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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)**

## **BUSINESS UPDATE**

Reference is made to the announcement of Simplicity Holding Limited (the “**Company**”) dated 31 May 2021 in relation to the MOU (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Company entered into the MOU with 開封正修福來醫藥科技有限公司(Kaifeng Zhengxiufulai Pharmaceutical Technology Co. Ltd.\*) (the Cooperative Partner) for the Proposed Cooperation. The Company would like to update the Shareholders and potential investors of the Company that the Company is in the course of discussion and negotiation with the Cooperative Partner in relation to the details and arrangement for the Proposed Cooperation as well as the plan for fund raising of RMB300 million within 3 years on a best effort basis only to develop the automatic drug vending machines project. It is expected that the Company and the Cooperative Partner will form a joint venture company in the PRC, which will be beneficially owned as to 70% by the Company and 30% by the Cooperative Partner. The proposed joint venture company will be principally engaged in the business of selling pharmaceutical products through automatic drug vending machines in the PRC, namely the “二十四小時未來藥房藥機項目” (24 Hour Future Pharmacies and Drug Machines Project\*). The registered capital of the proposed joint venture company and capital commitment of each of the Company and the Cooperative Partner will depend on the future business plan of the Proposed Cooperation and will be subject to further discussion and negotiation between the Company and the Cooperative Partner. The Company and the Cooperative Partner shall use their best endeavours to discuss and confirm the details and arrangement for the Proposed Cooperation and enter into the formal joint venture agreement in relation to the Proposed Cooperation. The formal joint venture agreement shall include customary terms, conditions and undertakings for a transaction of this nature as agreed by the Company and the Cooperative Partner.

The Board wishes to emphasise that no definitive agreement in relation to the Proposed Cooperation has been entered into by the Company as at the date of this announcement and the Proposed Cooperation may or may not proceed. If the Proposed Cooperation materialises, it may constitute a notifiable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Proposed Cooperation will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.

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

Hong Kong, 11 June 2021

*As at the date of this announcement, the Board comprises Ms. Wong Suet Hing, Ms. Wong Sau Ting Peony and Mr. Wong Chi Chiu Henry as executive Directors; and Ms. Ng Yau Kuen Carmen, Mrs. Cheung Lau Lai Yin Becky and Mr. Yu Ronald Patrick Lup Man as independent non-executive Directors.*

*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 website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and will be published on the Company’s website at [www.simplicityholding.com](http://www.simplicityholding.com).*

\* *For identification purpose only*