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Best Mart 360 Holdings Limited

優品360控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2360)

**VOLUNTARY ANNOUNCEMENT
ESTABLISHMENT OF A WHOLLY FOREIGN-OWNED
ENTERPRISE IN THE PRC**

This announcement is made by Best Mart 360 Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the Company has established a wholly foreign-owned enterprise, namely, 深圳優品叁陸零商業有限公司 (Shenzhen Best Mart 360 Commerce Limited) (“**Best Mart PRC**”) in Shenzhen, The People’s Republic of China (“**PRC**”) on 24 December 2019. It is intended that Best Mart PRC will be principally engaged in the retail business of pre-packaged food, alcohol and beverages, grocery products, personal care products, baby food and products, health foods and supplements and miscellaneous household items in the mainland of the PRC (“**PRC Mainland**”).

As at the date of this announcement, Best Mart PRC has not yet commenced any business operations and has not recorded any revenue. The management is formulating appropriate business plan to cater the consumption habits and culture of the retail market in the PRC Mainland. Barring unforeseen circumstances, it is expected that the Group’s first retail store in the PRC Mainland will be opened in the forthcoming financial year.

The Directors believe that the outbound expansion of the retail business of the Group into the PRC Mainland will broaden the Group's market coverage and customers' network of the Group and the mass population and the steady growth of the economy in the PRC Mainland will provide favourable environment and conditions for the Group's long-term business development that will be constructive and supportive to the revenue growth of the Group in the long term.

The Group expects that the establishment of Best Mart PRC will not have any material impact on the Group's operating results for the financial year ending 31 March 2020.

By order of the Board
Best Mart 360 Holdings Limited
Lin Tsz Fung
Chairman

Hong Kong, 27 December 2019

As at the date of this announcement, the executive Directors are Mr Lin Tsz Fung and Ms Hui Ngai Fan, and the independent non-executive Directors are Mr Sze Irons, Ms Choy So Yuk and Mr Lee Ka Lun.