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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)**

**(1) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF  
ONE (1) RIGHTS SHARE  
FOR EVERY TWO (2) EXISTING SHARES  
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;  
AND  
(2) ADJUSTMENTS TO THE SHARE OPTIONS**

References are made to the prospectus (the “**Prospectus**”) of Hao Bai International (Cayman) Limited (the “**Company**”) dated 31 July 2023 and the announcement of the Company dated 17 August 2023 in relation to, among other things, the Rights Issue. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

**RESULTS OF THE RIGHTS ISSUE**

As disclosed in the announcement of the Company dated 17 August 2023, as at 4:00 p.m. on Monday, 14 August 2023, being the Latest Time for Acceptance, a total of 4 valid acceptances and applications had been received for a total of 8,804,000 Rights Shares, representing approximately 9.01% of the total number of Rights Shares offered under the Rights Issue. As at the Record Date, there were no Non-Qualifying Shareholders and therefore there were no NQS Unsold Shares. Based on the above-mentioned results of valid acceptances and applications, the total number of Untaken Shares subject to arrangements required under Rule 10.31(1) of the GEM Listing Rules was 88,866,000 Rights Shares. As disclosed in the Prospectus, the Company had put in place arrangements as required by Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the 88,866,000 Untaken Shares by offering the Untaken Shares to independent placees for the benefit of the No Action Shareholders. Accordingly, the Company has appointed the Placing Agent to procure, on a best effort basis, placees to subscribe for the Untaken Shares at a price at least equivalent to the Subscription Price in accordance with the terms and conditions of the Placing Agreement.

The Board wishes to announce that as at 6:00 p.m. on Monday, 28 August 2023, being the Placing End Date, all the 88,866,000 Untaken Shares, representing approximately 30.33% of the issued Shares immediately upon the Rights Issue Completion, were successfully placed by the Placing Agent to not less than six independent placees at the placing price of HK\$0.20 per Placing Share, which is equal to the Subscription Price, under the Placing. Therefore, there is no Net Gain available for distribution to the No Action Shareholders under the Placing.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is an Independent Third Party; and (ii) none of the placees has become a substantial Shareholder (as defined under the GEM Listing Rules) immediately upon completion of the Placing.

As all the conditions with respect to the Rights Issue and the Placing as set out in the Prospectus have been fulfilled and the Rights Issue and the Placing became unconditional at 4:00 p.m. on Tuesday, 29 August 2023.

## **USE OF PROCEEDS**

Based on the results of acceptance of the Rights Issue and the results of the Placing, the Rights Shares to be allotted and issued amounted to 97,670,000 Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue.

Accordingly, the gross proceeds raised from the Rights Issue (including the Placing) were HK\$19,534,000 and the net proceeds (after deducting the related expenses) from the Rights Issue were approximately HK\$18.33 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as follows:

- (a) approximately HK\$4.8 million for the repayment of the overdue accounts payables;
- (b) approximately HK\$1.6 million for the repayment of certain amount of the bank loans due within one year;
- (c) approximately HK\$4.9 million for the repayment of the outstanding loan due to Ms. Lok Yin Mei, being a connected person of the Company, together with all accrued interests;
- (d) approximately HK\$4.9 million for the expansion of the Group's businesses in the PRC; and
- (e) the remaining balance of approximately HK\$2.13 million for the general working capital of the Group, including but not limited to staff costs, rental expenses, legal and professional fees and other office overhead.

## EFFECTS OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, set out below is the shareholding structure of the Company immediately before and after the Rights Issue Completion:

	Immediately before the Rights Issue Completion		Immediately after the Rights Issue Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<b>Substantial Shareholders</b>				
Harmony Asia International Limited ( <i>Note 1</i> )	61,779,000	31.63	61,779,000	21.08
Chen Mingxia	24,375,000	12.48	24,375,000	8.32
<b>Public Shareholders</b>				
Independent placees ( <i>Note 2</i> )	–	–	88,866,000	30.33
Other public Shareholders	109,186,000	55.90	117,990,000	40.27
Total	<u>195,340,000</u>	<u>100.00</u>	<u>293,010,000</u>	<u>100.00</u>

*Notes:*

- Harmony Asia International Limited is a company incorporated in Samoa which is wholly-owned by Mr. Nam Ho Kwan, a former executive Director, the chairman of the Board, and chief executive officer of the Company who resigned from such positions with effect from 5 October 2022. As such, Mr. Nam Ho Kwan is deemed, or taken to be interested in the 61,779,000 Shares held by Harmony Asia International Limited by virtue of the SFO.
- To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is an Independent Third Party; and (ii) none of the placees has become a substantial Shareholder (as defined under the GEM Listing Rules) immediately upon completion of the Placing.
- The percentages are subject to rounding difference, if any. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

## DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

Share certificates for the fully-paid Rights Shares are expected to be posted on or before Monday, 11 September 2023 to those entitled thereto at their registered addresses by ordinary post at their own risk.

## COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 12 September 2023.

## ADJUSTMENTS TO THE SHARE OPTIONS

Prior to the Rights Issue Completion, the Company had 6,000,000 outstanding Share Options granted under the Share Option Scheme. As a result of the Rights Issue and pursuant to (i) the terms of the Share Option Scheme; (ii) Chapter 23 of the GEM Listing Rules; and (iii) the Supplementary Guidance on Main Board Listing Rules 17.03(13)/GEM Listing Rules 23.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 as updated in January 2023 (the “**Supplementary Guidance**”), the exercise price of the outstanding Share Options granted by the Company and the total number of Shares comprised in the outstanding Share Options which may be allotted and issued upon exercise of all such Share Options thereunder are adjusted in the following manner:

Date of grant	Exercise period	Immediately prior to the Rights Issue Completion		Immediately after the Rights Issue Completion	
		Exercise price of each Share Option	Number of Shares to be issued upon exercise of the outstanding Share Options	Adjusted price of each Share Option	Adjusted number of Shares to be issued upon exercise of the outstanding Share Options
27 April 2022	27 April 2022 to 27 April 2032	HK\$0.342	6,000,000	HK\$0.336	6,115,384

The above adjustments in relation to the outstanding Share Options shall take effect from Monday, 11 September 2023, being the date on which the fully-paid Rights Shares are allotted and issued. Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

The independent financial adviser of the Company, DL Securities (HK) Limited, has certified in writing that the adjustments made to the exercise price and the number of shares to be issued upon the exercise of the outstanding Share Options are in compliance with the requirements set out in the relevant terms of the Share Option Scheme, Rule 23.03(13) of the GEM Listing Rules and the Supplementary Guidance.

By order of the Board  
**Hao Bai International (Cayman) Limited**  
**Shu Zhongwen**  
*Chief Executive Officer and Executive Director*

Hong Kong, 8 September 2023

*As at the date of this announcement, the executive Directors are Mr. Wang Lun, Mr. Shu Zhongwen, Ms. Wong Wing Hung, Mr. Ng Wan Lok and Mr. Wang Xinliang; the non-executive Director is Ms. Chen Xiaodan; and the independent non-executive Directors are Mr. Ma Meng, Mr. Li Ruyi, Mr. Yuen Wai Keung and Mr. Cheung Hiu Fung.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange 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 Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) 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.irasia.com/listco/hk/haobai/](http://www.irasia.com/listco/hk/haobai/).*