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## **SHARE ECONOMY GROUP LIMITED**

**( 共享經濟集團有限公司 )**

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

**(Stock Code: 1178)**

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION OF THE TARGET COMPANY**

The Board is pleased to announce that on 5 July 2017, Hui Yin, an indirectly wholly-owned subsidiary of the Company entered into the non-legally binding MOU with the Vendors in relation to the Possible Acquisition.

**The Board wishes to emphasise that the MOU is not legally binding and the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. Shareholders and investors of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company as and when appropriate in compliance with the Listing Rules.**

This announcement is made by the Company voluntarily.

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#### **THE MOU**

Date: 5 July 2017

Parties: (1) Mr. Chung Kok Piu and Ms. Mao Lihua, as the Vendors; and  
(2) Hui Yin, as the Purchaser

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors are Independent Third Parties.

## **Assets intended to be acquired**

Pursuant to the MOU, it is proposed that the Purchaser intends to acquire and the Vendors intend to sell a total of not less than 51% of the issued shares of the Target Company.

The Target Company is principally engaged in activities involving health foods and supplements.

As at the date of this announcement, the Target Company is owned as to 51% by Mr. Chung Kok Piu and 49% by Ms. Mao Lihua.

## **Sale and Purchase Agreement**

The Vendors and the Purchaser shall negotiate in good faith towards the other in ensuring that the Sale and Purchase Agreement be entered into between the Vendors and the Purchaser as soon as possible and subject to the Purchaser's satisfaction of due diligence review on the Target Company, on or before 29 September 2017 or such later date as the Vendors and the Purchaser may mutually agree.

## **Due diligence**

Upon signing of the MOU, the Purchaser shall and shall procure its advisers and agents to conduct such review of the assets, liabilities, operations and affairs of the Target Company as it may consider appropriate and the Vendors shall provide and procure the Target Company and its agents to provide such assistance as the Purchaser and its advisers and agents may require in connection with such review.

## **Exclusivity**

The Vendors will not, and will procure that the Target Company and its representatives and advisers will not from the date of the MOU to 29 September 2017 (or such other date as the parties may agree) (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Purchaser with respect to the sale or other disposition of the Sale Shares or any other shares of the Target Company.

**The Board wishes to emphasise that the MOU is not legally binding and the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. Shareholders and investors of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company as and when appropriate in compliance with the Listing Rules.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

“Board”	board of Directors;
“Company”	Share Economy Group Limited, a company incorporated in the Cayman Islands with limited liability, whose issued Shares are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Parties”	independent third parties who are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MOU”	the memorandum of understanding dated 5 July 2017 and entered into between the Purchaser and the Vendors in relation to the Possible Acquisition;
“Possible Acquisition”	the possible acquisition by the Purchaser of not less than 51% of the issued shares of the Target Company;
“Purchaser” or “Hui Yin”	Hui Yin Science and Technology Group Corporation Limited, a company incorporated in Hong Kong and indirectly wholly-owned by the Company;
“Sale and Purchase Agreement”	agreement for the sale and purchase of the Sale Shares (in form and substance satisfactory to the Purchaser) to be entered into between the Vendors and the Purchaser in relation to the Possible Acquisition;
“Sale Shares”	not less than 5,100 ordinary shares of the Target Company, representing not less than 51% of the issued shares of the Target Company;
“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company;

“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Global Functional Foods Group Limited, a company incorporated in Hong Kong with limited liability;
“Vendors”	Mr. Chung Kok Piu and Ms. Mao Lihua, the vendors under the MOU;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent.

By order of the Board  
**Share Economy Group Limited**  
**Zhou Guohua**  
*Executive Director*

Hong Kong, 5 July 2017

*As at the date of this announcement, the Board comprises Mr. Zhou Guohua, Mr. Xu Zhifeng, Mr. Wong Kui Shing, Danny, Ms. Meng Xiaoqian and Ms. Christina Chan as executive Directors; Mr. Chan Shun Yee and Mr. Zhou Jian as non-executive Directors; and Mr. Su Rujia, Dr. Wang Edward Xu, Mr. Ng Kwok Kei Sammy and Mr. Chen Zhihua as independent non-executive Directors.*