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## **HAO BAI INTERNATIONAL (CAYMAN) LIMITED**

**浩柏國際（開曼）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8431)**

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO PROPOSED ESTABLISHMENT OF A JOINT VENTURE**

This announcement is made by Hao Bai International (Cayman) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the shareholders and potential investors of the Company with updated information on the latest business development of the Group.

#### **MEMORANDUM OF UNDERSTANDING FOR JOINT VENTURE AGREEMENT**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 28 January 2022, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Splendid Resource Inc. (“**Splendid Resource**” and collectively with the Company, the “**Parties**”) in relation to develop pet park/scientific farming projects in the Po Toi Island, Hong Kong.

The Parties confirmed that following the signing of the MOU, a formal joint venture agreement (the “**JV Agreement**”) will be entered into based on the terms of the MOU and the actual development of projects. The Parties aim to leverage and evolve around their respective resources, expertise and experience to develop pet park/scientific farming projects in the Po Toi Island.

#### **NEGOTIATION PERIOD**

The Company and Splendid Resource intend to negotiate in good faith the terms and conditions of further legally binding agreement(s) with respect to the JV Agreement to be signed within seven (7) days after Splendid Resource has delivered the title deeds of the land lot property in the Po Toi Island and related company documents, while the completion of the JV Agreement shall take place within twenty-one (21) days from signing of the MOU. For the avoidance of doubt, the Negotiation Period shall constitute an exclusivity period of negotiation in relation to the JV Agreement between the Parties, and the MOU may be terminated upon the expiry of the Negotiation Period or the signing of the JV Agreement.

## **DETAILS OF THE JV AGREEMENT**

As at the date of this announcement, no definite terms on the actual scope of cooperation have been concluded between the Company and Splendid Resource. Further announcement(s) will be made by the Company with respect to the Agreement as and when appropriate in compliance with the GEM Listing Rules.

## **INFORMATION OF SPLENDID RESOURCE**

Splendid Resource is a company incorporated in the Marshall Islands. Splendid Resource is the owner of the land lot property with approximately 65,000 square feet in the Po Toi Island, Hong Kong.

## **REASONS FOR AND BENEFITS OF THE JV AGREEMENT**

The Group principally engages in provision of design, procurement and installation services of water circulation systems. During the year, the Group has been actively seeking investment opportunities in the construction industry to further enhance its presence and increase its market share.

The Board considers that the JV Agreement pursuant to the MOU provides a framework within which the Company and Splendid Resource may cooperate with each other on a joint venture project, and facilitates the Group's further broadening of business scope towards the construction business, in order to attain business diversification for the Group. The Board considers that the JV Agreement contemplated under the MOU is in the usual course of business of the Company and the terms of the JV Agreement are based on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Save for the provisions relating to the negotiation of the JV Agreement, confidentiality, costs and expenses, and governing laws, the MOU does not have any legal binding effect. The MOU may or may not lead to the entering into of the JV Agreement and the transactions contemplated thereunder may or may not consummated. If the JV Agreement materialises, it may constitute notifiable transaction(s) for the Company under the GEM Listing Rules.

The Company will keep shareholders and potential investors of the Company informed and make further announcement(s) as and when appropriate in compliance with the applicable requirements under the GEM Listing Rules.

## CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 16 August 2021, and will remain suspended until further notice pending, among other matters, publication of the 2021 First Quarterly Results Announcement, 2021 First Quarterly Report, the 2021 Interim Results Announcement and 2021 Interim Report.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Hao Bai International (Cayman) Limited**  
**Nam Ho Kwan**  
*Chairman and Chief Executive Officer*

Hong Kong, 28 January 2022

*As at the date of this announcement, the executive Directors are Mr. Nam Ho Kwan, Mr. Ng Wan Lok, Ms. Wong Wing Hung, Ms. Wang Rui, Mr. Wang Xinliang and Mr. Wong Terence Kwong Lung; and the independent non-executive Directors are Mr. Ng Kam Tsun, Mr. Ma Meng and Mr. Li Ruyi.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. 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 Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting. This announcement will also be published and remained on the Company’s website at [www.harmonyasia.com](http://www.harmonyasia.com).*