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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)

FULFILLMENT OF RESUMPTION CONDITION AND RESUMPTION OF TRADING

This announcement is made by Hao Bai International (Cayman) Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities (the “**GEM Listing Rules**”) on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 13 August 2021, 16 August 2021, 12 November 2021, 15 November 2021, 2 December 2021, 31 January 2022 and 15 February 2022 (the “**Announcements**”) in relation to, among other things, (a) delay in publication of the 2021 First Quarterly Results and the 2021 First Quarterly Report; (b) resumption guidance of the Company; (c) quarterly update on status of resumption; (d) delay in publication of the 2021 Interim Results and the 2021 Interim Report; and (e) suspension of trading of its shares pursuant to Rule 17.49A of the GEM Listing Rules. Unless otherwise stated, the use of capitalised terms herein shall have the same meanings as defined in the Announcement.

BACKGROUND OF SUSPENSION OF TRADING IN THE SHARES

As disclosed in the Announcements, the Company was unable to publish the 2021 First Quarterly Results Announcement, the 2021 First Quarterly Report, the 2021 Interim Results Announcement and the 2021 Interim Report (the “**Outstanding Financial Results**”), as the Company only comprised five members with four executive directors and one independent non-executive director (“**INED**”), which resulted in non-compliance with the requirements under Rules 5.05(1), 5.05A, 5.28 and 5.34 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”), paragraph 2 of the Terms of Reference of the Audit Committee, paragraph 2 of the Terms of Reference of the Remuneration Committee and paragraph 2 of the Terms of Reference of the Nomination Committee.

At the request of the Company, trading in its shares on the Stock Exchange has been halted with effect from 9:00 a.m. on 16 August 2021 and will remain suspended until the release of the Outstanding Financial Results.

RESUMPTION CONDITIONS IMPOSED BY THE STOCK EXCHANGE

Resumption Guidance

As disclosed in the announcements dated 12 November 2021, at the request of the Stock Exchange, the resumption of trading in the Shares is subject to the fulfilment of the following guidance:

- (a) publish all outstanding financial results required under the GEM Listing Rules and address any modifications;
- (b) demonstrate compliance with GEM Listing Rule 17.26;
- (c) re-comply with GEM Rules 5.05(1), 5.05A, 5.28 and 5.34; and
- (d) announce all material information for the Company's shareholders and investors to appraise the Company's position.

Satisfaction of the Resumption Guidance

The Board is pleased to announce that the Company has fulfilled the Resumption Guidance on the following basis:

- (a) *publish all outstanding financial results required under the GEM Listing Rules and address any modifications*

The following outstanding financial results of the Group as required by the GEM Listing Rules have been published: (i) the 2021 First Quarterly Results and the 2021 First Quarterly Report were published on 31 January 2022; and (ii) the 2021 Interim Results and the 2021 Interim Report were published on 31 January 2022, and there was no audit modification required as both results were unaudited. Hence, the Company had published all the outstanding financial results of the Group as required by the GEM Listing Rules as at the date of this announcement.

- (b) *demonstrate compliance with GEM Listing Rule 17.26*

At the date of this announcement, the business operations of the Group are continuing as usual in all material respects. Please refer to the 2021 Interim Report and the 2021 Third Quarterly Report for details of the Group's financial position and financial performance.

The Group is a Hong Kong-based contractor specialised in design, procurement and installation services of water circulation systems, including swimming pools, water fountains and water curtains, etc. We provide services mainly to developers, main contractors and subcontractors in various private residential projects and hotel, casino, shopping and recreation complex projects in Hong Kong and Macau. Our services are mainly categorised as (i) management contracting services – design, procurement and installation of water circulation systems, (ii) consultancy services – provision of consultancy services on water circulation systems and (iii) maintenance services – provision of maintenance and repair services for water circulation systems.

The Group has been actively engaged to participate in tendering new projects for water circulation systems in the past 6 to 12 months. It will continue to review its existing business from time to time and is committed to improving the business operations and financial position of the Group, actively identify potential business and investment opportunities to expand its source of income.

The Company aims to expand its business operations into the Greater Bay Area (GBA) while senior management will spend more time in the GBA to proactively target certain companies for joint venture or investment opportunities.

As disclosed in the 2021 Third Quarterly Report, the Group's total revenue for the nine months ended 31 December 2021 was approximately HK\$5.7 million (31 December 2020: HK\$22.2 million). The Group has reduced its net loss from HK\$13.5 million for the nine months ended 31 December 2020 to HK\$6.8 million for the nine months ended 31 December 2021. As at 30 September 2021, the total assets of the Group was approximately HK\$101 million and the net assets of the Group was approximately HK\$44 million.

The Company was recently awarded four swimming pool projects in Fotan, Wong Chuk Hang Station and Kai Tak respectively through successful tendering. The total contract sum is approximately HK\$37 million.

Based on the recent project wins mentioned above, potential new projects in the next 6 to 12 months and the Company's cost reduction programs, the Board considered that the Company has sufficient assets and sufficient level of operations to warrant the continued listing of its securities. As a result of the foregoing, the Company is capable of demonstrating compliance with Rule 17.26 of the GEM Listing Rules.

(c) *re-comply with GEM Rules 5.05(1), 5.05(A), 5.28 and 5.34*

The Company has appointed Mr. Ng Kam Tsun (“**Mr. Ng**”) as an independent non-executive Director, the chairman of the audit committee and a member of the remuneration and nomination committee of the Company with effect from 30 September 2021.

The Company has appointed Mr. Ma Meng (“**Mr. Ma**”) as an independent non-executive Director, a member of the audit committee, the remuneration and the nomination committee of the Company with effect from 3 January 2022.

The Company has appointed Mr. Li Ruyi (“**Mr. Li**”) as an independent non-executive Director, a member of the audit committee, the remuneration and the nomination committee of the Company with effect from 7 January 2022.

Following the appointment of Mr. Ng, Mr. Ma and Mr. Li, the Company has fulfilled the requirements under the Rules 5.05(1), 5.05(A), 5.28 and 5.34 of the GEM Listing Rules.

(d) announce all material information for the Company’s shareholders and investor to appraise the Company’s position

The Company has included all material information on its business, financial performance and operation management in the 2021 First Quarterly Report, 2021 Interim Report and other publication in accordance with the GEM Listing Rules and other applicable regulatory requirements. To the best knowledge of the Directors, there is no other information required to be disclosed under Part XIVA of the SFO and no other undisclosed information that is material for the Company’s shareholders and other investors to appraise the Company’s position.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 16 August 2021. As the Resumption Guidance have been fulfilled, an application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 28 February 2022.

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

Hong Kong, 25 February 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 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.