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Many Idea Cloud Holdings Limited

多想雲控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6696)

**DISCLOSEABLE TRANSACTION
FORMATION OF JOINT VENTURE
AND
CHANGE IN USE OF PROCEEDS**

The board (the “**Board**”) of directors (the “**Directors**”) of Many Idea Cloud Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 14 December 2023 (after trading hours), Xiamen Instant Interactive, an indirect wholly-owned subsidiary of the Company, entered into a cooperation agreement (the “**Cooperation Agreement**”) with Shanghai Yuzheng, pursuant to which the parties agreed to establish the JV Company, with registered capital of RMB150,000,000. Pursuant to the Cooperation Agreement, Xiamen Instant Interactive will contribute RMB47,000,000 in cash towards the registered capital of the JV Company, representing 31.3% of the equity interest in the JV Company. The Company intends to cooperate with Shanghai Yuzheng for pursuing its plans of strategic cooperation, investments, and acquisitions with the selection criteria for the acquisition targets as disclosed in the Prospectus through the establishment of JV Company.

PRINCIPAL TERMS OF THE COOPERATION AGREEMENT

The principal terms of the Cooperation Agreement are set out as follows:

Date	:	14 December 2023
Parties	:	(i) Xiamen Instant Interactive; and (ii) Shanghai Yuzheng To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, Shanghai Yuzheng and its ultimate beneficial owners are third party independent of the Company and its connected persons.
Subject matter	:	The JV Company will be a limited liability company to be established in accordance with the laws of the PRC and the provisions of the

	Cooperation Agreement. The proposed name of the JV Company is 廈門聿刻投資有限公司 (Xiamen Yuke Investment Co., Ltd.) (subject to the final name as approved and registered by the relevant administration for market regulation of the PRC).									
Scope of main business of JV Company	: Investment activities with its own fund and business management consultancy (subject to final approval from the administration for industry and commerce)									
Proposed investment scope and direction	: Upstream marketing industry players such as IP contents companies, content creation companies, SaaS technologies companies and media resources companies.									
Registered capital	: RMB150,000,000									
Term of operation	: 40 years									
Capital contribution	: The parties to the JV Company shall contribute in cash to the capital of the JV Company in the following proportion: <table border="1" data-bbox="513 943 1386 1361"> <thead> <tr> <th>Party</th> <th>Capital contribution</th> <th>% of equity interest in the JV Company</th> </tr> </thead> <tbody> <tr> <td>Xiamen Instant Interactive</td> <td>RMB47,000,000</td> <td>31.3%</td> </tr> <tr> <td>Shanghai Yuzheng</td> <td>RMB103,000,000</td> <td>68.7%</td> </tr> </tbody> </table> <p>Pursuant to the Cooperation Agreement, the parties to the Cooperation Agreement shall inject their respective capital to the JV Company in full within 6 months from the establishment of the JV Company. It is also expected that the capital contribution by the parties will be placed at a designated account of the JV Company to ensure the capital contribution is properly managed and used.</p>	Party	Capital contribution	% of equity interest in the JV Company	Xiamen Instant Interactive	RMB47,000,000	31.3%	Shanghai Yuzheng	RMB103,000,000	68.7%
Party	Capital contribution	% of equity interest in the JV Company								
Xiamen Instant Interactive	RMB47,000,000	31.3%								
Shanghai Yuzheng	RMB103,000,000	68.7%								
Source of fund for capital contribution	: Unutilised Net Proceeds (as defined in the section headed “ Use of Proceeds ” in this announcement)									
Management of the JV Company	: The JV Company will not have a board of directors. One executive director will be nominated by shareholders of the JV Company at the shareholders’ meeting for a tenure of 3 years, subject to re-election. The executive director of the JV Company shall exercise his/her power in accordance with the Company Law of the PRC. The JV Company shall have one supervisor to be nominated and elected in accordance with the provisions of the Company Law of the PRC. The general manager and financial manager of the JV Company shall be									

		jointly nominated by Xiamen Instant Interactive and Shanghai Yuzheng and be appointed by the executive director of the JV Company.
Exit mechanism	:	<p>Upon agreement of both parties and having completed the audit procedures by an accounting firm, one party may withdraw from the JV Company through liquidation after fulfilling its shareholder's obligations under the Cooperation Agreement.</p> <p>In the event that there is significant adjustment to the national laws and regulations resulting material conflicts against the Cooperation Agreement and the articles of association of the JV Company, either party can terminate the Cooperation Agreement by notifying the other party as soon as practicable.</p>
Specific clause on investment decision making	:	Pursuant to the proposed articles of association of the JV Company, in considering any investment opportunities and acquisition targets with consideration which exceeds RMB10 million, Xiamen Instant Interactive has the veto power to disagree with those proposals the Group deems inappropriate.

Pursuant to the relevant accounting policies adopted by the Group, the JV Company will be accounted for as an associate of the Company and its financial statements will not be consolidated in the financial statements of the Group.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY

As mentioned in the section headed “Business – Our Strategies - Pursue investment and acquisition opportunities” of the Prospectus, the Group intends to selectively pursue strategic acquisitions and investments that are complementary to its growth strategies, particularly those that can help enrich its offerings and enhance its technologies and products. The initial potential acquisition and investment targets will be upstream marketing industry players such as IP contents companies, content creation companies, SaaS technologies companies and media resources companies. The targeted industry players should be able to, among other things, (i) create synergies with operation by integrating special expertise (such as creative content production or SaaS technology expertise) with the Group; (ii) increase our product and service offerings; and/or (iii) engage in its business preferably in the area of SaaS interactive marketing, as this remains to be our strategic development focus and we expect it will become one of our key drivers of our future growth. Further details are set out in the sections headed “Business – Our Strategies” and “Future Plan and Use of Proceeds” of the Prospectus.

Since the Company's listing on the Stock Exchange and up to the date of this announcement, the Group has been initiating search for potential targets for acquisition. Considering the potential risks involved in acquiring those potential targets in the current comparatively volatile market, as at the date of this announcement, no suitable targets for acquisition were identified. The Company expected that, through the establishment of the JV Company with Shanghai Yuzheng and leveraging on the background and proven track record of Shanghai Yuzheng and its controlling shareholder, Mr. Wang (as defined below), for instance, his successful previous experience in investments in the industry where our Group operates, such as (i) Zhejiang Jiuzhou Future Information Technology Co., Ltd. (浙江九州未來信息科技有限公司) (“**Jiuzhou Future**”) (also as known as “99cloud” or “九州未來”), a cloud computing services provider providing one-stop service of consultation, design, and operation and maintenance; and (ii) Zebra Housekeeping Cloud (斑馬家政雲), a SaaS provider for housekeeping industry, the Group is able to identify suitable targets for investment. With Shanghai

Yuzheng's experience in merger and acquisition and investment and its capital contribution to the establishment of the JV Company, it is expected that the progress for completion of the acquiring or investing in upstream marketing industry players will be speeded up, and given the amount of funds for acquisition increased, the scope of suitable targets will be widen. It is also expected that the Group can leverage on Shanghai Yuzheng's management experience to ensure the long-term growth of the acquisition targets, thereby bringing positive returns to the Company and its shareholders.

Pursuant to the proposed articles of association of the JV Company, when considering any investment opportunities and acquisition targets with total consideration which exceeds RMB10 million, Xiamen Instant Interactive has the veto power to disagree with those proposals the Group deems inappropriate to ensure that the potential acquisition and investment targets of the JV Company will meet the requirements of the Group as disclosed in the Prospectus. It is also expected that the capital contribution by the Group will be placed at a designated account of the JV Company to ensure the capital contribution is properly managed and used. After having accumulated the requisite experience in merger and acquisition as well as management of companies acquired through acquisition, the Company may consider, where appropriate, to increase its stake in the JV Company and even to gain control over the JV Company.

In the event that further investment is made by the Group towards the JV Company, further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

INFORMATION OF THE GROUP AND SHANGHAI YUZHENG

The Group is principally engaged in the provision of integrated marketing solutions services mainly in the PRC to a large base of customers, with particular success in the fast moving consumer goods footwear and apparel and real estate industries. The scope of business under Xiamen Instant Interactive's business licence includes the provision of content marketing services, digital marketing services, public relations event planning services and media advertising services in the PRC.

Shanghai Yuzheng is a limited liability company established in the PRC. Its business scope includes investment management, business management services, business management consultation, business information consultation, conferencing services, corporate marketing planning, and graphic design and production. Shanghai Yuzheng is owned at to 80% by Mr. Wang Kai (王凱) ("Mr. Wang") and 20% by Shanghai Youxuan Enterprise Management Center (Limited Partnership) (上海宥璇企業管理中心 (有限合夥)) ("Shanghai Youxuan"), a limited partnership established in the PRC which the de facto controller and the ultimate beneficial owner is also Mr. Wang. The business scope of Shanghai Youxuan includes enterprise management consultation and business information consultation. To the best of the knowledge, information and belief of the Board having made all reasonable enquiry, Shanghai Yuzheng and its ultimate beneficial owners are an Independent Third Parties.

The Group became acquainted with Mr. Wang when Shanghai Yuzheng was the shareholder of Changxing Qianrun Equity Investment Centre (Limited Partnership)* (長興乾潤股權投資中心 (有限合夥)), which was the then institutional shareholder of Group's predecessor company, Good Idea Interactive (Xiamen) Culture Communication Co., Ltd.* (好想互動 (廈門) 文化傳播股份有限公司) when it was quoted on National Equities Exchange and Quotations (全國中小企業股份轉讓系統), in 2017. Mr. Wang has extensive experience in angel investment and private equity investment. He has invested in start-up companies including Dong Scheduling (懂調度), NeuroBot (矩視科技), Nanjie Beixiang (南街北巷), Ctrlbox, Altos Radar (傲圖科技), Youyun Software (優雲軟體), and

Kaisan Network (凱三網路), etc. Mr. Wang founded private equity fund Huijin Venture Capital Co., Ltd. (徽瑾創業投資 (上海) 有限公司) (“**Huijin Venture**”) in 2015. The business scope of Huijin Venture includes the provision of venture capital, assets and investment management and advisory services, and its principal investment directions are advanced manufacturing, TMT and healthcare. Huijin Venture is a private equity fund manager registered with the Asset Management Association of China, with 12 funds under its management as at the date of this announcement. The accumulated investment amount of Huijin Venture’s management portfolio amounted to approximately RMB1.2 billion, covering, amongst others, (i) Jiuzhou Future; (ii) Teyi Technology (特儀科技), an enterprise engaged in research and development, design, production and sales of automatic detection equipment for the optoelectronic display industry; (iii) Aotu Car Rental (凹凸租車), a car rental services company; and (iv) Herui Biotechnology (和銳生物), an enterprise focusing on research of development for diagnostic reagents for hepatenteric diseases. As at the date of this announcement, Shanghai Yuzheng is a 75% shareholder of Huijin Venture.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio (as defined in the Listing Rules) in respect of the capital contribution of Xiamen Instant Interactive under the Cooperation Agreement exceeds 5% but less than 25%, the formation of the JV Company under the Cooperation Agreement constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

USE OF PROCEEDS

References are made to the sections headed “Business —Our Strategies - Pursue investment and acquisition opportunities” and “Future Plans and Use of Proceeds” in the Prospectus. The Net Proceeds from the Global Offering, after deducting the underwriting fees, commissions and other related expenses payable by the Company, amounted to approximately HK\$267.3 million, for the purposes set out as follows:

Intended use of Net Proceeds	Approximate percentage of Net Proceeds	Actual amount of Net Proceeds	Utilised amount of Net Proceeds up to 30 November 2023	Unutilised amount of Net Proceeds as at 30 November 2023 (“Unutilised Net Proceeds”)
	(%)	(HK\$’million)	(HK\$’million)	(HK\$’million)
Enhancing SaaS interactive marketing platform research and development	14.7%	39.2	28.1	11.1
Scaling up our IP contents portfolio and expanding our integrated marketing solutions business	31.7%	84.8	84.8	-
Investment in the expansion of our geographical coverage and customer base	16.0%	42.7	42.7	-
Pursuing strategic	32.1%	85.8	-	85.8

cooperation, investments, and acquisitions				
Working capital and general corporate use	5.5%	14.8	14.8	–
Total	100.0%	267.3	170.4	96.9

As at the date of this announcement, the total utilised Net Proceeds amounted to approximately HK\$170.4 million.

CHANGE IN USE OF PROCEEDS

On 14 December 2023, for the reasons as set out in the paragraph headed “Reasons for and Benefits of the Change in Use of Proceeds” below in this announcement, the Board has resolved to reallocate the Unutilised Net Proceeds as follows:

Intended use of Net Proceeds	Original allocation of net proceeds (HK\$ million)	Revised allocation of net proceeds (HK\$ million)	Approximate percentage of Revised Net Proceeds (%)	Expected Timeline of Utilisation
Enhancing SaaS interactive marketing platform research and development	39.2	39.2	14.7%	By 31 December 2024
Scaling up our IP contents portfolio and expanding our integrated marketing solutions business	84.8	119.0	44.5%	By 31 December 2024
Investment in the expansion of our geographical coverage and customer base	42.7	42.7	16.0%	N/A
Pursuing strategic cooperation, investments, and acquisitions	85.8	-	-	N/A
Establishment of the JV Company	-	51.6	19.3%	By 30 June 2024
Working capital and general corporate use	14.8	14.8	5.5%	N/A
Total	267.3	267.3	100%	

REASONS FOR AND BENEFITS OF CHANGE IN USE OF PROCEED

Since the Company's listing on the Stock Exchange and up to the date of this announcement, the Group has been initiating search for potential targets for acquisition. Considering the potential risks involved in acquiring those potential targets in the current comparatively volatile market, as at the date of this announcement, no suitable targets for acquisition were identified. The Company expected that, through the establishment of the JV Company with Shanghai Yuzheng and leveraging on the background and proven track record of Shanghai Yuzheng and its controlling shareholder, Mr. Wang, for instance, successful previous experience in investments in the industry where our Group operates, such as (i) Jiuzhou Future (九州未來); and (ii) Zebra Housekeeping Cloud (斑馬家政雲), the Group is able to identify suitable targets for investment. With Shanghai Yuzheng's experience in merger and acquisition and investment and its capital contribution to the establishment of the JV Company, it is expected that the progress for completion of the acquiring or investing in upstream marketing industry players will be speeded up, and given the amount of funds for acquisition increased, the scope of suitable targets will be widen. It is also expected that the Group can leverage on Shanghai Yuzheng's management experience to ensure the long-term growth of the acquisition targets, thereby bringing positive returns to the Company and its shareholders.

The Board is of the view that it would be of the best interest to the Company and the Shareholders as a whole to change the intended use of the Unutilised Net Proceeds, by re-allocating approximately HK\$51.6 million, representing approximately 19.3% of the Net Proceeds and 53.3% of the Unutilised Net Proceeds, to the formation of the JV Company for furtherance of the Company's business strategies as disclosed in the Prospectus.

Having considered the background, experience and proven track record of Shanghai Yuzheng and Huijin Venture, the Company considered that the formation of the JV Company would present a good opportunity for the Group to utilise its available funds for a return. The Board is of the view that the reallocation is in line with the business strategy of the Group and will not adversely affect the operation and business of the Group and is in the best interests of the Company and the Shareholders as a whole.

Further, as disclosed in the above, as of 30 November 2023, the Group has fully utilised the Net Proceeds originally allocated for (i) scaling up our IP contents portfolio and expanding our integrated marketing solutions business; and (ii) investment in the expansion of our geographical coverage and customer base. With a view to further upgrading and adjusting our integrated marketing business and providing improved content marketing services, the Group decided to re-allocate HK\$34.2 million of the Unutilised Net Proceeds (accounting for approximately 12.8% of the total Net Proceeds and approximately 35.3% of Unutilised Net Proceeds) to expand our IP content portfolio and our integrated marketing solutions business.

The Directors will continuously assess the business objectives of the use of proceeds as set out in the Prospectus, and will revise or amend such plans to cope with the changing market conditions to ensure the business growth of the Group.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Many Idea Cloud Holdings Limited (多想雲控股有限公

	司), a limited liability company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 06696)
“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 14 December 2023 entered into among the Company and Shanghai Yuzheng to establish the JV Company
“Director(s)”	the director(s) of the Company
“Global Offering”	has the meaning ascribed to it under the Prospectus
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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 executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“JV Company”	廈門聿刻投資有限公司 Xiamen Yuke Investment Co., Ltd. (subject to the final name as approved and registered by the relevant administration for market regulation of the PRC), being the subject company to be established pursuant to the Cooperation Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Proceeds”	the net proceeds from the Global Offering in the amount of approximately HK\$267.3 million
“Prospectus”	the prospectus of the Company dated 28 October 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Yuzheng”	上海聿正投資管理有限公司 Shanghai Yuzheng Investment Management Co., Ltd., a company established under the laws of the PRC on 11 May 2021 with limited liability, being the 68.7% shareholder of the JV Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiamen Instant Interactive”	Xiamen Instant Interactive Culture Communication Co., Ltd.* (廈門即刻互動文化傳播有限公司), a company established under the laws of the PRC on 11 May 2021 with

limited liability and an indirect wholly owned subsidiary of our Company, and the 31.3% shareholder of the JV Company

** For identification purpose only*

By order of the Board
Many Idea Cloud Holdings Limited
Liu Jianhui
Chairman of the Board

Hong Kong, 14 December 2023

As at the date of this announcement, the Board comprises Mr. Liu Jianhui, Ms. Qu Shuo, Mr. Chen Shancheng and Mr. Chen Zeming as executive Directors and Ms. Wang Yingbin, Ms. Wong Yan Ki, Angel, Mr. Tian Tao and Ms. Xiao Huilin as independent non-executive Directors.