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CHEERWIN

Cheerwin Group Limited

朝雲集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6601)

VOLUNTARY ANNOUNCEMENT ACQUISITION AND SUBSCRIPTION OF 75.0% EQUITY INTERESTS OF SHENZHEN MILEYUN

This announcement is made by the Company on a voluntary basis. The purpose of this announcement is to keep the Shareholders and potential investors of the Company informed of the latest business development of the Group.

The Board is pleased to announce that, on 21 September 2023, the Group has through its subsidiaries, Guangzhou Cheerwin, entered into the Agreement, in relation to the Acquisition and Subscription. The Acquisition and Subscription is expected to be completed in late September 2023, subject to fulfillment of the relevant conditions as agreed between parties. After completion of the Acquisition and Subscription, Guangzhou Cheerwin would be interested in an aggregate of 75.0% of the equity interests in Shenzhen Mileyun on a fully diluted basis and thus Shenzhen Mileyun will become a non-wholly owned subsidiary of the Company.

Shenzhen Mileyun operates multiple pet and pet product chain stores, under the brand name of Mele Family Pet Shop* (米樂乖乖寵物生活館), in Shenzhen since 2019. It is a well-known and comprehensive offline pet chain store brand, which has been consistently listed as one of the major frontrunners in terms of popularity ranking among pet stores in Shenzhen on various platforms such as Meituan (美團) and Dazhong Dianping (大眾點評) websites. Shenzhen Mileyun primarily engages in sales of pet and pet products, pet foster care services, pet cleaning and grooming SPA, and pet party, etc. all-rounded and comprehensive pet related products and services; Shenzhen Mileyun also operates cat cafe that provides customers with a place to experience the fun of feline companionship.

The Directors are of the view that the Acquisition and Subscription is able to accelerate the Group's business development by leveraging on the reputation of Mele Family Pet Shop in Shenzhen, its proven track record, and its team of experienced staff members with expertise in the pet industry. The Directors believe that through the Acquisition and Subscription, it can also expand the Group's market share in pet industry and the coverage of the Group's offline sales channels, hence to capture further business opportunities and bring about synergy

effect between the Group and Shenzhen Mileyun, benefiting the Group’s pet and pet products business segment as a whole. The Directors are of the view that the terms of the Acquisition and Subscription are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The consideration will be funded by the proceeds from the Global Offering.

LISTING RULES IMPLICATIONS

To the best knowledge and belief of the Directors after making all reasonable enquiry, each of the parties to the Acquisition and Subscription and their respective ultimate beneficial owners is an independent third party of the Company, and the Acquisition and Subscription does not constitute a connected transaction under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios of the Acquisition and Subscription are lower than 5%, the Acquisition and Subscription does not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agreement”	the agreement in respect of the Acquisition and Subscription;
“Acquisition and Subscription”	the acquisition and subscription of equity interests in Shenzhen Mileyun by Guangzhou Cheerwin, upon the completion of which Guangzhou Cheerwin would be interested in an aggregate of 75.0% of the equity interests in Shenzhen Mileyun on a fully diluted basis;
“Board”	the board of Directors;
“Company”	Cheerwin Group Limited (朝雲集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 6601);
“Director(s)”	the director(s) of the Company;
“Global Offering”	the global offering of the Shares of the Company for listing on the Main Board of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“Guangzhou Cheerwin”	Guangzhou Cheerwin Holding Company Limited* (廣州朝雲控股有限公司), a limited liability company established in the PRC on 19 October 2018, an indirect wholly-owned subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“PRC”	People’s Republic of China excluding the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purposes of this announcement;
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of US\$0.0000002 each;
“Shareholder(s)”	the holders of the Shares;
“Shenzhen Mileyun”	Shenzhen Mileyun Information Technology Co., Ltd.* (深圳市米樂雲信息科技有限公司), a limited liability company established in the PRC on 14 August 2019;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

In this announcement, the terms “associate”, “connected person”, “controlling shareholder”, “percentage ratios” and “subsidiary” have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

By order of the Board
Cheerwin Group Limited
Chen Danxia

Executive Director, Chairman and Chief Executive Officer

Hong Kong, 22 September 2023

As at the date of this announcement, the Board comprises Ms. Chen Danxia, Mr. Xie Rusong and Mr. Zhong Xuyi as executive Directors; Mr. Chen Zexing as non-executive Director and Dr. Yu Rong, Mr. Guo Sheng and Mr. Chan Wan Tsun Adrian Alan as independent non-executive Directors.

* *For identification purposes only.*