

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

# **HYPEBEAST**

## **Hypebeast Limited**

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

**(Stock Code: 00150)**

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING ON STRATEGIC PARTNERSHIP AND INVESTMENT**

This announcement is made by Hypebeast Limited (the “Company”), together with its subsidiaries the (“Group”) on a voluntary basis.

The board of directors of the Company (the “Board”) is pleased to announce that the Company and Avex Entertainment Inc. (“AEI”, and together with the Company, the “Parties”) have entered into a non-binding Memorandum of Understanding (the “MOU”) on strategic partnership and investment on 10 September 2020, which is anticipated to capture synergies between the two Parties and accelerate mutual growth and development of their respective businesses in Japan and globally.

The MOU encompasses several areas of collaboration related to the Group’s business in Japan, including:

1. identification of resource and knowledge sharing, marketing and promotion and other partnership and collaboration opportunities in relation to the Group’s digital media and creative services agency business (HYPEMAKER) and editorial platforms (HYPEBEAST and HYPEBAE) in Japan;
2. provision by the Group of digital advertising and creative media services to AEI;
3. provision by AEI of logistics, technology, and back-end services and support to the Group’s ecommerce business (HBX) in Japan;
4. exploration of mutually beneficial partnership opportunities in relation to the Group’s and AEI’s event production, music label, talent management and other business segments; and
5. an investment by AEI in the amount of JPY100 million in exchange for ordinary shares to be issued by the Company to AEI.

## REASONS FOR AND BENEFITS OF THE MOU

The Board expects the partnership contemplated in the MOU, if materialized, to bring long-term strategic value to the Group. The intended strategic cooperation with AEI will enable the Group to rapidly accelerate growth of its business in Japan due to the ability to leverage AEI's deep domestic connections and local expertise in Japan as well as its strength as a leader in the event production, talent management and music label industries. Further, the contemplated partnership would enable each of the Parties to benefit from the respective competitive advantages of their counterpart and develop new business opportunities mutually beneficial to the development of their respective businesses in Japan and abroad. In view of the above, the Board considers the MOU and the transactions contemplated thereunder are in the interests of the Company and the shareholders of the Company as a whole.

AEI is a limited company incorporated in Japan under Avex Group, owned by Max 2000, Inc. (5.08%), T's Capital Co., Ltd. (4.97%) and The Master Trust Bank of Japan (4.60%). Founded in 1988, the Avex Group is a Japanese entertainment conglomerate that holds over 33 years of expertise across business domains including music, talent management, anime, events, and more.

**Save for the provisions on confidentiality, the MOU does not create legally binding obligations on the Parties. The Board wishes to emphasize that the transactions contemplated under the MOU may or may not proceed and that the Parties have not entered into a legally binding agreement in relation to the transactions contemplated under the MOU as at the date of this announcement. If the transactions contemplated under the MOU materialize, the Company will make further announcements as and when appropriate in accordance with the Rules Governing the Listing of Securities on the Stock Exchange. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board of  
**Hypebeast Limited**  
**Mr. Kevin Ma**  
*Chairman*

Hong Kong, 10 September 2020

*As at the date of this announcement, the executive Directors are Mr. Ma Pak Wing Kevin and Ms. Lee Yuen Tung Janice; and the independent non-executive Directors are Ms. Kwan Shin Luen Susanna, Ms. Poon Lai King and Mr. Wong Kai Chi.*