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香港興業國際集團有限公司*
HKR International Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00480)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF A SUBSIDIARY
AND
ASSIGNMENT OF THE SALE LOAN**

THE DISPOSAL

On 22 September 2025, the Vendor, an indirect wholly-owned subsidiary of the Company, the Company (as the Vendor's guarantor), the Purchaser and the Purchaser Guarantor entered into the SPA, pursuant to which the Vendor agreed to sell and assign and the Purchaser agreed to purchase and take up the assignment from the Vendor the Sale Share (which represents the entire issued share capital of the Target Company) and the Sale Loan at a total consideration of HK\$180 million (subject to adjustment, if any), subject to the terms and conditions of the SPA.

Upon Completion, the Company will no longer hold any interest in the Target Company and the Target Company will cease to be a subsidiary of the Company. Accordingly, the financial results of the Target Company will no longer be consolidated into the consolidated financial statements of the Group upon Completion.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but all applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 22 September 2025, the Vendor, an indirect wholly-owned subsidiary of the Company, the Company (as the Vendor's guarantor), the Purchaser and the Purchaser Guarantor entered into the SPA, pursuant to which the Vendor agreed to sell and assign and the Purchaser agreed to purchase and take up the assignment from the Vendor the Sale Share (which represents the entire issued share capital of the Target Company) and the Sale Loan at a total consideration of HK\$180 million (subject to adjustment, if any), subject to the terms and conditions of the SPA.

DETAILS OF THE SPA

Date of the SPA: 22 September 2025

Parties to the SPA:

- | | | | |
|-----|---------------------|---|-----------------------------|
| (1) | Vendor | : | Dreamy Investments Limited |
| (2) | Vendor's guarantor | : | The Company |
| (3) | Purchaser | : | Hua Zhan Investment Limited |
| (4) | Purchaser Guarantor | : | Ms Liang Cuijuan |

To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner, i.e. the Purchaser Guarantor are third parties independent of the Company and its connected persons.

Subject of the Disposal

The Vendor agreed to sell and assign and the Purchaser agreed to purchase and take up the assignment from the Vendor the Sale Share (which represents the entire issued share capital of the Target Company) and the Sale Loan free from all encumbrances in accordance with the terms and conditions of the SPA.

The Target Company is the sole legal and beneficial owner of the Property, which comprises an 8-storey public car park, together with a shroff's office, and container parking space No. C1 on the ground floor of the building known as "Tuen Mun Central Square" situated at No. 22 Hoi Wing Road, Tuen Mun, New Territories.

The Property is currently leased to a carpark operator for rental income. The Property will be delivered to the Purchaser on an "as is" basis and subject to the existing tenancy upon Completion.

Consideration and Payment Terms

The Consideration was arrived after arm's length negotiations between the Purchaser and the Vendor through property agent, on normal commercial terms and with reference to, among others, the prevailing market conditions, the price of comparable properties nearby and the carrying value of the Property in respect of the Target Company of approximately HK\$195 million as at 31 March 2025. The Consideration shall be payable by the Purchaser as follows:

- (i) an aggregate sum of HK\$18,000,000 has been paid by the Purchaser as deposit and part payment of the Consideration to the Vendor's solicitors as stakeholders upon execution of the SPA (the "**Deposit**"); and
- (ii) HK\$162,000,000, being the balance of the Consideration (i) plus the amount of the Net Current Asset Value (if the amount of the Net Current Asset Value is positive) as computed based on the Completion Accounts; or (ii) minus the absolute value of the amount of the Net Current Asset Value (if the amount of the Net Current Asset Value is a negative) as computed based on the Completion Accounts, shall be paid by the Purchaser to the Vendor or the Vendor's solicitors or the Vendor's guarantor on the Completion Date.

The Vendor shall deliver to the Purchaser or the Purchaser's solicitors at the Vendor's own costs and expenses no later than 30 days from the Completion Date the Completion Audited Accounts. If the Net Current Asset Value (as computed based on the Completion Audited Accounts) is less than the Net Current Asset Value (as computed based on the Completion Accounts), the Vendor shall pay to the Purchaser an amount equal to such difference within 5 Business Days upon the date of receipt of the Completion Audited Accounts.

If the Net Current Asset Value (as computed based on the Completion Audited Accounts) is more than the Net Current Asset Value (as computed based on the Completion Accounts), the Purchaser shall pay to the Vendor an amount equal to such difference within 5 Business Days upon the date of receipt of the Completion Audited Accounts.

Conditions

Completion is conditional upon the satisfaction or waiver (if applicable) of the following conditions:

- (a) the Target Company being able to show and give title to the Property in accordance with sections 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219);
- (b) the fundamental warranties given by the Vendor in the SPA remaining true, accurate and not misleading in all material respects on the Completion Date; and
- (c) there being no material adverse change in the assets and financial position of the Company and/or the Property or any matter, event or circumstance that may result in such a material adverse change.

Completion

Subject to the satisfaction or waiver (if applicable) of the conditions set out in the SPA, Completion shall take place on 30 September 2025 or such other date or time as may be mutually agreed by the Vendor and the Purchaser in writing.

Guarantee

The Company, as the Vendor's guarantor, guarantees to the Purchaser the Vendor's due observance and performance of all the agreements, obligations, commitments, confirmations and undertakings contained in the SPA, the assignment of the Sale Loan and the Deed of Tax Indemnity on the part of the Vendor to be observed and performed.

The Purchaser Guarantor guarantees to the Vendor the Purchaser's due observance and performance of all the agreements, obligations, commitments and undertakings contained in the SPA on the part of the Purchaser to be observed and performed.

Deed of Tax Indemnity

Pursuant to the Deed of Tax Indemnity to be entered into between the Vendor, the Company (as Vendor's guarantor) and the Purchaser, the Vendor and the Company will jointly and severally covenant and undertake with the Purchaser (for itself and as agent and trustee for the Target Company) that they shall fully and effectually indemnify and at all times keep fully and effectually indemnified the Purchaser and the Target Company from and against, amongst others, the amount of any taxation liabilities made against the Target Company on or before the Completion Date, subject to the terms and limitations therein.

FINANCIAL IMPACT OF THE DISPOSAL AND USE OF PROCEEDS

The Target Company is an investment holding company incorporated in Hong Kong with limited liability with the sole purpose of holding the Property, which was purchased by the Group in 2015 at a price of HK\$128 million. Upon Completion, the Company will no longer hold any interest in the Target Company and the Target Company will cease to be a subsidiary of the Company with its financial results no longer be consolidated into the consolidated financial statements of the Group.

Certain audited financial information of the Target Company for the financial year ended 31 March 2025 and 2024 is as follows:

	Financial year ended 31 March 2025	Financial year ended 31 March 2024
Net profit/(loss) before tax	(HK\$3,925,864)	HK\$8,159,465
Net profit/(loss) after tax	(HK\$4,103,097)	HK\$8,133,154

Based on the audited financial statements of the Target Company as at 31 March 2025, the audited net asset value of the Target Company was HK\$69,769,390.

After taking into account the unaudited carrying value of the Target Company and of the Sale Loan totalling HK\$189.8 million at 31 August 2025 and the transaction cost, the Group is expected to recognise an estimated net loss of approximately HK\$14.0 million. The actual loss is subject to audit and may be different from the estimated amount, as it will depend on the final net current asset value of the Target Company and final amount of the Sale Loan as at the Completion Date.

After deducting the expenses related to the Disposal, the Group expects that the net proceeds from the Disposal is approximately HK\$175.8 million. The Group intends to use the net proceeds as general working capital of the Group.

REASONS FOR AND BENEFITS DERIVED FROM THE DISPOSAL

Given pressure on market liquidity and slow sentiment in bulk property transactions, the Directors are of the view that the Disposal presents a valuable opportunity to enhance the Group's cash flow by converting long-term assets into cash with a satisfactory return. The Directors consider that the terms and conditions of the Disposal (including the Consideration) are on normal commercial terms, fair and reasonable, and the Disposal is in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION

The Company is an investment holding company incorporated in the Cayman Islands, the securities of which are listed on the Stock Exchange. The Group is principally engaged in property development, property investment, transportation services and property management, hotel operations and leisure businesses.

The Vendor is an indirect wholly-owned subsidiary of the Company and a limited company incorporated in the British Virgin Islands, which principal business activity is investment holding.

The Purchaser is a company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge having made all reasonable enquiries, based on the information available to the Company, the principal business activity of the Purchaser is investment holding.

To the best of the Directors' knowledge having made all reasonable enquiries, the ultimate beneficial owner of the Purchaser is Ms Liang Cuijuan, who is also the Purchaser Guarantor.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but all applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday) when commercial banks in Hong Kong are generally open for business and on which neither typhoon signal no.8 or above nor black rainstorm signal is hoisted in Hong Kong at any time between 9:00 a.m. to 5:00 p.m.
“Company”	HKR International Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange (Stock Code: 00480)
“Completion”	completion of the Disposal
“Completion Account”	the unaudited balance sheet of the Target Company as at the Completion Date and the unaudited profit and loss account of the Target Company for the period from (and including) the day immediately following 31 March 2025 to (and including) the Completion Date
“Completion Audited Accounts”	the Completion Accounts audited by certified public accountant (practicing)
“Completion Date”	30 September 2025 or such other date or time as may be mutually agreed by the Vendor and the Purchaser in writing
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$180 million, being the aggregate consideration for the disposal of Sale Share and the assignment of Sale Loan, subject to adjustment (if any) in accordance with the terms of the SPA
“Deed of Tax Indemnity”	the deed of tax indemnity to be entered into among the Vendor, the Purchaser and the Company (as the Vendor’ guarantor) upon Completion
“Directors”	the directors of the Company from time to time
“Disposal”	the disposal of the Sale Share and the assignment of Sale Loan pursuant to the terms and conditions of the SPA
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Net Current Asset Value”	the aggregate of all tangible current assets of the Target Company which are readily convertible into cash or cash equivalents as at Completion (excluding the Property, any intangible assets and other fixed assets, rent in arrears of more than 45 days overdue (if any) and deferred tax assets), less the aggregate of all liabilities of the Target Company as at Completion (including the amount of profits tax liability of the Target Company for the period up to Completion regardless of whether such liability has been assessed by the Inland Revenue Department but excluding the Sale Loan, and deferred tax liabilities)
“Property”	ALL THOSE 228,984 equal undivided 580,000 th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as TUEN MUN TOWN LOT NO. 391 AND of and in the messuages erections and buildings erected thereon now known as “TUEN MUN CENTRAL SQUARE (屯門中央廣場)” (the “ Building ”) TOGETHER with the exclusive right and privilege to hold use occupy and enjoy ALL THOSE PUBLIC CAR PARK 1 st – 8 th Floors Together with SHROFF’s OFFICE AND CONTAINER PARTING SPACE NO.C1 on the GROUND FLOOR of the Building
“Purchaser”	Hua Zhan Investment Limited, a company incorporated in Hong Kong with limited liability
“Purchaser Guarantor”	Ms Liang Cuijuan
“SPA”	the formal sale and purchase agreement entered into among the Vendor, the Company (as the Vendor’s guarantor), the Purchaser and the Purchaser Guarantor on 22 September 2025 in relation to the sale and purchase of the Sale Share and the assignment of Sale Loan
“Sale Loan”	representing 100% of the loan principal amount and all the accrued interest on such principal amount up to and including the Completion Date owed by the Target Company to the Vendor as at the Completion Date
“Sale Share”	1 ordinary share in the Target Company, representing 100% issued share capital of the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Ace Spring Limited, an indirect wholly-owned subsidiary of the Company prior to Completion and the sole legal and beneficial owner of the Property

“Vendor”

Dreamy Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

By order of the Board
HKR International Limited
CHA Mou Zing Victor
Executive Chairman

Hong Kong, 22 September 2025

As at the date of this announcement, the Directors of the Company are:

Executive Chairman

Mr CHA Mou Zing Victor

Non-executive Deputy Chairman

Ms WONG CHA May Lung Madeline

Executive Directors

Mr TANG Moon Wah (*Managing Director*)

Mr LEE Yue Kong Martin

Ms NGAN Man Ying

Non-executive Directors

Mr CHA Mou Daid Johnson

Mr CHA Yiu Chung Benjamin

Independent Non-executive Directors

Mr CHEUNG Wing Lam Linus

Ms CHIU Kwai Fong Florence

Mr FAN Hung Ling Henry

Ms Barbara SHIU

Mr TANG Kwai Chang

** Registered under the predecessor ordinance of the Companies Ordinance, Chapter 622 of the laws of Hong Kong*