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AM GROUP HOLDINGS LIMITED

創世紀集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1849)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE BUSINESS COOPERATION

This announcement is made voluntarily by AM Group Holdings Limited (“the **Company**”, together with its subsidiaries collectively referred to as the “**Group**”).

MEMORANDUM OF UNDERSTANDING

The board of directors of the Company (the “**Directors**” and the “**Board**” respectively,) is pleased to announce that on 16 April 2020, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Show Times (Chongqing) Technology Co. Ltd. (the “**Prospective Partner**”), pursuant to which the Company and the Prospective Partner will cooperate in the Peoples Republic of China (“**PRC**”) to make use of the strength of both parties to synergise and jointly develop an e-commerce business.

Meanwhile, the Company and the Prospective Partner are in the process of discussing possible ways of cooperation (the “**Discussion**”), which may include (i) the formation of a joint venture in the PRC between the Company and the Prospective Partner; or (ii) the Company’s investment in the Prospective Partner. As at the date of the MOU, none of the terms or form of the cooperation has been finalised.

Upon the conclusion of the Discussion, a formal agreement will be signed between the parties, and amongst other terms, the Group will be responsible for web design as well as technical knowledge and expertise support in search engine etc. and the Prospective Partner will be responsible for providing online platforms and developing business in the PRC. Mr. Mou Lei, the ultimate beneficial owner of the Prospective Partner, will be the key person in-charge of the business operations and business development in the PRC in respect of the business cooperation.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Prospective Partner and Mr. Mou Lei are independent third parties of and not connected with the

Company and its connected persons (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)).

BACKGROUND OF THE PROSPECTIVE PARTNER

The Prospective Partner is a limited company established in Chongqing, the PRC. Mr. Mou Lei is the ultimate owner of the Prospective Partner. The Prospective Partner is engaged in the operation of online e-commerce platforms, including the development of online e-commerce platforms, construction of commodity supply chain system based on internet business-to-business, business-to-consumer operations, and an innovative business model of “Internet mall + show”.

Mr. Mou Lei founded the Prospective Partner in 2019 and has been acting as its chief executive officer to take charge of the overall operation and to ensure the realisation of business goals. Mr. Mou Lei has over 17 years of work experience, which includes (i) more than 2 years of supply chain financial management experience; (ii) more than 6 years of Online Travel Agent market management experience; and (iii) more than 7 years of online-to-online platform operation management experience. He has led a team of more than 500 people and has business management experience in more than 300 regions in the PRC and elsewhere in total. His experience covers the industries of tourism, life services, health care, supply chain finance, etc. and he has unique insights in the field of mobile Internet.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

With the Company’s listing status in Hong Kong, the Group is able to increase its exposure in the PRC market and seek collaboration with PRC-based digital platforms. Leveraging on Mr. Mou Lei’s vast experience in the online business in the PRC, the Company’s strategic co-operation with the Prospective Partner is expected to allow the Group to tap into the PRC market and in turn to engage PRC-based online business entities to the Southeast Asia market. The Directors believe that this new business venture will help the Group to further expand and diversify its business operations as well as client base. If the cooperation is materialised, the Company may consider changing its Chinese name to “Xiu Shang Shi Dai” to facilitate the promotion of the Group’s recognition in the PRC market.

GENERAL

The Board wishes to emphasize that the cooperation contemplated under the MOU may or may not proceed and that the parties have not entered into a legally binding agreement in relation to the transaction contemplated under the MOU as at the date of this announcement. If the transactions contemplated under the MOU materialise, the Company will make further announcements as and when appropriate in accordance with the Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
AM Group Holdings Limited
Teo Li Lian

Chairlady, Executive Director and Chief Executive Officer

Hong Kong, 16 April 2020

As at the date of this announcement, the Board comprises two executive Directors, namely Ms. Teo Li Lian (Chairlady and Chief Executive Officer) and Mr. Teo Kuo Liang; and three independent non-executive Directors, namely Mr. Chung Kwok Hoe, Mr. Tan Eng Ann and Mr. Lee Shy Tsong.