

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Ziyuanyuan Holdings Group Limited**

**紫元元控股集團有限公司**

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

**(Stock Code: 8223)**

### **VOLUNTARY ANNOUNCEMENT ENTERING INTO A MEMORANDUM OF UNDERSTANDING FOR POSSIBLE ACQUISITION**

The board (the “**Board**”) of directors (the “**Directors**”) of Ziyuanyuan Holdings Group Limited (the “**Company**”) is pleased to announce that on 27 October 2023, the Company entered into a memorandum of understanding (the “**MOU**”) with Hu Yang and Shenzhen Dejiang Investment Co., Ltd.\* (the “**Vendors**”).

#### **THE MEMORANDUM OF UNDERSTANDING**

Set out below are the principal terms of the MOU:

Date: 27 October 2023

Parties:

Vendors: (1) Hu Yang

(2) Shenzhen Dejiang Investment Co., Ltd.\*

Purchaser: the Company

Pursuant to the MOU, the Purchaser desires to purchase and the Vendors desire to sell the equity interests (the “**Sale Shares**”) of Guangdong Dejiang Medical Products Co., Ltd.\* (the “**Target Company**”) (the “**Possible Acquisition**”).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquires, as at the date of this announcement, the Vendors are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

#### **Consideration**

The consideration for the Sale Shares shall be subject to negotiation and the results of the financial audit, asset valuation and due diligence.

## **Formal agreement**

The Purchaser and the Vendors (collectively, the “**Parties**”) shall negotiate and agree on the final terms and conditions of the Possible Acquisition in the formal agreement which shall be executed within 90 days after the signing of the MOU or such other date as may be agreed between the Parties.

## **INFORMATION ON THE TARGET COMPANY**

The Target Company is a limited company incorporated in the People’s Republic of China and is committed to the research, development, manufacturing and sales of medical physical therapy equipment. The founding team of the Target Company comes from well-known companies in the industry and has many years of work experience in the medical device industry, working together to promote the healthy development of the Target Company. The Target Company's medical physical therapy equipment is a product composed of sound, light, electricity, magnetism, cold/heat, mechanics and other physical factors, including shock wave therapy equipment, air wave therapy equipment, electrical stimulation systems, etc. The major customers of medical physical therapy equipment are medical institutions and medical aesthetic institutions. Its application fields include medical aesthetics, orthopedics, rehabilitation, traditional Chinese medicine, pain, sports and elderly care.

## **REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION**

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Company and together with its subsidiaries (the “**Group**”) is principally engaged in the provision of medical equipment finance leasing services, maternal and child postpartum care industry services and trading of medical equipment and consumables business in the PRC.

The Directors believe that the Possible Acquisition, if materialised, can create synergy for the Group’s existing business. By integrating the resources, channels and market advantages of the Target Company and the Group, the Group will further develop the trading of medical equipment and consumables business to strengthen its competitiveness and market position in the fields.

## **GENERAL**

The Board wishes to emphasise that the MOU is not legally binding and the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it may constitute a notifiable transaction of the Company (as defined under 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 Possible Acquisition will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.

By order of the Board  
**Ziyuanyuan Holdings Group Limited**  
**Zhang Junshen**  
*Chairman and Chief Executive Officer*

Hong Kong, 27 October 2023

*\* The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

*As at the date of this announcement, the executive Directors are Mr. Zhang Junshen (Chairman and Chief Executive Officer) and Mr. Wong Kwok San, the non-executive Director is Mr. Lyu Di, and the independent non-executive Directors are Mr. Chan Chi Fung Leo, Mr. Chow Siu Hang and Dr. Deng Bin.*

*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 “Latest Listed Company Information” page on the HKEXnews website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and on the website of the Company at [www.ziyygroup.com](http://www.ziyygroup.com).*