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## **F8 ENTERPRISES (HOLDINGS) GROUP LIMITED**

**F 8 企 業 ( 控 股 ) 集 團 有 限 公 司**

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

**(Stock Code: 8347)**

### **INSIDE INFORMATION IN RELATION TO ACQUISITION OF EQUITY INTEREST IN CHINA FOREST FOOD**

This announcement is made by F8 Enterprises (Holdings) Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange (the “**Stock Exchange**”) of Hong Kong Limited (the “**GEM Listing Rules**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **SUMMARY OF THE ACQUISITION**

Reference is made to the announcements of the Company dated 1 December 2017 and 15 March 2018 regarding to, among others, the entering into of (i) the memorandum of understanding (the “**MOU**”) between Virtue Ever Limited (永德有限公司) (“**Virtue Ever**”) and the Company, in relation to a possible acquisition of certain equity interests in China Forest Food Limited (中國森林食品有限公司) (“**China Forest Food**”, together with its subsidiaries, the “**China Forest Food Group**”); and (ii) the supplemental agreement between Virtue Ever and the Company in relation of the amendment of the MOU respectively.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 17 May 2018, the Company and Virtue Ever entered into the acquisition agreement (the “**Acquisition Agreement**”), pursuant to which the Company has conditionally agreed to purchase and Virtue Ever has conditionally agreed to sell a 10% equity interest in the China Forest Food Group at an aggregate consideration of RMB1.5 million (including the earnest money of RMB1.0 million which has been paid in cash) (the “**Acquisition**”). The completion of the acquisition under the Acquisition Agreement is subject to certain customary conditions precedent to be fulfilled.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the business of the sale and transportation of diesel oil and related products in Hong Kong. China Forest Food and its subsidiaries are principally engaged in health food distribution business in PRC; the products it distributes include the “FORESTFOOD” (森林食品) branded products which have obtained Chinese Forest Food Certification (中國森林食品認證) granted by China Eco Development Association (中國林業生態發展促進會) and approved by the Ministry of Civil Affairs of the People’s Republic of China (中華人民共和國民政部).

China Forest Food has also obtained a 10-year exclusive rights to distributes its products including “FORESTFARM” (天然林場) branded products and FORESTFOOD (森林食品) branded products through “Jingdong Mall” (京東商城), one of the largest e-commerce distribution channel in PRC.

As stipulated in the Acquisition Agreement, the Company has an option to purchase and Virtue Ever has agreed to sell the equity interest up to 51% of the China Forest Food Group. The consideration will be subject to the further negotiation by the Company and Virtue Ever.

Pursuant to the Acquisition Agreement, Virtue Ever irrevocably warrants and guarantees that the audited net profit after tax of the China Forest Food Group for the period from the Completion Date to 30 June 2019 and for the period from the Completion Date to 30 June 2020 (respective, the “**Actual Profit**”) shall not be less than RMB5 million and RMB10 million (respective, the “**Target Profit**”) respectively. If the Target Profit is not met, Virtue Ever shall indemnify the Group a shortfall (being the difference between the respective Actual Profit and Target Profit) on the 10th business Day after the issuance of each of the audited consolidated financial statements of the China Forest Food Group for the year ending 30 June 2019 and 30 June 2020.

The Board believes that the entering into the transactions contemplated by the Acquisition Agreement will further enhance the overall growth of the Group and diversify the risk and business of the Group, and hence, to provide a stable return to the Group. The Company are of the view that after the Acquisition, the China Forest Food Group will contribute positively to the financial performance and will enlarge the income sources of the Group.

## GENERAL INFORMATION

To the best of the knowledge, information and belief of the directors of the Company having made all reasonable enquires, Virtue Ever is not connected persons of the Company and are independent third parties not connected with the Company and its connected persons. Based on the terms of the Acquisition Agreement, as none of the applicable percentage ratios exceed 5%, the Acquisition does not constitute a notifiable transaction for the Company under the the Rules Governing the Listing of Securities on GEM This announcement is made by the Company.

As the Acquisition is subject to fulfilment of certain conditions by Virtue Ever or the Company, it may or may not proceed as contemplated or at all. Accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company may make further announcement as and when appropriate and comply with other applicable requirements under the GEM Listing Rules.

By Order of the Board  
**F8 Enterprises (Holdings) Group Limited**  
**Mr. Fong Chun Man**  
*Chairman and executive Director*

Hong Kong, 17 May 2018

*As at the date of this announcement, the chairman and the executive Director of the Company is Mr. FONG Chun Man, the executive Directors of the Company are Ms. LO Pui Yee and Mr. CHAN Chi Fai; and the independent non-executive Directors of the Company are Mr. CHUI Chi Yun, Robert, Mr. KWONG Yuk Lap and Mr. WANG Anyuan.*

*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 GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at [www.f8.com.hk](http://www.f8.com.hk).*