ARTGO HOLDINGS LIMITED
雅 高 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3313)

MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE ACQUISITION

Financial Adviser

Euto Capital Partners Limited

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE MOU

The Board announces that on 29 January 2018 (after trading hours), the Company entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Possible Acquisition shall be made by the Company in the event that any Formal Agreement has been signed.

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

THE MOU

On 29 January 2018, the Company entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

Details of the MOU are set out below.

Date: 29 January 2018

Parties: (i) the Company; and
(ii) the Vendor.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is Independent Third Party.

Assets to be acquired

Pursuant to the MOU, the Company intends to acquire 60% of the equity interest of the Target Company upon completion of the Reorganization.

The proportion of equity interest of the Target Company to be acquired by the Company from the Vendor shall be further negotiated between the Company and the Vendor and be determined in the Formal Agreement.

Negotiations

Each of the Company and the Vendor shall, with its best efforts and in good faith, procure the negotiation for the transaction and shall, within three (3) months after the date of signing of the MOU (or such other period as agreed between the parties to the MOU) ("**Exclusivity Period**"), conclude the Formal Agreement with legally-binding effect to materialise the transaction.

Consideration

Subject to the parties entering into the Formal Agreement, the consideration for the Possible Acquisition and the manner of payment are yet to be finalized or agreed between the Company and the Vendor.

Exclusivity right

The Company has the exclusivity right to negotiate over the subject matter under the MOU during the Exclusivity Period. In the meantime, the Vendor shall not liaise in any manner with other potential purchasers in respect of the disposal of the equity interests in, and/or operations or asset of, the Target Group which may interfere or affect the subject matter under the MOU. The liaison referred to above includes but is not limited to negotiation for and signing of any memorandum of understanding, letter of intent and agreement (with or without legally-binding effect).

Due diligence

During the Exclusivity Period, the Company shall procure its advisers and agents to conduct a cautious due diligence review on the Target Group and all the assets, liabilities, operation and affairs of the Target Group (including but not limited to a due diligence review on the incorporation of the Target Company and its subsidiaries, the subsisting status, assets and liabilities, financial status and operation status of the Target Group) (the "**Due Diligence Review**").

The Vendor shall use his best endeavors to provide assistance to the Company for the Due Diligence Review, including but not limited to providing and allowing the Company to visit and photocopy the information, books and accounts of the Target Company and its subsidiaries.

Conditional precedent

Completion of the Possible Acquisition shall be subject to and conditional upon the following conditions being fulfilled, or the terms and conditions as detailed in the Formal Agreement being fulfilled:

(1) the Company being satisfied with the results of the Due Diligence Review;

(2) the Vendor has obtained all necessary consent in connection with the Possible Acquisition;

(3) the Company has obtained all necessary consent in connection with the Possible Acquisition;

(4) there being no material changes in the circumstances, facts or situations of the Vendor which would cause or might cause seriously breaches to the warranties to be set out in the Formal Agreement;

(5) the Reorganization has been completed;

(6) the passing of the resolution(s) at the shareholders general meeting (if any) by the Shareholders to approve the Formal Agreement and the transactions contemplated thereunder; and

(7) the Company and the Vendor being satisfied other terms as specified in the Formal Agreement.

Termination

Unless the parties agree otherwise in writing, the MOU shall be terminated at the earlier of:

(i) the expiry of the Exclusivity Period; or

(ii) the date of execution of the Formal Agreement, and at that time the MOU shall be superseded by the execution of the Formal Agreement.

Binding effect

Save for certain provisions including the confidentiality, due diligence, termination, notice and the governing law and jurisdiction, the provisions of the MOU is non-legally binding.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in BVI with limited liability and is principally engaged in investment holding. As at the date of this announcement, the Vendor owns 71% of the equity interest of the Target Company.

As at the date of this announcement, the Target Company owns the entire equity interest of (i) Full Win Marble and (ii) Full Win Building. Full Win Marble is a company incorporated in Hong Kong with limited liability and is principally engaged in the trading of marble and granite materials and products and provision of construction services. Full Win Building is a company incorporated in Hong Kong with limited liability and is principally engaged in provision of construction services.

As advised by the Vendor, the Target Company will undergo a Reorganization. After the completion of the Reorganization, the entire equity interest of the Target Company will be wholly owned by the Vendor.

REASONS AND BENEFITS FOR ENTERING INTO THE MOU

The Company is an investment holding company and the Group was principally engaged in the business of mining, processing, trading and sale of marble stones and trading of commodities.

As disclosed in the interim report of the Company for the period ended 30 September 2017, the Directors consider that the Company will further expand its modern logistics, material processing (including processing of marble stones) and supply chain finance business for development of commodity trading for enhanced profitability. In light of this, the Directors consider that the entering into the MOU could represent a viable business opportunity to step forward in strengthening and to further expand the Group's existing business segment by widening the spectrum from stone mining to the construction end including but not limited to marble and granite installation services. In order to maximise return to the Company and the shareholders of the Company in the long run, the Directors believe that the Possible Acquisition, should it materialise, will enhance the corporate development of the Group which will be in the best interests of the Company and its shareholders as a whole.

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Possible Acquisition shall be made by the Company in the event that any Formal Agreement has been signed.

DEFINITIONS

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

"Board"	the board of Directors
"Business Day(s)"	a day (excluding Saturday, Sunday, public holiday or any day on which a tropical cyclone warning no. 8 or above or a "black" rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m. in Hong Kong) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"BVI"	the British Virgin Islands
"Company"	ArtGo Holdings Limited (雅高控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board (Stock Code: 3313)
"connected person(s)"	has the meaning as ascribed thereto under the Main Board Listing Rules
"Director(s)"	the director(s) of the Company
"Formal Agreement"	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition
"Full Win Building"	Full Win Building Services Limited (富盈建工有限公司), a company incorporated in Hong Kong with limited liability
"Full Win Marble"	Full Win Marble & Granite Company Limited (富盈(林氏)石材有限公司), a company incorporated in Hong Kong with limited liability
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Main Board"	Main Board of the Stock Exchange
"MOU"	the Memorandum of Understanding dated 29 January 2018 entered into by the Company and the Vendor setting out the preliminary understanding for the Possible Acquisition
"Possible Acquisition"	the possible acquisition of 60% of the entire equity interest of the Target Company by the Company from the Vendor pursuant to the MOU
"PRC"	the People's Republic of China which, for the purposes of this announcement, excludes Hong Kong, Macau and Taiwan
"Reorganization"	the reorganization to be carried out by the Vendor. After the completion of reorganization, the entire equity interest of the Target Company will be wholly owned by the Vendor.
"Share(s)"	the ordinary share(s) of par value of HK$0.01 each in the issued share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Righteous Rise Limited, a limited liability company which incorporated in BVI
"Target Group"	The Target Company and its subsidiaries
"Vendor"	Lam Tuen Yee (林端義)

By order of the Board
Artgo Holdings Limited
Wu Jing
Chairman

Hong Kong, 29 January 2018

As at the date of this announcement, the executive Directors are Mr. Gu Weiwen, Mr. Zhang Jian, Ms. Wu Jing and Dr. Leung Ka Kit, the non-executive Director is Mr. Gu Zengcai, and the independent non-executive Directors are Ms. Zhang Xiaohan, Ms. Lung Yuet Kwan, and Mr. Hui Yat On.