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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 – STRATEGIC COOPERATION

This announcement is made by Jimu Group Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 3 December 2024 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Aolaitong (Beijing) Electronic Commerce Co., Ltd.* (奧萊通(北京)電子商務有限公司) (the “**Potential Partner**”), in relation to the strategic cooperation in retail and e-commerce business (the “**Potential Cooperation**”).

MEMORANDUM OF UNDERSTANDING

Key Points of the Strategic Cooperation

Under the MOU, the Group and Potential Partner have agreed to establish a retail and e-commerce expansion partnership to leverage their respective strengths in the footwear, apparel, and luggage sectors. This strategic cooperation aims to enhance the Group’s market presence and product offerings by utilising Potential Partner’s industry resources, distribution channels, retail networks, and e-commerce platforms to support the Group’s expansion in these business areas.

The cooperation will focus on joint business development initiatives, including co-developing product lines tailored for the outlet market to provide consumers with a broader range of choices and an enriched shopping experience. The potential to introduce co-branded or special edition product lines will also be explored, targeting an expanded customer base and enhancing the Group’s competitive advantage in the market. To further strengthen market influence, both parties will engage in joint marketing and promotional activities, combining their resources and expertise to achieve mutual business growth.

To effectively implement this cooperation, the Group and Potential Partner will form a joint working group responsible for coordinating strategic initiatives and overseeing project execution. Both parties have committed to providing the necessary resources, including funding, personnel, technology, and distribution capabilities, to support the growth of the footwear, apparel, and luggage business under the partnership.

Exclusivity Period

For six months from the date of the MOU (or as extended by mutual agreement) (the “**Exclusivity Period**”), the Company and the Potential Partner agree not to engage, nor allow their affiliates or representatives to engage, in discussions with any third party regarding the Potential Cooperation or similar projects. Both parties shall promptly notify each other of any third-party inquiries during this period.

Formal Agreement

Each of the parties to the MOU agrees to use all reasonable endeavours to negotiate the terms and conditions of a legally binding cooperation agreement between the relevant parties in relation to the Potential Cooperation (the “**Formal Agreement**”).

Termination

The parties to the MOU agree that:

- (i) if the signing of the Formal Agreement does not take place within the Exclusivity Period, the MOU shall be terminated with immediate effect; or
- (ii) if the Company and the Potential Partner enter into the Formal Agreement within the Exclusivity Period, the MOU shall be terminated with immediate effect.

The MOU shall be terminated at the occurrence of any of the above two events, whichever is earlier.

BACKGROUND OF THE POTENTIAL PARTNER

The Potential Partner is a member of the Outlets Group* (奧特萊斯集團) and co-operates with a number of outlet projects in China, mainly providing industry resources, channels, commercial retail outlets, scenarios, e-commerce platforms, as well as supply chain resource services for full-branded merchandise such as garments, apparel, footwear and hats, bags, leather goods and cosmetics. The Potential Partner possesses rich experience in commercial development and operation, strong resource integration capability and good government-enterprise relations.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Potential Partner and its ultimate beneficial owners are independent third parties and are not connected with the Company and its connected persons (as defined in 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 engaged in the footwear, apparel and sports-related peripheral products businesses. Entering into the MOU with the Potential Partner, a key player in the shopping outlet and retail industry, aligns with the Group’s strategic objectives to expand its market presence and strengthen its business offerings. This partnership is expected to enhance the Group’s access to valuable industry resources, such as expanded distribution channels, commercial retail networks, and e-commerce platforms, to support its growth and reach. The Board also believes that this collaboration will provide substantial benefits by allowing the Group to leverage the Potential Partner’s established resources to broaden product availability and boost consumer engagement.

The Board is of the view that the Potential Cooperation, if materialised, represents an opportunity for the Group to diversify its revenue stream and is in the interests of the Company and the Shareholders as a whole.

NATURE OF THE MOU

The MOU does not constitute a legally binding commitment concerning the Potential Cooperation, except for clauses related to confidentiality and governing law. The Potential Cooperation between the Group and the Potential Partner will only be confirmed after the negotiation and execution of the Formal Agreement.

GENERAL

The Board wishes to emphasise that the Potential Cooperation under the MOU may or may not materialise, and no legally binding agreement in relation to the transactions contemplated under the MOU has been entered into as of the date of this announcement. Should the transactions proceed, further announcements will be made in accordance with the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Jimu Group Limited
Dong Bin
Executive Director

Hong Kong, 3 December 2024

As at the date of this announcement, the executive Directors of the Company are Dr. Tsang Hing Bun and Dr. Dong Bin; the non-executive Director of the Company is Mr. Shum Tsz Yeung; and the independent non-executive Directors of the Company are Mr. Choi Ho Yan, Mr. Hung Wai Che 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 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 of the Stock Exchange’s website at www.hkexnews.hk for at least seven days from the day of its publication and on the Company’s website at <http://www.jimugroup8187.com>.

* For identification purpose only