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**HAO TIAN INTERNATIONAL  
CONSTRUCTION INVESTMENT GROUP LIMITED**

**昊天國際建設投資集團有限公司**

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

**(Stock Code: 1341)**

**VOLUNTARY ANNOUNCEMENT  
IN RELATION TO  
A POTENTIAL ACQUISITION**

**THE MOU**

The Board announces that on 14 March 2018 (after trading hours), the Potential Purchaser, an indirect wholly-owned subsidiary of the Company, and the Potential Vendors entered into the MOU in relation to the Potential Acquisition by the Potential Purchaser of the entire equity interest in the Target Companies.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Potential Vendors and their ultimate beneficial owners are not connected persons (as defined in the Listing Rules) of the Company and are third parties independent of the Company and its connected persons.

**The Directors wish to emphasise that no binding agreement in relation to the Potential Acquisition has been entered into by the Potential Purchaser with any party as at the date of this announcement. As such, the Potential Acquisition may or may not proceed. If the Potential Acquisition materialises, the Directors consider that it may constitute a notifiable transaction of the Company under the Listing Rules and the Company will comply with the disclosure requirements under the Listing Rules accordingly.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares. The Company will make further announcement as and when appropriate pursuant to the requirements under the Listing Rules.**

## **INTRODUCTION**

This is a voluntary announcement made by Hao Tian International Construction Investment Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that on 14 March 2018 (after trading hours), Chief Elite Holdings Limited (the “**Potential Purchaser**”), an indirect wholly-owned subsidiary of the Company, Talent Courage Limited (“**Potential Vendor-1**”), Whisky Concept Limited (“**Potential Vendor-2**”), Gain Control Limited (“**Potential Vendor-3**”) and Wonder Triple Limited (“**Potential Vendor-4**”) (collectively, the “**Potential Vendors**”), entered into a memorandum of understanding (the “**MOU**”) in relation to a potential acquisition (the “**Potential Acquisition**”) of the entire equity interest in Allied Benefit Limited (“**Target Company-1**”) and Merry Max Limited (“**Target Company-2**”) (collectively, the “**Target Companies**”).

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Potential Vendors and their ultimate beneficial owners are not connected persons (as defined in the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”)) of the Company and are third parties independent of the Company and its connected persons.

## **MAJOR TERMS OF THE MOU**

The major terms of the MOU are summarised as follows:–

Date : 14 March 2018

Parties : (a) Chief Elite Holdings Limited, an indirect wholly-owned subsidiary of the Company (as potential purchaser); and  
(b) Talent Courage Limited, Whisky Concept Limited, Gain Control Limited and Wonder Triple Limited (as potential vendors)

## **Interest intended to be acquired**

As of the date of this announcement, Potential Vendor-1, Potential Vendor-2, Potential Vendor-3 and Potential Vendor-4 (i) own 51.00%, 38.73%, 10.05% and 0.22% equity interest in the Target Company-1 respectively; and (ii) own 51.00%, 38.73%, 10.05% and 0.22% equity interest in the Target Company-2 respectively. Subject to the satisfaction of the Conditions Precedent (as defined below) to be set out in a formal and binding agreement for the Potential Acquisition (the “**Definitive Agreement**”), the Potential Vendors shall sell and the Potential Purchaser shall purchase the entire equity interest in the Target Companies.

## **Consideration**

Subject to the final consideration to be set out in the Definitive Agreement, the consideration of the Potential Acquisition (the “**Consideration**”) is proposed to be HK\$204,000,000, which shall be satisfied by the allotment and issue of new shares in the Company (the “**Consideration Shares**”) at the price of HK\$0.4 per share (the “**Issue Price**”) by the Company to the Potential Vendors (or such nominee(s) as the Potential Vendors may direct) in proportion to their respective shareholdings in the Target Companies on the date of the completion of the Potential Acquisition (the “**Completion**”).

The Consideration shall be subject to downward adjustment(s) if the Target Companies fail to satisfy the overall profit guarantees to be achieved by their operating entities to be agreed in the Definitive Agreement. If the overall profit guarantees cannot be satisfied, the Potential Vendors shall dispose of certain Consideration Shares (in proportion to their respective shareholdings in the Target Companies) to (i) Hao Tian Development Group Limited (“**HTDG**”, a company listed on the main board of the Stock Exchange, which owns 62.5% equity interest in Company); (ii) person(s) designated by the Potential Purchaser; and/or (iii) purchaser(s) sourced by the placing agent(s) designated by the Potential Purchaser at the price and in accordance with the manner as instructed by the Potential Purchaser, and such purchaser(s) of the Consideration Shares shall transfer the entire proceeds due to be paid to the Potential Vendors derived from such disposal(s) directly to the Potential Purchaser.

## **Conditions precedent**

Pursuant to the MOU, the Definitive Agreement shall include, but not limited to, the following conditions precedent (the “**Conditions Precedent**”):

- (i) the Potential Purchaser being satisfied with the results of the business and financial due diligence review of, amongst others, the assets, business, legal status and financial position of the Target Companies;
- (ii) completion of the Reorganisation (as defined below) and the Potential Purchaser being satisfied with the restructuring results;
- (iii) the passing by the shareholders of the Company in an extraordinary general meeting of the resolution that the Board has obtained specific mandate to allot, issue and dispose the Consideration Shares; and
- (iv) the Company having obtained all necessary approvals, consents and authorisations for the allotment, issue and disposal of the Consideration Shares, including and without limitation to the approval of the listing of, and permission to deal in, the Consideration Shares granted by the Listing Committee of the Stock Exchange.

## **Potential Purchaser’s Undertaking**

The Potential Purchaser undertakes to Potential Vendor-1 that within two months after the lock-up period (which shall be between the date of the Completion and the date of the publishing of the 2021 annual results of the Company), Potential Vendor-1 shall be entitled to request the Potential Purchaser to procure (i) HTDG; (ii) person(s) designated by the Potential Purchaser; and/or (iii) purchaser(s) sourced by the placing agent(s) designated by the Potential Purchaser to purchase the Consideration Shares from Potential Vendor-1 at the Issue Price.

## **Definitive Agreement**

Subject to the Potential Purchaser’s satisfaction with the due diligence review, the parties agree to proceed to negotiate and with the view to finalise detailed terms and conditions of their investment and cooperation and the Definitive Agreement and to execute the Definitive Agreement. If there is any conflict or inconsistency between the MOU and the Definitive Agreement, the terms under the Definitive Agreement shall prevail.

## **Exclusivity**

The Potential Purchaser is granted an exclusive right of 12 months from the date of the MOU (the “**Exclusive Period**”) to negotiate with the Potential Vendors on the terms and conditions of the Potential Acquisition.

## **No Legally Binding Effect**

The MOU was intended to record the preliminary mutual understanding between the parties in relation to the Potential Acquisition and was not intended to be legally binding on the relevant parties (save for the provisions relating to due diligence review, conflicts with Definitive Agreement, exclusivity, fees and expenses, confidentiality, termination of the MOU and governing law and jurisdiction).

## **Termination of the MOU**

Subject to the entering into of the Definitive Agreement, the obligations of the parties of the MOU shall cease upon the expiry of the Exclusive Period.

## **INFORMATION ABOUT THE POTENTIAL PURCHASER**

The Potential Purchaser is a company incorporated in the British Virgin Islands (the “**BVI**”), which is an indirect wholly-owned subsidiary of the Company and is principally engaged in the business of investment holding.

## **INFORMATION REGARDING THE POTENTIAL VENDORS**

The Potential Vendors are companies incorporated in the BVI and are investment holding companies. The Target Companies are investment holding companies and, as of the date of this announcement, do not hold any material assets. The Target Companies will undergo reorganisation (the “**Reorganisation**”) to acquire the operating subsidiaries and entities which operate the co-working space management and operation business and exchange and clearing business (collectively, the “**Principal Business**”) of Eight Nine Eight Innovation Space (Beijing) Technology Co., Ltd.\* (八九八創新空間(北京)科技有限公司) (“**898 Company**”).

After the completion of the Reorganisation,

- (i) Target Company-1 will own 85% of interest in (i) the nine subsidiaries of 898 Company; and (ii) the co-working space management and operation business and assets of 898 Company, including but not limited to the co-working space management business in relation to 898 Innovation Park\* (898創新谷園區), which is developed on the land situated at Chaoyang District in Beijing with a total site area of approximately 155,200 square metres; and
- (ii) Target Company-2 will through certain contractual arrangements control 85% of interest in Yan'an Eight Nine Eight Commodity Exchange Center\* (延安八九八商品交易中心) and Yan'an Commodity Clearing Center\* (延安商品清算中心) and their commodity exchange and clearing business.

## **INFORMATION ABOUT THE GROUP**

The Company is an investment holding company. As at the date of this announcement, the Group is principally engaged in the construction machinery business, serving primarily the construction sector in Hong Kong. The Group's principal activities include (i) rental of construction machinery, such as crawler cranes, aerial platforms and foundation equipment; (ii) trading of new or used construction machinery and spare parts; and (iii) provision of machinery transportation services.

## **REASONS FOR ENTERING INTO THE MOU**

It has been the business strategy of the Group to proactively seek potential investment opportunities from time to time in order to diversify its business and enhance the long-term growth potential of the Company and its shareholders' value.

The Directors consider that the Potential Acquisition as contemplated by and outlined in the MOU is intended to benefit the Company and the shareholders of the Company as a whole as the Potential Acquisition is considered to be a potentially suitable opportunity for the Group to broaden its range of investments to increase its revenue sources and/or enhance its profitability.

Following the Potential Acquisition, the Group intends leverage the branding of 898 Company and the Principal Business to expand and develop further co-working space and other consumer real estate projects into other regions in the PRC. The Group believes this will contribute to the Group's broader investment plan in the real estate sector. The Group will look to finance such potential future investments in the real estate sector by a mix of internal resources and possible debt or equity fund raising.

## **GENERAL**

The Directors wish to emphasise that no binding agreement in relation to the Potential Acquisition has been entered into by the Potential Purchaser with any party as at the date of this announcement. As such, the Potential Acquisition may or may not proceed. If the Potential Acquisition materialises, the Directors consider that it may constitute a notifiable transaction of the Company under the Listing Rules and the Company will comply with the disclosure requirements under the Listing Rules accordingly.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcement as and when appropriate pursuant to the requirements under the Listing Rules.

By Order of the Board

**Hao Tian International Construction Investment Group Limited**

**Fok Chi Tak**

*Executive Director*

Hong Kong, 14 March 2018

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Fok Chi Tak, Mr. Tang Yiu Chi James and Dr. Zhiliang Ou, J.P., (Australia) and three independent non-executive Directors, namely Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot.*

\* *for identification purpose only*