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SHANGHAI INTERNATIONAL SHANGHAI GROWTH INVESTMENT LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 770)

INSIDE INFORMATION MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED DISPOSAL

This announcement is made by Shanghai International Shanghai Growth Investment Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board of directors (the “**Board**”) of the Company has been notified that on 27 November 2024 (after trading hours), Eternity Business (HK) Investment Limited (the “**Potential Vendor**”), a substantial shareholder of the Company, entered into a memorandum of understanding (the “**MOU**”) with a potential purchaser (the “**Potential Purchaser**”), pursuant to which the Potential Vendor intends to dispose of, and the Potential Purchaser intends to acquire 1,884,792 ordinary shares in the Company (the “**Shares**”), being all of the shares in the Company legally and beneficially owned by the Potential Vendor, representing 17.64% of the entire issued share capital of the Company as at the date of this announcement (the “**Proposed Disposal**”).

The Potential Vendor engaged China Galaxy International Securities (Hong Kong) Co., Limited (“**China Galaxy**”) as coordinator for the Proposed Disposal.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the Potential Purchaser is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Formal Agreement

The Potential Purchaser and the Potential Vendor (the “**Parties**”) agree to commence bona fide and reasonable negotiations to agree a formal agreement in respect of the Proposed Disposal (the “**Formal Agreement**”), and subject to the completion of due diligence of the Shares to the Potential Purchaser’s satisfaction, the Parties shall enter into the Formal Agreement to document the terms and conditions of the Proposed Disposal, which shall contain, amongst other things, customary representations, warranties, indemnities and undertakings.

Upon completion of the transaction contemplated under the Formal Agreement, the Potential Vendor shall not hold any of the Shares and will cease to be a shareholder of the Company, and the Potential Purchaser shall become a substantial shareholder of the Company and will hold 1,884,792 ordinary shares in the Company.

Deposit

Pursuant to the MOU, the Potential Purchaser shall pay a deposit in the amount of HK\$1,000,000 (the “**Deposit**”) into an escrow account in the name of the Potential Purchaser maintained with China Galaxy on or before the date of the MOU.

The Deposit shall be applied towards payment of part of the total consideration for the Shares in accordance with the terms of the Formal Agreement, unless in the case where the Potential Purchaser confirmed to the Potential Vendor that it is not satisfied with its due diligence review in respect of the Shares, whereby the Potential Vendor shall instruct China Galaxy to return the Deposit (without interest) to the Potential Purchaser.

Exclusivity

The Potential Vendor agreed that during the exclusivity period, being a six month-period following the date of the MOU (unless abridged by the Potential Purchaser), the Potential Vendor shall not, without the Potential Purchaser’s consent, contact any potential purchaser other than the Potential Purchaser in relation to the sale of the Shares, participate in any discussion with other third parties, enter into any transaction, contract, agreement, letter of intent or memorandum of understanding with other third parties in relation to the sale of the Shares, or dispose of, transfer or subject the Shares to any encumbrance.

Non-legally binding effect

Save for the provisions relating to exclusivity, confidentiality, costs, governing law and jurisdiction, and third party rights, the MOU shall have no legal binding effect.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Disposal are still under negotiation between the Parties and no legally binding agreement has been entered into. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

As the Proposed Disposal may or may not proceed, shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
**SHANGHAI INTERNATIONAL
SHANGHAI GROWTH INVESTMENT LIMITED**
ZHAO Tian
Executive Director

Hong Kong, 27 November 2024

As at the date of this announcement, the Board comprises Mr. ZHAO Tian as Executive Director; Mr. LU Xuefang as Non-executive Director; Dr. HUA Min, Mr. ONG Ka Thai and Mr. YICK Wing Fat Simon as Independent Non-executive Directors.