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HUA LIEN INTERNATIONAL (HOLDING) COMPANY LIMITED

華聯國際（控股）有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 969)

DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

THE DISPOSAL

The Board is pleased to announce that the Vendor, a 70% owned indirect subsidiary of the Company, entered into the Sale and Purchase Agreement dated 10 March 2025 (Jamaica time) with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to buy the Property at the Consideration of US\$2,550,000 (equivalent to approximately HK\$19,890,000).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but all of them are under 25%, the Disposal constitutes a discloseable transaction for the Company under the Listing Rules, and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

A summary of the principal terms of the Sale and Purchase Agreement is as follows:

Date: 10 March 2025 (Jamaica time)

Parties: (i) Vendor: Pan-Caribbean Sugar Company Limited, a 70% owned indirect subsidiary of the Company; and

- (ii) Purchaser: AYD Construction Limited, is a company established in the Jamaica with limited liability, which is principally engaged in construction, repair and alteration of buildings (including erection of prefabricated buildings or structures of concrete on sites). The Purchaser is ultimately owned as to 50% by Mr. Zhang Shukun and as to 50% by Mr. Zhu Qingsong.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of: The Property located at Bernard Lodge Sugar Factory, Bernard Lodge, Spanish Town, Saint Catherine in Jamaica consists of three parcels of land of a total area of 18.079 hectare, with fee simple absolute title under Vendor, held as a single holding being 1.8769 hectares, 14.2695 hectares and 1.9326 hectares and which are comprised in Certificates of Title registered at Volume 1451 Folios 928 and 929 of the Register Book of Titles in Jamaica.

Bernard Lodge Sugar Factory is deserted and sits on the three parcels of land. Bernard Lodge Sugar Factory had ceased production for many years and was in derelict stage before its acquisition by the Group in 2013. It was assessed as fully depreciated with no commercial value by an independent professionally qualified property valuer in Jamaica. All structures on the three parcels of land will transfer under the Disposal at no additional consideration.

The Property will be sold in vacant possession.

The Property will be sold to the Purchaser free from encumbrances.

The Property will be sold on an “as is where is” basis.

Consideration and payment terms: The consideration for the Disposal of US\$2,550,000 (equivalent to approximately HK\$19,890,000), which shall be paid by the Purchaser to the Vendor in the following manner:

- (a) US\$1,300,000 (equivalent to approximately HK\$10,140,000) in cash shall be paid upon execution of the Sale and Purchase Agreement as initial deposit;
- (b) US\$1,000,000 (equivalent to approximately HK\$7,800,000) in cash shall be paid on or before sixty (60) days of execution of the Sale and Purchase Agreement as further payment; and

- (c) the balance in the sum of US\$250,000 (equivalent to approximately HK\$1,950,000) in cash shall be paid on or before ninety (90) days of execution of Sale and Purchase Agreement in full upon completion of the Disposal.

In the event of a rescission of this Sale and Purchase Agreement, the Vendor shall refund the deposit(s) to the Purchaser, both the stamp duty and transfer tax paid out of deposit and the Purchaser's share of legal fees shall be treated as part of the refunded deposit.

The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser by referencing to, amongst other things, (a) the prevailing market conditions, (b) the location of the Property, (c) the market prices of other comparable properties and the prevailing market value of commercial properties of similar size and in similar vicinity and (d) the valuation report performed by an independent professionally qualified property valuer in Jamaica of a valuation of US\$2,200,000 (equivalent to approximately HK\$17,160,000).

Completion: Completion of the Disposal shall take place on or before ninety (90) days of execution of Sale and Purchase Agreement. It expected to take place on or before 9 June 2025 (Jamaica time).

The Vendor shall deliver vacant possession of the Property with Duplicate Certificate of Title for Property registered in the name of Purchaser upon completion of the Disposal.

FINANCIAL EFFECTS OF THE DISPOSAL AND PROPOSED USE OF PROCEEDS

No income was generated from and no expenses were incurred in respect of the Property for the financial year ended 2023 and for the six months ended 2024.

The Property was acquired by the Vendor together with other properties in two other sugar factories of Monymusk Sugar Factory and Frome Sugar Factory in 2013 at the allocated initial cost of approximately HK\$2,231,000. The carrying value of the Property as at 31 December 2023 and 30 June 2024 was approximately HK\$7,000 and approximately HK\$7,000, respectively as almost full impairment loss has been made after Vendor conducted impairment tests on the Property.

Based on the consideration of US\$2,550,000 (equivalent to approximately HK\$19,890,000) and minus the associated estimated direct cost and other relevant expenses of approximately US\$100,000 (equivalent to approximately HK\$780,000) as well as minus the carrying value of the Property in 2025, the Group is expected to record a gain on the Disposal of approximately HK\$19,103,000 for the year ending 31 December 2025. The exact amount of the gain on the Disposal is subject to audit and therefore may differ from the estimated gain set out above.

It is estimated that the net proceeds from the Disposal of approximately US\$2,450,000 (equivalent to approximately HK\$19,110,000) are intended to be applied as general working capital of the Group.

REASONS FOR THE DISPOSAL

Driven by the governmental development plan to develop the Bernard Lodge region where the Property is located which created this disposal opportunity, the Directors believe that the Disposal represents a valuable opportunity for the Company to realise the value of the Property at a favourable price and the proceeds from the Disposal may improve the financial position of the Group and provide additional general working capital to the Group.

Based on the foregoing, the Directors consider that the terms and conditions of the Disposal are on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE VENDOR

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of supporting services and sweetener business, cultivation of sugar cane and manufacturing of sugar.

The Vendor is a company incorporated in Jamaica with limited liability. It is a 70% owned indirect subsidiary of the Company and is engaged in the cultivation of sugar cane and manufacturing of sugar.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in Jamaica with limited liability, which is principally engaged in construction, repair and alteration of buildings (including erection of prefabricated buildings or structures of concrete on sites). The Purchaser is ultimately owned as to 50% by Mr. Zhang Shukun and as to 50% by Mr. Zhu Qingsong.

To the best of the Directors' knowledge, information and belief, after made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but all of them are under 25%, the Disposal constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the notification and announcement requirements but are exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Company”	Hua Lien International (Holding) Company Limited (stock code: 969), a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	US\$2,550,000 (equivalent to approximately HK\$19,890,000), being the total consideration payable by the Purchaser to the Vendor in respect of the Disposal
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser pursuant to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) who/which is/are independent of, and not connected with, the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	The Property located at Bernard Lodge Sugar Factory, Bernard Lodge, Spanish Town, Saint Catherine in Jamaica consists of three parcels of land of a total area of 18.079 hectare, with fee simple absolute title under Vendor, held as a single holding being 1.8769 hectares, 14.2695 hectares and 1.9326 hectares and which are comprised in Certificates of Title registered at Volume 1451 Folios 928 and 929 of the Register Book of Titles in Jamaica

“Purchaser”	AYD Construction Limited, a company incorporated in the Jamaica with limited liability
“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 March 2025 (Jamaica time) and entered into between the Vendor and the Purchaser in respect of the Disposal
“US\$”	United States dollars, the lawful currency of the United States of America
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company as at the date of this announcement
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Pan-Caribbean Sugar Company Limited, a company incorporated in Jamaica with limited liability and a 70% owned indirect subsidiary of the Company
“%”	per cent

For the purpose of this announcement, conversion of US dollars into HK dollars is based on the approximate exchange rate of US\$1.0 to HK\$7.8. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in HK dollars or US dollars have been, could have been or may be converted at such or any other rate or at all.

By order of the Board
Hua Lien International (Holding) Company Limited
Wu Shurong
Chairman

Hong Kong, 11 March 2025

As at the date of this announcement, the Board comprises seven directors, of which four are executive directors, namely Mr. Wu Shurong, Mr. Wang Xiang, Mr. Liu Jun and Mr. Li Baojian, and three are independent non-executive directors, namely Dr. Ng Lai Man Carman, Mr. Tan Chuen Yan Paul and Mr. Shi Zhu.

** For identification purpose only*