MOU may or may not lead to the entering into of the definitive agreement and the Possible Acquisition may or may not materialise. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
Jimu Group Limited
Dong Jun
Executive Director and Chairman

Hong Kong, 10 November 2021

As at the date of this announcement, the executive Directors are Mr. Dong Jun, Mr. Huang Zexiong, Mr. Chen Zuze and Mr. Sheung Kwong Cho; the non-executive Director is Mr. Wen Cyrus Jun-ming; and the independent non-executive Directors are Mr. Ni Zhixing, Mr. Eric Todd and Mr. Lam Wai Hung.

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 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 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 Listed Company Information” page on the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.jimugroup.hk. In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.