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太陽國際集團有限公司
SUN INTERNATIONAL GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8029)

**MEMORANDUM OF UNDERSTANDING IN RELATION TO THE
PROPOSED PURCHASE OF THE EQUIPMENT**

The Board announces that on 18 February 2021 (after trading hours), the Purchaser, an indirect wholly owned subsidiary of the Company, entered into a non-legally binding MOU with the Vendor in relation to the proposed transfer and assignment of the Equipment.

GENERAL

The MOU does not constitute legally-binding commitment in respect of the Proposed Purchase. The Proposed Purchase is subject to, among others, the execution and completion of the Sale and Purchase Agreement.

The Board wishes to emphasise that no binding agreement in relation to the Proposed Purchase has been entered into by the Purchaser and the Vendor as at the date of this announcement. As such, the Proposed Purchase may or may not proceed. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company.

Further announcement in respect of the Proposed Purchase will be made by the Company in compliance with the GEM Listing Rules as and when appropriate.

The Board announces that on 18 February 2021 (after trading hours), the Purchaser, an indirect wholly owned subsidiary of the Company, entered into a non-legally binding MOU with the Vendor in relation to the Proposed Purchase.

THE MOU

Date: 18 February 2021 (after trading hours)

Parties: (1) the Purchaser as purchaser; and
(2) the Vendor as vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its general partner and limited partners are Independent Third Parties.

The Vendor is a limited partnership established in the Cayman Islands and is principally engaged in the supply of equipment for the operation of cryptocurrency mining farm in Inner Mongolia, Xinjiang and Sichuan province, the PRC. The general partner of the Vendor is Mindfulness Capital Management Limited, a company incorporated in the Cayman Islands with limited liability, and the general partners are Mr. Ao Ka Seng and Ms. Lei Sio Hou, who made capital contribution of US\$5,000,344 and US\$91,656 respectively to the Vendor, representing approximately 98.2% and 1.8% of the capital contribution to the Vendor.

Subject Matter

Pursuant to the MOU, the Vendor intends to transfer and assign and the Purchaser intends to accept the transfer and assignment of the Equipment for cryptocurrency mining, which consist of an aggregate of 1000 sets of cryptocurrency miners, including Bitmain Antminer S19, Bitmain Antminer T19, MicroBT Whatsminer M32 and MicroBT Whatsminer M31S.

Consideration

The consideration payable for the Equipment will be subject to further negotiation between the parties of the MOU and shall be payable by the Purchaser by procuring the Company to allot and issue new Shares at the issue price of HK\$0.321 per Share or any other kind of consideration to the Vendor.

In the event that the whole or any part of the consideration for the Proposed Purchase be payable by the Purchaser by procuring the Company to allot and issue new Shares, the issue price of the new Shares represents (a) a premium of approximately 17.58% over the average closing price per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the MOU; and (b) a discount of approximately 19.75% to the closing price per Share as quoted on the Stock Exchange on the date of the MOU.

Formal Agreement

Pursuant to the MOU, the Purchaser and the Vendors shall negotiate in good faith towards the other in ensuring the Sale and Purchase Agreement be entered into as soon as possible and in any event, on or before the date falling three (3) months from the date of the MOU or such later date as the Vendor and the Purchase may agree.

The entering into the Sale and Purchase Agreement is conditional upon, including but not limited to, (i) the Purchaser being satisfied with the results of the due diligence review in its absolute discretion; and (ii) any other conditions agreed by the Vendor and Purchaser to be included in the Sale and Purchase Agreement.

Due Diligence

The Purchaser shall and shall procure that its advisers and agents shall, forthwith upon the signing of the MOU, conduct such review of the assets, liabilities and operations and affairs of the Equipment as it may consider appropriate and the Vendor shall provide and procure its agents to provide such assistance as the Purchaser and its advisers and agents may require in connection with such review.

Exclusivity

Pursuant to the MOU, the Vendor will not, and will procure that its partners, directors, officers, employees, representatives and agents will not, directly or indirectly, for a period of three (3) months from the date of the MOU (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Purchaser with respect to the sale, transfer or other disposition of the Equipment or the sale or transfer of any part thereof or any other interest in the Equipment. If the Vendor receive any such inquiry or offer, the Vendor will promptly notify the Purchaser.

REASONS FOR THE PROPOSED PURCHASE

The Group is principally engaged in money lending, securities and futures brokerage, assets management services and investment in stallions.

The Board believes that the entering into of the MOU can diversify the development of the group by investing in a new business.

In consideration of the above, the Directors are of the view that the terms of the MOU are fair and reasonable and the Proposed Purchase is in the interests of the Company and Shareholders as a whole.

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Further announcement in respect of the Proposed Purchase will be made by the Company in compliance with the GEM Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Sun International Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (Stock code: 8029)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Equipment”	the equipment for cryptocurrency mining, which consists of an aggregate of 1000 sets of cryptocurrency miners including Bitmain Antminer S19, Bitmain Antminer T19, MicroBT Whatsminer M32 and MicroBT Whatsminer M31S
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party independent of and not connected with the Company and its connected persons

“MOU”	the non-legally binding memorandum of understanding dated 18 February 2021 and entered into between the Vendor and the Purchaser setting out the preliminary understanding in relation to the Proposed Purchase
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Extra Blossom Holdings Limited, an indirect wholly owned subsidiary of the Company
“Proposed Purchase”	the proposed sale and purchase of the Equipment subject to and upon the terms and the conditions set out in the MOU
“Sale and Purchase Agreement”	the formal sale and purchase agreement to be entered into between the Purchaser and the Vendor in relation to the Proposed Purchase
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder”	holder of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Mindfulness Venture Fund I, L.P., a limited partnership established in the Cayman Islands
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“US\$”	United States of America dollars, the lawful currency of United States of America

By Order of the Board
Sun International Group Limited
Cheng Ting Kong
Chairman

Hong Kong, 18 February 2021

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching and Mr. Lui Man Wah and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Jim Ka Shun.

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 issuer. 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 Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of posting and on the designed website of this Company at <http://www.sun8029.com/>.