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DIFFER GROUP HOLDING COMPANY LIMITED

鼎豐集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6878)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING

IN RESPECT OF THE POSSIBLE ACQUISITION OF THE CONTROLLING INTEREST IN THE TARGET COMPANY

Reference is made to the voluntary announcement (the “**Announcement**”) of Differ Group Holding Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 25 May 2021. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

THE POSSIBLE ACQUISITION

The Board is pleased to announce that on 23 June 2021 (after trading hours), the Company entered into the non-legally binding memorandum of understanding (“**MOU**”) with a third party vendor (the “**Vendor**”), which and whose beneficial owners are independent of and not connected with the Company and its connected persons, in relation to the possible acquisition (the “**Possible Acquisition**”) of the controlling interest in 上海網商電子商務有限公司 (transliterated in English as Shanghai Internet e-Commerce Company Limited, the “**Target Company**”).

Pursuant to the MOU, the Company will commence the due diligence review on, among others, the assets, liabilities, contingent liabilities, material contracts, litigation and arbitration matters of the Target Company after the execution of the MOU.

Parties to the MOU shall negotiate the terms of the formal agreement and if the formal agreement is not entered into within six months from the date of the MOU, the MOU will cease and determine.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the PRC in June 2011 and is a leading service provider in e-commerce sales and marketing of automobiles in the PRC. As advised by the Vendor, the Target Company implemented large-scale sales of vehicles and mobile internet solutions of parts and components for its clients through the e-commerce platforms in Tmall and Tencent. Further, the Target Company established a digital and electronic automobile industry chain linking up its strong and diverse base of retail customers, car manufacturers and car dealers with comprehensive and innovative solutions to maintain its leading position in the digitalized society.

REASONS FOR THE POSSIBLE ACQUISITION

The Group is principally engaged in the (i) asset management business (including (a) property development and investment and (b) distressed assets, equities investment and fund management); (ii) provision of financial related services (including financial lease services, express loan services, consultancy services, guarantee services and the security brokerage services); and (iii) commodity trading business.

As disclosed in the Announcement, the Company has been exploring new business opportunities in the potential operation of online e-commerce platform in the automobile industry. Considering that the COVID-19 pandemic has fundamentally changed the consumers' behavior worldwide and e-commerce is poised to become a major trend in the future, the Company is optimistic of the prospects of e-commerce in the PRC and Hong Kong. In addition, given (i) the existing strong network of automobiles manufacturers, dealers and customers of the Target Company; and (ii) the comprehensive solutions in automobiles e-commerce developed by the Target Company, the Directors consider that it is in the interests of the Company and its shareholders as a whole to enter into the MOU to explore the possibility of development of the business of the Group into the online e-commerce platform in automobile industry in the PRC.

As more time is required for negotiating the terms of the formal agreement, the parties entered into the MOU.

The Board wishes to emphasize that the MOU is not legally binding and the Possible Acquisition may or may not proceed. Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made as and when appropriate in compliance with the Listing Rules.

By order of the Board of
Differ Group Holding Company Limited
Hong Mingxian
Chairman and Executive Director

Hong Kong, 23 June 2021

As at the date of this announcement, the executive Directors are Mr. HONG Mingxian and Mr. NG Chi Chung; the non-executive Directors are Mr. CAI Huatan and Mr. WU Qinghan; and the independent non-executive Directors are Mr. CHAN Sing Nun, Mr. LAM Kit Lam and Mr. CHEN Naike.