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## **HUAJUN INTERNATIONAL GROUP LIMITED**

**華君國際集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 377)**

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF POTENTIAL TRANSACTIONS**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

#### **THE MOU**

The Board is pleased to announce that on 12 February 2020 (after trading hours of the Stock Exchange), the Vendors, entered into a non-legally binding MOU with the Purchaser, an indirect wholly-owned subsidiary of the Company, in relation to the Potential Transactions.

The MOU is non-legally binding and is subject to, among others, the execution of the formal agreement. The terms of the formal agreement for the Potential Transactions have not yet been determined.

#### **GENERAL MATTERS**

The Potential Transactions, if materialized, may constitute notifiable transactions for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company when appropriate in accordance with the Listing Rules. No binding agreement in relation to the Potential Transactions has been entered into by the Purchaser as at the date of this announcement.

**As the Potential Transactions may or may not materialize, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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### **Principal terms of the MOU**

Date: : 12 February 2020

Parties : Purchaser : Huajun Hot Spring Resort Hotel Co., Ltd.\* (華君溫泉度假酒店有限公司)

Vendor A : Yingkou Bohai Pearl Cultural and Sports Tourism Development Investment Centre (Limited Partnership)\* (營口渤海明珠文體旅遊發展投資中心(有限合夥))

Vendor B : Yingkou Hongyuntong Logistics Co., Ltd.\* (營口鴻運通物流有限公司)

As at the date of this announcement, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendors and their ultimate beneficial owners are Independent Third Parties.

## **Assets to be acquired**

Pursuant to the MOU, the Purchaser intends to purchase and the Vendors intend to sell the entire equity interest in the Target Company. As of the date of this announcement, as notified by the Vendors, Vendor A and Vendor B hold 99.99% and 0.01% equity interest in the Target Company respectively. The principal businesses of the Target Company and its subsidiaries include property development, catering services, hotel management and food retail.

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## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

“Board”	The board of Directors
“Company”	Huajun International Group Limited (華君國際集團有限公司)(Stock Code: 377), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 12 February 2020 entered into between the Purchaser and the Vendors
“Potential Transactions”	the intended sale and purchase of the entire equity interest in the Target Company and related interests in its subsidiaries
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Purchaser”	Huajun Hot Spring Resort Hotel Co., Ltd.*(華君溫泉度假酒店有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholders”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Huajun Real Estate (Gaizhou) Co., Ltd.* (華君置業(蓋州)有限公司), a limited liability established in the PRC with 99.99% and 0.01% equity interest held by Vendor A and Vendor B, respectively
“Vendors”	collectively, the Vendor A and the Vendor B
“Vendor A”	Yingkou Bohai Pearl Cultural and Sports Tourism Development Investment Centre (Limited Partnership)* (營口渤海明珠文體旅遊發展投資中心(有限合夥)), a limited partnership established in the PRC

“Vendor B” Yingkou Hongyuntong Logistics Co., Ltd.\* (營口鴻運通物流有限公司), a limited liability company established in the PRC

“%” per cent.

By Order of the Board  
**Huajun International Group Limited**  
**Meng Guang Bao**  
*Chairman and Executive Director*

Hong Kong, 12 February 2020

*As at the date of this announcement, the Board comprises Mr. Meng Guang Bao, Ms. Zhang Ye, Mr. Guo Song and Mr. Zeng Hongbo as executive Directors; and Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping as independent non-executive Directors.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*

\* For identification purpose only