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**edvance**

**EDVANCE INTERNATIONAL HOLDINGS LIMITED**

**安領國際控股有限公司**

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

**(Stock code: 1410)**

## **MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE SUBSCRIPTION**

This announcement is made by Edvance International Holdings Limited pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Group plans to invest in new businesses that show ample growth potential. The Board noted that financial technology is rapidly growing throughout the world, which helps to create new business models and brings about significant changes in financial industry and the means of providing financial services.

Considering the increasing popularity of digital asset trading platforms in various economic sectors and the accelerated development in the related technology, the Group has been looking to seize the opportunities to invest business of financial technology.

Therefore, the Group, is seeking opportunity to acquire part of the equity interest of an industry player and on 25 August 2020 (after trading hours), Axion Global Holdings Limited as subscriber and the Target Company entered into the MOU in relation to the Possible Subscription of US\$3 million of share capital of Series A2 Preferred Shares, being 6% to 6.25% of the estimated enlarged issued share capital of the Target Company after the investment of Series A2 Preferred Shares by all investors.

The Target Company principally operates the digital assets exchange through its wholly owned subsidiary, Hong Kong Digital Asset Ex Limited (“**HKbitEX**”). HKbitEX is headquartered in Hong Kong. HKbitEX is one of the first organisations in Asia-Pacific to apply for a ‘virtual asset trading platform license’ from Hong Kong’s Securities and Futures Commission (SFC), which will further enable them to offer compliant, secure and reliable digital asset trading services to global professional and institutional investors. HKbitEX is committed to providing a compliant and regulated digital asset spot trading and over-the-counter (OTC) trading platform for global professional investors.

Subject to the satisfaction of due diligence result on the Target Group, the Subscriber will consider further negotiation with the Target Company on the Possible Subscription. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Target Company is an Independent Third Party.

The MOU does not create legally binding obligations on the parties in relation to the Possible Subscription but is legally binding as to the exclusive negotiation period which commences from the date of the MOU to the Long Stop Date, within such period the Subscriber has the exclusive right to negotiate with the Target Company on the Possible Subscription and shall not restrict the Target Company from seeking subscription for the Series A2 Preferred Shares with respect to the remaining subscription amount. However, the Target Company shall not offer, request, entertain or otherwise start or continue to make discussions, negotiations or agreements with any investor with better terms than the Subscriber for the remaining subscription amount. The Possible Subscription is subject to the further negotiation and entering into of the Definitive Agreement.

**The MOU is not legally binding with regard to the Possible Subscription. The terms and consideration for the Possible Subscription will be subject to further negotiation between the Subscriber and the Target Company, it may or may not proceed. The Possible Subscription, if materialized, may constitute a notifiable transaction for the Company under the Listing Rules. The Company will make further announcement(s) as and when appropriate and comply with all other applicable requirements under the Listing Rules. As the Possible Subscription may or may not be materialized, Shareholders and investors are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

<b>“Board”</b>	the board of Directors
<b>“Company”</b>	Edvance International Holdings Limited 安領國際控股有限公司, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1410)
<b>“connected person(s)”</b>	has the meaning ascribed thereto under the Listing Rules
<b>“Definitive Agreement”</b>	the formal agreement to be entered into between the Subscriber and the Target Company in relation to the Possible Subscription
<b>“Director(s)”</b>	director(s) of the Company

<b>“Group”</b>	the Company and its subsidiaries
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Independent Third Party(ies)”</b>	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Long Stop Date”</b>	15 November 2020, which may be extended for another 30 days if the Parties continue the discussion related to the Proposed Subscription at the end of the initial period ending on 15 November 2020, unless terminated by either party by a written notice to other party
<b>“MOU”</b>	the memorandum of understanding dated 25 August 2020 entered into between Axion Global Holdings Limited as subscriber and the Target Company in relation to the Possible Subscription
<b>“Possible Subscription”</b>	the possible subscription of US\$3 million of share capital of Series A2 Preferred Shares, being 6% to 6.25% of the estimated enlarged issued share capital of the Target Company after the investment of Series A2 Preferred Shares by all investors, and as the lead investor of the Series A2 Preferred Shares as contemplated under the MOU
<b>“Subscriber”</b>	Axion Global Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, a direct wholly-owned subsidiary of the Company, or any fund(s) managed, or a special purpose company designated (or to be formed), by Axion Global Holdings Limited and/or any of its affiliates
<b>“SFO”</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

<b>“Series A2 Preferred Shares”</b>	Series A2 Preferred Shares of the Target Company
<b>“Share(s)”</b>	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company
<b>“Shareholder(s)”</b>	holder(s) of the Share(s)
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Target Company”</b>	Tykhe Capital Group Limited, a company incorporated in the British Virgin Islands with limited liability
<b>“Target Group”</b>	the Target Company and its subsidiary(ies)
<b>“%”</b>	per cent

By order of the Board  
**Edvance International Holdings Limited**  
**Liu Yui Ting Raymond**  
*Chairman and Executive Director*

Hong Kong, 25 August 2020

*As at the date of this announcement, the executive Directors are Mr. Liu Yui Ting Raymond, Mr. Lee Francis Sung Kei, Mr. Von John, and Mr. Lam Tak Ling, the non-executive Directors are Dr. Tang Sing Hing Kenny and Mr. Lo Wai Ho Ashley, and the independent non-executive Directors are Mr. Yu Kwok Chun Raymond, Mr. Ng Tsz Fung Jimmy, Mr. Chan Siu Ming Simon and Mrs. Wong Hung Flavia Yuen Yee.*