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## **SIMPLICITY HOLDING LIMITED**

**倩碧控股有限公司\***

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

**(Stock Code: 8367)**

### **VOLUNTARY ANNOUNCEMENT**

## **DISPOSAL OF 50% EQUITY INTERESTS IN JOINT VENTURE COMPANY**

This announcement is made by Simplicity Holding Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) on a voluntary basis to keep the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Group.

Reference is made to the announcements of the Company dated 18 April 2019 and 15 May 2019 and the circular of the Company dated 31 May 2019 (the “**Circular**”) in relation to the entering into of the joint venture agreement between Foodies Group Limited (“**FGL**”), a wholly-owned subsidiary of the Company, Cabletron Investments Limited, DCL Logistics (Hong Kong) Limited, and Mr. Yau Wai Leung, in relation to Well Strong Holdings Limited (the “**JV Company**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Circular.

The board of directors (the “**Board**”) of the Company is pleased to announce that on 30 August 2021, FGL and Yap Chun Wing Damian (the “**Purchaser**”), an Independent Third Party, entered into a sale and purchase agreement (the “**Disposal Agreement**”) pursuant to which FGL agreed to sell, and the Purchaser agreed to purchase 5,000 shares, representing 50% equity interests, in the JV Company, for a consideration of HK\$50,000 (the “**Disposal**”) and completion of the Disposal has taken place on 30 August 2021. The Consideration was determined after arm’s length negotiations between FGL and the Purchaser after taking into consideration of the reasons for and benefit of the transaction as discussed below. Upon completion of the Disposal, FGL will cease to hold any interest in the JV Company and the Group is expected to, subject to further audit procedures to be performed by the auditor of the Group, record a profit of HK\$50,000 from the Disposal.

## REASONS FOR AND BENEFITS OF THE TRANSACTION

The Directors consider that the net proceeds from the Disposal is expected to improve the liquidity of the Group and allows the Group to allocate its financial resources in its core business.

As such, the Directors consider that the terms and conditions of the Disposal Agreement are entered into on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

By Order of the Board  
**Simplicity Holding Limited**  
**Wong Suet Hing**  
*Chairman and Executive Director*

Hong Kong, 30 August 2021

*As at the date of this announcement, the executive Directors of the Company are Ms. Wong Suet Hing, Ms. Wong Sau Ting Peony and Mr. Wong Chi Chiu Henry; and the independent non-executive Directors of the Company are Mr. Yeung Man Sun, Mrs. Cheung Lau Lai Yin Becky and Mr. Lo Cheuk Fei Jeffrey.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the date of its publication and posting and will be published and remains on the website of the Company at <http://www.simplicityholding.com>.*

\* *For identification purpose only*