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Semk Holdings International Limited

德盈控股國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2250)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE ESTABLISHMENT OF A JOINT VENTURE COMPANY

This announcement is made by Semk Holdings International Limited (“**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business plan and development of the Group.

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that, on 30 March 2022 (after trading hours), the Company entered into a memorandum of understanding (the “**MOU**”) with Madworld Advisory Limited (the “**JV Partner**”). The JV Partner is a company which specializes in the development of licensed or licensable intellectual properties (“**IPs**”) into non-fungible tokens and other digital creatives (“**NFTs**”), and marketing and offering to sell the same on platforms to be developed and/or accessed by the JV Partner (“**Platform(s)**”).

Pursuant to the MOU, the Company and the JV Partner shall within two (2) months from the date of the MOU, enter into a joint venture agreement (the “**JV Agreement**”) to establish a joint venture entity (the “**JV Company**”) intended to be principally engaged in (i) development of artworks and IPs owned by the Group into NFTs; (ii) promote, market, list, offer to sell/distribute NFTs and their physical forms (if any) on the Platform(s); (iii) collaborate with other renowned brands and IPs to develop NFTs; and (iv) continuous involvement on the virtual world through investment in and development of games and application of NFTs. The MOU serves to provide a framework of future collaborations between the parties.

To the best knowledge, information, and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, the JV Partner and its ultimate beneficial owner are independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

The Group is principally engaged in the character licensing business and the e-commerce business of characters-featured products in Asia. It is envisaged that the iconic B.Duck Family Characters as well as a large and growing community of fans of the Group and the NFTs expertise of the JV Partner can create synergies. The Board considers that the entering into the MOU is in the interest of the Group and the Shareholders as a whole as the transactions contemplated under the MOU, if materialise, are expected to enable the Group to strengthen the brand’s image and increase the awareness of its IP characters.

The Board wishes to emphasize that the MOU may or may not lead to the entering into of a formal and legally binding JV Agreement and the transactions contemplated thereunder. The formation of the JV Company, if materialised, may constitute a notifiable transaction for the Company under the Listing Rules. Should the Group (i) enter into formal and legally binding JV Agreement; (ii) decide not to proceed with the transactions contemplated under the MOU; or (iii) encounter any material development on the proposed formation of the JV Company, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

On behalf of the Board
Semk Holdings International Limited
Hui Ha Lam
Chairman of the Board and Executive Director

Hong Kong, 30 March 2022

As at the date of this announcement, the Board comprises Mr. Hui Ha Lam as chairman of the Board and executive Director, Mr. Kwok Chun Kit, Mr. Cheung Chin Yiu, and Mr. Tse Tsz Leong as executive Directors, Mr. Wong Yin Shun Vincent, MH and Mr. Chen Hongjiang as non-executive Directors and Ms. Leung Ping Fun Anita, Mr. Sung Chi Keung and Dr. Chan Kai Yue Jason, MH, JP as independent non-executive Directors.