
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hao Bai International (Cayman) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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) PROPOSED CAPITAL REORGANISATION; AND
(2) NOTICE OF EGM

Capitalised terms used on this cover page shall have the same meaning as defined in this circular, unless the context requires otherwise.

A notice convening the EGM to be held at 2:00 p.m. on Friday, 25 April 2025 at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Hong Kong, 10 April 2025

CHARACTERISTICS OF GEM OF STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Announcements”	the announcement of the Company dated 24 February 2025 and 10 March 2025 in relation to the Capital Reorganisation
“Board”	the board of Directors
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby the par value of each of the issued Consolidated Shares will be reduced from HK\$1 to HK\$0.01 by cancelling the paid up capital to the extent of HK\$0.99 on each issued Consolidated Share
“Capital Reorganisation”	collectively, the Share Consolidation, the Capital Reduction and the Share Sub-division
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as consolidated and revised
“Company”	Hao Bai International (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM of the Stock Exchange (Stock Code: 8431)
“Consolidated Share(s)”	ordinary share(s) of HK\$1 each in the share capital of the Company immediately following the Share Consolidation becoming effective
“Court”	the Grand Court of the Cayman Islands

DEFINITIONS

“Debt Capitalisation”	the capitalisation of an aggregate sum of approximately HK\$3,960,000 owed by the Company to three creditors (details were disclosed in the circular of the Company dated 21 March 2025)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 2:00 p.m. on Friday, 25 April 2025 at which resolutions will be proposed to consider, and, if thought fit, to approve, the Capital Reorganisation
“Existing Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company prior to the Share Consolidation having become effective
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	7 April 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New Share(s)”	ordinary share(s) of par value HK\$0.01 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be

DEFINITIONS

“Share Consolidation”	the consolidation of every ten (10) issued and unissued Existing Shares of HK\$0.1 each into one (1) Consolidated Share of HK\$1
“Share Options(s)”	share options granted or to be granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 12 May 2017
“Share Sub-division”	the proposed sub-division of each authorised but unissued Consolidated Share of par value HK\$1 each into one hundred (100) authorised and unissued New Shares of par value of HK\$0.01 each
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

EXPECTED TIMETABLE

Set out below is the expected timetable for the Capital Reorganisation. Any change to the expected timetable will be announced in separate announcement(s) by the Company as and when appropriate. All times and dates in this circular refer to the Hong Kong local times and dates, unless otherwise stated.

Events	Hong Kong Date and Time
Expected despatch date of the Circular, proxy form and notice of the EGM.	On or before Thursday, 10 April 2025
Latest time for lodging transfer documents of the Shares in order to be qualified for attendance and voting at the EGM	4:30 p.m. on Tuesday, 17 April 2025
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both days inclusive)	Tuesday, 22 April 2025 to Friday, 25 April 2025
Latest time for lodging proxy forms for the EGM (not less than 48 hours prior to the time of the EGM)	2:00 p.m. on Wednesday, 23 April 2025
Record date for determining attendance and voting at the EGM	Friday, 25 April 2025
Expected date and time of EGM to approve the Share Consolidation, the Capital Reduction and the Share Sub-division.	2:00 p.m. on Friday, 25 April 2025
Announcement of the poll result of the EGM	Friday, 25 April 2025
The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation:	
Effective date of the Share Consolidation	Tuesday, 29 April 2025
First day for free exchange of existing share certificates.	Tuesday, 29 April 2025
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Tuesday, 29 April 2025

EXPECTED TIMETABLE

Events	Hong Kong Date and Time
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 29 April 2025
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 29 April 2025
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 15 May 2025
Parallel trading in the Consolidated Shares commences	9:00 a.m. on Thursday, 15 May 2025
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares.	9:00 a.m. on Thursday, 15 May 2025
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares	4:00 p.m. on Wednesday, 4 June 2025
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Wednesday, 4 June 2025
Parallel trading in the Consolidated Shares ends	4:10 p.m. on Wednesday, 4 June 2025
Last day for free exchange of existing share certificates for new share certificates	Friday, 6 June 2025

EXPECTED TIMETABLE

Events

Hong Kong Date and Time

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reduction and Share Sub-division:

Expected effective date of the Capital Reduction and

Share Sub-division Friday, 25 July 2025
(Cayman Islands time)

Commencement of dealings in the New Shares..... 9:00 a.m. on
Monday, 28 July 2025

Note: Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) at the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.irasia.com/listco/hk/haobai/, as and when appropriate and in accordance with the GEM Listing Rules.

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Ng Wan Lok
Ms. Wong Wing Hung

Non-executive Director:

Ms. Shu Huajuan

Independent non-executive Directors:

Mr. Yuen Wai Keung
Mr. Cheung Hiu Fung
Mr. Yiu Chi Wai

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Suite 801, 8th Floor
Chinachem Century Tower
178 Gloucester Road
Hong Kong

10 April 2025

To the Shareholders

Dear Sir/Madam,

(1) PROPOSED CAPITAL REORGANISATION; AND (2) NOTICE OF EGM

INTRODUCTION

Reference is made to the Announcements in relation to the Capital Reorganisation, which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division.

The purpose of this circular is to provide you with, among other things, (i) details of the Capital Reorganisation; and (ii) a notice convening the EGM for the purpose of considering and, if thought fit, approving the resolutions to be proposed.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division.

LETTER FROM THE BOARD

(i) Share Consolidation

The Share Consolidation will involve a consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.1 each into one (1) Consolidated Share of par value of HK\$1 each.

(ii) Capital Reduction

Immediately upon the Share Consolidation becoming effective, the Capital Reduction will involve a reduction of the par value of each issued Consolidated Share from HK\$1 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.99 on each of the then issued Consolidated Shares. In addition, any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation will be cancelled.

(iii) Share Sub-division

Immediately following the Share Consolidation and the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Share will be sub-divided into one hundred (100) New Shares of par value of HK\$0.01 each.

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$100,000,000 divided into 1,000,000,000 Existing Shares of par value HK\$0.1 each, of which 421,930,000 Existing Shares have been issued and fully paid or credited as fully paid.

Reference is made to the circular of the Company dated 21 March 2025 in relation to the issue of an aggregate of 33,000,000 new Shares for the Debt Capitalisation. Assuming (i) the Debt Capitalisation is not able to proceed with completion and no further Shares are issued and/or repurchased by the Company (“**Scenario 1**”); or (ii) the completion of the Debt Capitalisation take place prior to the effective date of the Share Consolidation and no further Shares are issued and/or repurchased by the Company (“**Scenario 2**”), both from the Latest Practicable Date until the completion of Share Consolidation, the authorised share capital of the Company will be HK\$100,000,000 divided into 100,000,000 Consolidated Shares of par value of HK\$1 each under both Scenario 1 and Scenario 2, of which 42,193,000 Consolidated Shares will be in issue and the aggregate par value of the issued share capital of the Company will be HK\$42,193,000 under Scenario 1 or 45,493,000 Consolidated Shares will be in issue and the aggregate par value of the issued share capital of the Company will be HK\$45,493,000 under Scenario 2 respectively, both upon the Share Consolidation becoming effective. Assuming Scenario 1 or Scenario 2 occurs from the Latest Practicable Date until completion of the Capital Reorganisation, the authorised share capital of the Company will be HK\$100,000,000 divided into 10,000,000,000 New Shares of par value of HK\$0.01 each, of which 42,193,000 New Shares will be in issue and the aggregate par value of the issued share capital of the Company will be HK\$421,930 under Scenario 1 or 45,493,000 New Shares will be in issue and the

LETTER FROM THE BOARD

aggregate par value of the issued share capital of the Company will be HK\$454,930 under Scenario 2, both upon the Capital Reorganisation becoming effective.

Assuming (i) Scenario 1 occurs resulting in 42,193,000 Consolidated Shares in issue immediately after the Share Consolidation becoming effective; or (ii) Scenario 2 occurs resulting in 45,493,000 Consolidated Shares in issue immediately after the Share Consolidation becoming effective, a credit amounting to approximately HK\$41.8 million or HK\$45 million will arise respectively as a result of the Capital Reduction. The credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company. It is proposed that the credit arising from the Capital Reduction will be credited to the distributable reserve account of the Company, which will be utilised by the Company in such manner as the Board may deem fit and permitted under all applicable laws and the memorandum and articles of association of the Company.

Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reduction will be subject to change depending on the number of the Consolidated Shares in issue immediately prior to the Capital Reduction becoming effective.

LETTER FROM THE BOARD

The effect of the Capital Reorganisation and the share capital structure of the Company is summarised below:

Scenario 1: The Debt Capitalisation is not able to proceed with completion and no further Shares are issued and/or repurchased by the Company from the Latest Practicable Date until the completion of the Capital Reorganisation

	As at the Latest Practicable Date	Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective	Immediately upon the Capital Reorganisation becoming effective
Par value	HK\$0.1 per Existing Share	HK\$1 per Consolidated Share	HK\$0.01 per New Share
Authorised share capital	HK\$100,000,000	HK\$100,000,000	HK\$100,000,000
Number of authorised shares	1,000,000,000 Existing Shares	100,000,000 Consolidated Shares	10,000,000,000 New Shares
Issued shares	421,930,000 Existing Shares	42,193,000 Consolidated Shares	42,193,000 New Shares
Issued share capital	HK\$42,193,000	HK\$42,193,000	HK\$421,930

LETTER FROM THE BOARD

Scenario 2: The completion of the Debt Capitalisation take place prior to the effective date of the Share Consolidation and no further Shares are issued and/or repurchased by the Company from the Latest Practicable Date until the completion of the Capital Reorganisation

	As at the Latest Practicable Date	Immediately upon completion of the Debt Capitalisation but prior to the Share Consolidation becoming effective	Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective	Immediately upon the Capital Reorganisation becoming effective
Par value	HK\$0.1 per Existing Share	HK\$0.1 per Existing Share	HK\$1 per Consolidated Share	HK\$0.01 per New Share
Authorised share capital	HK\$100,000,000	HK\$100,000,000	HK\$100,000,000	HK\$100,000,000
Number of authorised shares	1,000,000,000 Existing Shares	1,000,000,000 Existing Shares	100,000,000 Consolidated Shares	10,000,000,000 New Shares
Issued shares	421,930,000 Existing Shares	454,930,000 Existing Shares	45,493,000 Consolidated Shares	45,493,000 New Shares
Issued share capital	HK\$42,193,000	HK\$45,493,000	HK\$45,493,000	HK\$454,930

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred, the implementation of the Capital Reorganisation will have no material effect on the consolidated net asset value of the Group, nor will they alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group.

LETTER FROM THE BOARD

Conditions of the Capital Reorganisation

The Share Consolidation is conditional upon:

- (i) the passing of the ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
- (ii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation; and
- (iii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

As at the Latest Practicable Date, none of the above conditions has been fulfilled. Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be Tuesday, 29 April 2025, being the second Business Day immediately following the fulfillment of the above conditions.

The Capital Reduction and Share Sub-division are conditional upon:

- (i) the Share Consolidation has become effective;
- (ii) the passing of the special resolution(s) to approve the Capital Reduction and the Share Sub-division by the Shareholders at the EGM;
- (iii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division;
- (iv) if required, the Court granting an order confirming the Capital Reduction;
- (v) if required, compliance with any conditions which the Court may impose in relation to the Capital Reduction;
- (vi) if required, registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (vii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division.

LETTER FROM THE BOARD

As at the Latest Practicable Date, none of the above conditions has been fulfilled. The Capital Reduction and the Share Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Share Consolidation, the Capital Reduction and the Share Sub-division at the EGM, the legal advisers to the Company (as to Cayman Islands Law) will apply to the Court for hearing date(s) to confirm the Capital Reduction and further announcement(s) will be made by the Company on the preliminary timetable as soon as the Court hearing dates are confirmed.

Listing and dealing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares and the New Shares arising from the Capital Reorganisation.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares and the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares and the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares and the New Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares and the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the equity or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the Consolidated Shares and the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Other securities of the Company

The Company adopted the Share Option Scheme on 12 May 2017. The existing scheme mandate limit of the Share Option Scheme was fully utilised in April 2022 and the Company has not refreshed the scheme mandate limit since then, therefore, no further grant of Share Option is available under the Share Option Scheme as at the Latest Practicable Date. As at the Latest Practicable Date, there are outstanding Share Options for subscription of an aggregate of 6,115,384 Existing Shares under the Share Option Scheme. Save for the aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which are convertible or exchangeable into Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

NO CHANGE IN BOARD LOT SIZE

The Existing Shares are currently traded on the Stock Exchange in board lot size of 10,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the New Shares will remain unchanged at 10,000 New Shares per board lot. Based on the closing price of HK\$0.029 per Existing Share (equivalent to the theoretical closing price of HK\$0.29 per Consolidated Share) as at the Latest Practicable Date, (i) the value per board lot of 10,000 Existing Shares is HK\$290; and (ii) the value per board lot of 10,000 New Shares would be HK\$2,900 on the assumption that the Share Consolidation becomes effective.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Any fractional Consolidated Share arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots, if any, of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Cheong Lee Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from Thursday, 15 May 2025 to Wednesday, 4 June 2025. Shareholders who wish to take advantage of this facility should contact Ms. Yu of Cheong Lee Securities Limited at Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (telephone number: (852) 3426 6338 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period).

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates for Consolidated Shares

Subject to the Share Consolidation having become effective, Shareholders may, during the specified period from Tuesday, 29 April 2025 to Friday, 6 June 2025 (both days inclusive), submit the existing share certificates for the Existing Shares to the share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

LETTER FROM THE BOARD

Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Consolidated Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Consolidated Shares (whichever is higher) but are not acceptable for trading, settlement and registration purposes.

After 4:10 p.m. on Wednesday, 4 June 2025, trading will only be in Consolidated Shares which share certificates will be issued in yellow colour. Existing share certificates in green colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Possible adjustments to outstanding Share Options

Under the terms and conditions of the Share Option Scheme, the Share Consolidation may lead to adjustments to the number of Shares available for issue under the scheme limit, which has not yet been utilised, of the Share Option Scheme, and/or the exercise price and/or the number of Shares falling to be issued upon the exercise of the Share Options. The aforementioned adjustment is conditional on the confirmation in writing by the auditors of the Company or the independent financial adviser appointed by the Company that the alteration is made on the basis that the proportion of the issued share capital of the Company to which a participant of the Share Option Scheme is entitled after such alteration shall remain the same as that to which he or she was entitled before such alteration. No such alteration shall be made to the effect of which would be to enable any Share to be issued at less than its nominal value.

As at the Latest Practicable Date, there were outstanding options granted under the Share Option Scheme to subscribe for 6,115,384 Existing Shares. Pursuant to the terms of the Share Option Scheme, immediately upon the Share Consolidation becoming effective, the following adjustments will be made to the exercise price of the outstanding Share Options and the number of Consolidated Shares to be issued upon exercise of the outstanding Share Options as follows:

Date of grant	Number of Existing Shares to be issued upon exercise of the Share Options	Exercise price per Existing Share	Number of Consolidated Shares to be issued upon exercise of the Share Options	Exercise price per Consolidated Share
27 April 2022	6,115,384	HK\$0.336	611,538	HK\$3.36

The adjustments to the outstanding options are subject to the Share Consolidation taking effect and the written confirmation by the auditors of the Company or the independent financial advisers appointed by the Company, the Company will make further announcements regarding the adjustments in accordance with the GEM Listing Rules as and when appropriate.

LETTER FROM THE BOARD

REASONS FOR THE CAPITAL REORGANISATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the share approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and updated in September 2024) has further stated that market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules and taking into account that the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

In view of the trading price of the Existing Shares has been at a level below HK\$0.10 and the value per board lot being less than HK\$2,000 for a prolonged period, the Board considers that the proposed Share Consolidation, resulting in HK\$0.29 per Consolidated Share and value per board lot of HK\$2,900 (based on the current closing price of HK\$0.029 per Existing Share as at the Latest Practicable Date), would enable the Company to comply with the GEM Listing Rules and trading requirements. In addition, the Share Consolidation will reduce the total number of Existing Shares currently in issue and is expected to bring about a corresponding upward adjustment to the trading price per Share on the Stock Exchange, and hence the transaction costs as a proportion of the market value of each board lot will be lower.

Further, under the Companies Act, the Company is restricted in its ability to issue Shares at a price lower than their par value. The Capital Reduction will reduce the par value of the Consolidated Shares, which will provide the Company with greater flexibility to accommodate the issue of new Shares in the future when necessary.

The Capital Reorganisation would help attract more investors and extend the base of the Shareholders, provide flexibility for equity fund raising of the Company in the future and eliminate a substantial amount of the Company’s accumulated losses, hence, allowing greater flexibility for the Company to pay dividends in the future. Accordingly, the Directors are of the view that the implementation of the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention or plan to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation. As at the Latest Practicable Date, the Company has no present intention to conduct any equity fund raising activities. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

LETTER FROM THE BOARD

In addition, the Board is of the opinion that the Capital Reduction will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future. As at the Latest Practicable Date, the Company has no intention or plan to utilise the distributable reserves (if any) arising from the Capital Reduction.

The Capital Reorganisation will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the Shareholders as a whole.

EGM

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. The EGM will be held at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong at 2:00 p.m. on Friday, 25 April 2025 to consider and, if thought fit, approve the Capital Reorganisation.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked. The resolutions proposed to be approved at the EGM will be taken by poll and an announcement will be made by the Company after the EGM on the poll results of the EGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions approving the Capital Reorganisation at the EGM. As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors nor their respective close associates had any business or interest, which competes or may compete with the businesses of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed under the GEM Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of the Shareholders of the Company to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 22 April 2025 to Friday, 25 April 2025 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for entitlement to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the

LETTER FROM THE BOARD

Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 17 April 2025.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 circular 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 circular misleading.

RECOMMENDATION

The Directors consider the proposed Share Consolidation, Capital Reduction, and Share Sub-division are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

By Order of the Board
Hao Bai International (Cayman) Limited
Ng Wan Lok
Executive Director

NOTICE OF EGM

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Hao Bai International (Cayman) Limited (the “**Company**”) will be held at 2:00 p.m. at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Central, Hong Kong on Friday, 25 April 2025 for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions which will be proposed as ordinary and special resolutions of the Company. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 10 April 2025 (the “**Circular**”):

ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon, (i) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation; and (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective, with effect from the second business day immediately following the date on which this resolution is passed or these conditions are fulfilled (whichever is the later):
 - (a) every ten (10) issued and unissued Existing Shares of par value HK\$0.1 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value HK\$1 each in the share capital of the Company;
 - (b) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the Board may think fit;
 - (c) immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK\$100,000,000 divided into 1,000,000,000 Existing Shares to HK\$100,000,000 divided into 100,000,000 Consolidated Shares; and
 - (d) any one or more Directors be and are hereby authorised to take such actions, do all such acts and things and execute (under hand or as a deed and where appropriate, under the common seal of the Company) all such further documents or deeds as they may, in their absolute discretion, consider necessary,

NOTICE OF EGM

appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Share Consolidation.”

SPECIAL RESOLUTION

2. “**THAT** subject to and conditional upon (i) the passing of ordinary resolution no. 1 set out in the notice convening the EGM dated 10 April 2025 and the Share Consolidation becoming effective; (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division; (iii) if required, the Court granting an order confirming the Capital Reduction; (iv) if required, compliance with any conditions which the Court may impose in relation to the Capital Reduction; (v) if required, registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and (vi) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division, with effect from the date on which these conditions are fulfilled:
- (a) the par value of each issued Consolidated Share of HK\$1 each in the share capital of the Company be reduced to HK\$0.01 by cancelling the paid up capital to the extent of HK\$0.99 on each of the then issued Consolidated Shares;
 - (b) immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Share be sub-divided into one hundred (100) New Shares of par value of HK\$0.01 each;
 - (c) immediately following the Capital Reduction and the Share Sub-division, the authorised share capital of the Company be changed from HK\$100,000,000 divided into 100,000,000 Consolidated Shares to HK\$100,000,000 divided into 10,000,000,000 New Shares;
 - (d) the credit arising from the Capital Reduction be credited to the distributable reserve account of the Company, which will be utilised by the Company in such manner as the Board may deem fit and permitted under all applicable laws and the memorandum and articles of association of the Company;
 - (e) each of the New Shares arising from the Capital Reduction and the Share Sub-division shall rank *pari passu* in all respects with each other and each shall have rights and privileges and be subject to the restrictions as contained in the memorandum and the articles of association of the Company; and

NOTICE OF EGM

- (f) any one or more Directors be and are hereby authorised to do all such acts and things and execute (under hand or as a deed and, where appropriate, under the common seal of the Company) all such documents, which are ancillary to the Capital Reduction and the Share Sub-division, on behalf of the Company, as they may, in their absolute discretion, consider necessary or expedient to give effect to, implement and complete the Capital Reduction and the Share Sub-division.”

By order of the Board
Hao Bai International (Cayman) Limited
Ng Wan Lok
Executive Director

Hong Kong, 10 April 2025

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:

Suite 801, 8th Floor
Chinachem Century Tower
178 Gloucester Road
Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM convened by the above notice is entitled to appoint a proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A member holding two or more shares entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, at the office of the Company's Hong Kong branch share registrar (the “**Share Registrar**”), Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at least 48 hours before the time appointed for the holding of the EGM (i.e. at 2:00 p.m. on Wednesday, 23 April 2025) or any adjournment thereof.
3. The register of members of the Company will be closed from Tuesday, 22 April 2025 to Friday, 25 April 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Tuesday, 17 April 2025.
4. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. If Typhoon signal No. 8 or above, or extreme conditions caused by super typhoons or a “black” rainstorm warning is in effect in Hong Kong any time after 7:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/haobai/) to notify Shareholders of the date, time and place of the rescheduled meeting.
6. Any voting at the EGM shall be taken by poll.