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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)

REVISION OF ANNUAL CAPS FOR THE CONTINUING CONNECTED TRANSACTIONS

REVISION OF THE 2013 AND 2014 APPROVED ANNUAL CAPS

Reference is made to the announcement of the Company dated 5 December 2011 and the circular dated 21 December 2011 in relation to the Continuing Connected Transactions pursuant to the 2012-2014 Supply and Service Agreements and the announcement of the Company dated 3 August 2012 and 31 December 2012 and the circular dated 11 December 2012 in relation to the Joint Venture Agreement for the Jamaica Sugar Industry Projects.

In view of the ordinary resolution for the Joint Venture Agreement was duly passed by the Independent Shareholders by way of poll at the JV EGM held on 31 December 2012. At the date of announcement, the JV Completion has not carried out and will take place after below Continuing Connected Transactions approved by Independent Shareholders at CCT EGM. The Project Company will become a 70% owned subsidiary of the Company upon JV Completion and it will become a connected person of the Company as defined under Listing Rules. In order to achieve the intended synergy on sourcing, the Board approved the E&M and service of the Project Company will be supplied by SATT.

On 6 February 2013, SATT and Project Company entered into the 2013-2014 Jamaica Supply and Service Agreement, pursuant to which, Project Company has agreed to order E&M and service with the origin of source from the PRC exclusively from SATT for an initial term of about two years commencing from date of approval by the Independent Shareholders up to 31 December 2014. In brief, all the raw materials for daily operations and plant and machinery for 3-Year Revival Plan with original of source in the PRC will be supplied to Project Company under this 2013-2014 Jamaica Supply and Service Agreement. This has created additional sale orders of E&M and service from Project Company. On 6 February 2013, an Addendum was also entered to cater for the resulting additional purchase orders of E&M and service from China Complant for fulfillment of orders from Project Company. Therefore, the Approved Annual Caps for the year ending 31 December 2013 and 2014 will be insufficient and the Board has decided to revise Approved Annual Caps of those years.

* For identification purpose only

In addition to above, the delay in the start date of the construction works of ethanol biofuel facilities in Benin and large scale repairing and upgrading plan of African Company 1 triggered the reallocation of orders from 2012 to 2013 and from 2013 to 2014. Moreover, African Company 1 being responsible for some community service under the renewal contract with Government of Madagascar also created additional sale orders for fulfillment of this in 2013 and 2014. These factors further deepen the shortfall in approved annual caps for the year ending 31 December 2013 and 2014.

For the reasons of above two aspects, the Board therefore proposes to revise and increase the Approved Annual Caps for the year ending 31 December 2013 and 2014. Pursuant to the Listing Rules, if the Company proposes to revise the annual caps for Continuing Connected Transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relations to the relevant connected transaction.

Given that the highest of the relevant Percentage Ratios in respect of the 2013-2014 Revised Annual Caps for the year ending 31 December 2013 and 2014 will, on an annual basis, be more than 5% and the annual consideration is more than HK\$10,000,000, the Company is required to comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in relation to the 2013-2014 Revised Annual Caps.

A CCT EGM will be convened and held by the Company to consider and, if thought fit, approve the 2013-2014 Revised Annual Caps. The voting at the CCT EGM will be taken by poll. China Complant, Complant and their associates will be required to abstain from voting on the relevant resolution to be proposed at the CCT EGM to approve the 2013-2014 Revised Annual Caps for having a material interest in the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps.

A circular containing further information in relation to the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps, a letter from the Independent Board Committee, a letter from Donvex Capital Limited and a notice of the CCT EGM is expected to be despatched to the Shareholders on or about 4 March 2013.

1. BACKGROUND

Reference is made to the announcement of the Company dated 5 December 2011 and the circular dated 21 December 2011 in relation to the Continuing Connected Transactions pursuant to the 2012-2014 Supply and Service Agreements and the announcement of the Company dated 3 August 2012 and 31 December 2012 and the circular dated 11 December 2012 in relation to the Joint Venture Agreement for the Jamaica Sugar Industry Projects. At the date of announcement, the JV Completion has not carried out and will take place after below Continuing Connected Transactions approved by Independent Shareholders at CCT EGM.

In view of the ordinary resolution for the Joint Venture Agreement was duly passed by the Independent Shareholders by way of poll at the JV EGM held on 31 December 2012. The Project Company will become a 70% owned subsidiary of the Company upon JV Completion and it will become a connected person of the Company as defined under Listing Rules. In order to achieve the intended synergy on sourcing, the Board approved the E&M and service of the Project Company will be supplied by SATT.

On 6 February 2013, SATT and Project Company entered into the 2013-2014 Jamaica Supply and Service Agreement, pursuant to which, Project Company has agreed to order E&M and service with the origin of source from the PRC exclusively from SATT for an initial term of about two years commencing from date of approval by the Independent Shareholders up to 31 December 2014. In brief, all the raw materials for daily operations and plant and equipment for 3-Year Revival Plan with original of source in the PRC will be supplied to Project Company under this 2013-2014 Jamaica Supply and Service Agreement. This has created additional sales orders of E&M and service from Project Company. On 6 February 2013, an Addendum was also entered to cater for the resulting additional purchase orders of E&M and service to China Complant for fulfillment of orders from Project Company. Therefore, the Approved Annual Caps in respects of the year ending 31 December 2013 and 2014 will be insufficient and the Board has decided to revise the Approved Annual Caps of those years.

Detail term of 2013-2014 Jamaica Supply and Service Agreement is as follows:

Date:	6 February 2013
Parties:	SATT and Project Company
Terms:	Commencing from date of approval by the Independent Shareholders at the CCT EGM up to 31 December 2014
Conditions precedent:	The agreement is subject to and conditional upon the approval by the Independent Shareholders at the CCT EGM to be held in accordance with the requirements under the Listing Rules.
Nature of transactions:	<p>The 2013-2014 Jamaica Supply and Service Agreement is a master agreement which set out the principles upon which the supply of E&M and service by SATT to the Project Company are to be carried out.</p> <p>Pursuant to the 2013-2014 Jamaica Supply and Service Agreement, SATT will enter into definitive agreements with Project Company from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the 2013-2014 Jamaica Supply and Service Agreement. Such detailed terms include but without limitation, prices, payment and settlement terms, quantities, qualities, delivery and inspection of products and other terms and conditions in relation to the provision of E&M and service required.</p> <p>SATT and Project Company agree that such detailed terms shall be on normal commercial terms or, if there is no sufficient comparable transactions to judge whether they are on normal commercial terms, fair and reasonable to the Company. The terms offered to the Project Company shall be no less favourable than those offered by SATT to independent third parties in the market where Project Company is located.</p>
Basis of consideration:	The consideration in respect of the supplies is determined by reference to the market prices of similar E&M and service required.

Detail term of the Addendum is as follows:

Date:	6 February 2013
Parties:	SATT and China Complant
Terms:	Commencing from date of approval by the Independent Shareholders at the CCT EGM up to 31 December 2014
Conditions precedent:	The Addendum is subject to and conditional upon the approval by the Independent Shareholders at the CCT EGM to be held in accordance with the requirements under the Listing Rules.
Additional scope of service under the Addendum:	Pursuant to the Addendum, China Complant will extend its service coverage to Jamaica for SATT to cater for the orders of E&M and service from Project Company.

The other terms and conditions under 2012-2014 Supply and Service Agreement between SATT and China Complant shall remain unchanged.

In addition to above, the delay in the start date of the construction works of ethanol biofuel facilities in Benin and large scale repairing and upgrading plan triggered the reallocation of orders from 2012 to 2013 and from 2013 to 2014. Moreover, African Company 1 being responsible to provide some community service under renewal contract with Government of Madagascar also created additional sales orders to fulfill them in 2013 and 2014. These factors further deepen the shortfall in Approved Annual Caps for the year ending 31 December 2013 and 2014.

For reasons of above two aspects, the Board therefore proposes to revise and increase the Approved Annual Caps for the year ending 31 December 2013 and 2014 to the 2013-2014 Revised Annual Caps and to seek approval from the Independent Shareholders of the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and 2013-2014 Revised Annual Caps at the CCT EGM.

2. 2013-2014 REVISED ANNUAL CAPS

The table below sets out the breakdown of revised annual caps for year ending 31 December 2013 and 2014 for the Continuing Connected Transactions.

Transaction	Existing Annual Caps				2013-2014 Revised Annual Caps	
	Annual cap for the year ended 31 December 2012	Annual cap for the year ended 31 December 2013	Annual cap for the year ended 31 December 2014	Actual amount for the period ended 30 June 2012	Proposed revised annual caps for the year ended 31 December 2013	Proposed revised annual caps for the year ended 31 December 2014
	'000	'000	'000	'000	'000	'000
Continuing Connected Transactions between SATT and the African Companies and Zheng Da under The 2012-2014 Supply and Service Agreements	US\$48,760 (approximately HK\$380,328)	US\$49,960 (approximately HK\$389,688)	US\$29,560 (approximately HK\$230,568)	US\$7,790 (approximately HK\$60,762)	US\$104,300 (approximately HK\$813,540)	US\$121,940 (approximately HK\$951,132)
Continuing Connected Transactions between SATT and China Complant under The 2012-2014 Supply and Service Agreement	US\$35,550 (approximately HK\$277,290)	US\$36,550 (approximately HK\$285,090)	US\$19,550 (approximately HK\$152,490)	US\$3,198 (approximately HK\$24,944)	US\$81,969 (approximately HK\$639,358)	US\$98,210 (approximately HK\$766,038)

The past transactions were conducted within the approved limit as a result of the proper internal control of the Company. The Company is of the view that the transaction amount for the year ended 31 December 2012 will not exceed (and the Company will through its internal control system to ensure that the transaction will not) the Approved Annual Caps and no business will transact with the Project Company until the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps have been approved by Independent Shareholders in CCT EGM.

Except the 2013-2014 Jamaica Supply and Service Agreement and the Addendum, all other terms and conditions under the 2012-2014 Supply and Service Agreements shall remain unchanged (save and except for the proposed 2013-2014 Revised Annual Caps). The proposed revised annual caps for the year ending 31 December 2013 and 2014 have been determined by reference to (i) the prevailing market condition in Jamaica; (ii) the historic amount of transactions between COMPLANT and Project Company; (iii) 3-Year Revival Plan; (iv) the progress of construction work of ethanol biofuel facilities of Benin PC; (v) the progress of large scale repairing and upgrading plan of African Company 1; and (vi) the additional community service to be provided by African Company 1 under the renewal contract with Government of Madagascar.

3. BASIS OF DETERMINATION OF 2013-2014 REVISED ANNUAL CAPS

3.1 BASIS FOR DETERMINATION THE 2013-2014 REVISED ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS BETWEEN SATT AND THE AFRICAN COMPANIES, ZHENG DA AND PROJECT COMPANY

The table below sets out the breakdown of proposed revised annual caps for year ending 31 December 2013 and 2014 for the Continuing Connected Transactions between SATT and the African Companies, Zheng Da and Project Company under the 2012-2014 Supply and Service Agreements and the 2013-2014 Jamaica Supply and Service Agreement.

	2013	2014
Existing Approved Annual Caps	US\$49,960,000	US\$29,560,000
2013-2014 Jamaica Supply and Service Agreement		
— for daily operations (<i>Note 1</i>)	US\$17,940,000	US\$15,420,000
— for 3-Year Revival Plan (<i>Note 2</i>)	US\$21,800,000	US\$66,960,000
Reallocation & addition of sales orders		
— Reallocation and addition		
by African Company 1 (<i>Note 3</i>)	US\$1,400,000	US\$10,000,000
— Reallocation by Zheng Da (<i>Note 4</i>)	US\$13,200,000	—
<i>Proposed increase in annual caps</i>	US\$54,340,000	US\$92,380,000
Proposed revised annual caps	US\$104,300,000	US\$121,940,000
	(approximately	(approximately
	HK\$813,540,000)	HK\$951,132,000)

As shown in above table, the proposed increase in annual caps for the year ending 31 December 2013 and 2014 for the Continuing Connected Transactions between SATT and the African Companies, Zheng Da and Project Company are US\$54,340,000 (approximately HK\$423,852,000) and US\$92,380,000 (approximately HK\$720,564,000) respectively. The increase was caused by the 2013-2014 Jamaica Supply and Service Agreement and the reallocation and addition of sales orders.

Note 1: **2013-2014 Jamaica Supply and Service Agreement - for daily operations** The first part of the 2013-2014 Jamaica Supply and Service Agreement that involved the supply of E&M and service to the Project Company for the daily operations of US\$17,940,000 (approximately HK\$139,932,000) for 2013 and US\$15,420,000 (approximately HK\$120,276,000) for 2014. This E&M and service were presently supplied by COMPLANT. The annual caps is estimated based on the historical data of total supplies for daily operations by COMPLANT for the period from August (first order delivery date) to December 2011 and for the year ended December 2012 of US\$5,353,000 (approximately HK\$41,753,000) and US\$12,128,000 (approximately HK\$94,598,000) respectively. The proposed annual caps on this for 2013 and 2014 are higher than the historic amount of transactions between COMPLANT and Project Company due to the consideration of (i) the increase in orders for spare parts for repairing the old bagasse boilers and the old power generation systems; and (ii) the increase in orders for fertilizers to cater for the expansion of farming area in 2013 and 2014.

Note 2: **2013-2014 Jamaica Supply and Service Agreement - for 3-Year Revival Plan** The second part of the 2013-2014 Jamaica Supply and Service Agreement involved the supply of E&M and service to the Project Company for the 3-Year Revival Plan of US\$21,800,000 (approximately HK\$170,040,000) for 2013 and US\$66,960,000 (approximately HK\$522,288,000) for 2014. A total of US\$88,760,000 (approximately HK\$692,328,000) for the year ending 31 December 2013 to 2014, which represents the 70% capital commitment of US\$126.8 million (approximately HK\$989 million) under 3-Year Revival Plan that will be injected by stages into the Project Company by the Group as disclosed in the circular dated 11 December 2012.

Note 3: **Reallocation and addition of sales orders by African Company 1** The delay of sales orders from 2012 to 2013 and from 2013 to 2014 of African Company 1 was due to the postponement of its large scale repair and upgrading plan as a result of the negotiation of second lease term of African Company 1 with the government of Madagascar, which is much more lengthy than expected. COMPLANT can only manage to sign the renewal contract of African Company 1 with government of Madagascar in June 2012 and this has caused one year delay of this two-year large scale repairing and upgrading work of African Company 1 (originally planned to start in 2012 and to be completed in 2013).

On the other hand, African Company 1 being responsible under the renewal contract with Government of Madagascar repairs some of community facilities (road, housing and dams and drainage systems and so forth) for the local tribes surrounding African 1 and the repair work was expected to last for two years and will need to add extra orders for 2013 and 2014 to fulfill this obligation.

Overall change in caps made by African Company 1 with detailed figures of each category for 2013 and 2014 annual caps is depicted in below table.

	2013	2014
<i>Reallocation of sales orders</i>		
— from 2012 to 2013	+US\$9,600,000	—
— from 2013 to 2014	-US\$9,600,000	+US\$9,600,000
<i>Addition of sales orders</i>		
— community service	+US\$1,400,000	+US\$400,000
Reallocation and addition by African Company 1	+US\$1,400,000	+US\$10,000,000

Note 4: **Reallocation of sales orders by Zheng Da** The reallocation was due to the delay in Zheng Da ethanol biofuel facilities construction as a result of the postponement in the progress of Government of Benin in reclaiming the 4,800 hectares land from local tribes for leasing to Zheng Da as well as the lengthy registration process of Benin PC that can only be completed in December 2012. This has caused one year delay of two-year development plan for ethanol biofuel business of Zheng Da (originally it planned to start in 2012 and completed in 2013). As the above two pre-requisites for the importation of E&M and service to Benin have now been completed, the ethanol biofuel facilities construction will start in first quarter of 2013 and the appointed constructors will take measures to speed up the construction and trial run is planned to be on the first quarter in 2014 (the same completion date as original plan). As a result, the reallocation of sales orders from Zheng Da in 2012 of US\$13,200,000 (approximately HK\$102,960,000) will now move to 2013 and no reallocation is required for 2014.

3.2. BASIS FOR DETERMINATION THE 2013-2014 REVISED ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS BETWEEN SATT AND CHINA COMPLANT

The table below sets out the breakdown of proposed revised annual caps for year ending 31 December 2013 and 2014 for the Continuing Connected Transactions between SATT and China Complant under 2012-2014 Supply and Service Agreement and the Addendum.

	2013	2014
Existing Approval Annual Caps	US\$36,550,000	US\$19,550,000
2013-2014 Jamaica Supply and Service Agreement		
— for daily operations (<i>Note 1</i>)	US\$14,296,000	US\$12,104,000
— for 3-Year Revival Plan (<i>Note 2</i>)	US\$18,956,000	US\$58,226,000
Reallocation and addition of sales orders		
— Reallocation and addition by African Company 1 (<i>Note 3</i>)	US\$1,167,000	US\$8,330,000
— Reallocation by Zheng Da (<i>Note 4</i>)	US\$11,000,000	—
<i>Proposed increase in annual caps</i>	<u>US\$45,419,000</u>	<u>US\$78,660,000</u>
Proposed revised annual caps	<u>US\$81,969,000</u> (approximately HK\$639,358,000)	<u>US\$98,210,000</u> (approximately HK\$766,038,000)

As shown in above table, the proposed increase in annual caps for the year ending 31 December 2013 and 2014 for the Continuing Connected Transactions between SATT and China Complant are US\$45,419,000 (approximately HK\$354,268,000) and US\$78,660,000 (approximately HK\$613,548,000) respectively. The 2013-2014 Revised Annual Caps with China Complant is determined with reference to a number of factors, including (i) the new sales orders under 2013-2014 Jamaica Supply and Service Agreement; (ii) the reallocation and addition of sales orders ; and (iii) the expected gross profit margin that will be earned by SATT.

Note 1: 2013-2014 Jamaica Supply and Service Agreement - for daily operations This represent an increase of forecasted purchase from China Complant of US\$14,296,000 (approximately HK\$111,509,000) and US\$12,104,000 (approximately HK\$94,411,000) for the year ending 31 December 2013 and 2014 respectively as a result of the expected increase in orders for the daily operations of Project Company.

Note 2: 2013-2014 Jamaica Supply and Service Agreement - for 3-Year Revival Plan This represent an increase of forecasted purchase from China Complant of US\$18,956,000 (approximately HK\$147,857,000) and US\$58,226,000 (approximately HK\$454,163,000) for the year ending 31 December 2013 and 2014 respectively as a result of the expected increase in orders for the 3-Year Revival Plan.

Note 3: Reallocation and addition of sales orders by African Company 1 The change was to align the purchase from China Complant for satisfying the reallocation and addition of sales orders for the large scale of repairing and upgrading plan and additional community service from African Company 1.

The overall change in caps made by African Company 1 for 2013 and 2014 annual caps with detailed figure is depicted below table.

	2013	2014
<i>Reallocation of sales orders</i>		
— from 2012 to 2013	+US\$8,000,000	—
— from 2013 to 2014	-US\$8,000,000	+US\$8,000,000
<i>Addition of sales orders</i>		
— community service	+US\$1,167,000	+US\$330,000
Reallocation and addition by African Company 1	+US\$1,167,000	+US\$8,330,000

Note 4: Reallocation of sales orders by Zheng Da The reallocation of US\$11,000,000 (approximately HK\$85,800,000) of purchase from 2012 to 2013 is to align the reallocation in sales orders to fulfill materials required for the construction of the ethanol biofuel facilities of Zheng Da. No reallocation is required for 2014.

4. BENEFITS OF 2013-2014 REVISED ANNUAL CAPS

The Group is principally engaged in provision of supporting service to sweetener and ethanol businesses in African and other countries. The Board considers that the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and 2013-2014 Revised Annual Caps would allow the Group to benefit from the intended synergy as mentioned in circular dated 11 December 2012 as the Group's existing supporting service for sugar and sweetener business provided by SATT can extend to Project Company to replace its local procurement, which is of higher cost, after the approved in the CCT EGM. Leveraged on the resultant increase in order size, SATT would have more bargaining power to obtain a more comparative price for its customers including the Project Company and this would enable the Project Company to save material cost and SATT would be more profitable as a result of increase in business volume.

The Directors (excluding members of the Independent Board Committee whose views will be given after taking into account the advice from Donvex Capital Limited, the Independent Financial Adviser), are of the view that the terms of the transactions contemplated under the 2013-2014 Jamaica Supply and Service Agreement and the Addendum are on normal commercial terms, in the ordinary and usual course of business of the Company, fair and reasonable and in the interests of the Company and its Shareholders as a whole and the 2013-2014 Revised Annual Caps are also fair and reasonable and in the interest of the Company and its Shareholders as a whole.

5. RELATIONSHIP BETWEEN THE GROUP, SATT, ZHENG DA, PROJECT COMPANY, AFRICAN COMPANIES. CHINA COMPLANT AND COMPLANT

The Group is principally engaged in the provision of supporting service to sweetener and ethanol businesses in African and other countries.

SATT is a wholly-owned subsidiary of the Company.

Zheng Da is 65% owned subsidiary of the Company and 10% owned by COMPLANT.

The Project Company will be 70% owned subsidiary of the Company and 30% owned by COMPLANT upon JV Completion. The principal business of the Project Company involves sugar cane farming, sugar cane products manufacturing and distribution. Project Company is regarded as connected person of the Company under the Listing Rules.

African Companies are subsidiaries of COMPLANT.

As at the date of this announcement, China Complant held approximately 36.51% and COMPLANT, a subsidiary of China Complant, held approximately 13.69% of the total issued share capital of Company. China Complant and COMPLANT are therefore a controlling shareholder and a substantial shareholder of the Company respectively.

6. LISTING RULES IMPLICATIONS

The 2013-2014 Jamaica Supply and Service Agreement, the Addendum and 2012-2014 Supply and Service Agreements constitutes continuing connected transactions of the Company for the purpose of Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, if the Company proposes to revise the annual caps for Continuing Connected Transactions, the Company will be required to comply with the provisions of Chapter 14A of the Listing Rules in relations to the relevant connected transaction.

As the applicable percentage ratios of the Company as defined under Rule 14.07 of the Listing Rules in respect of the 2013-2014 Revised Annual Caps will exceed 5% on an annual basis and the annual consideration will exceed HK\$10,000,000, the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under 14A.35(3) and (4) of the Listing Rules.

As China Complant and Complant are interested in 800,000,000 and 300,000,000 Shares respectively as at the date of this announcement, representing approximately 36.51% and 13.69% respectively of the issued share capital of the Company, China Complant and Complant is a controlling shareholder and substantial shareholder of the Company and has an interest in the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps are required to abstain from voting for the resolution to approve the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps at the CCT EGM.

7. APPROVAL BY THE BOARD

Other than Mr. Tang Jianguo (by virtue of being director and president of COMPLANT and director and vice president and general manager of China Complant) and Mr. Han Hong (by virtue of being director and deputy general manager of COMPLANT) are considered to have material interest in the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and 2013-2014 Revised Annual Caps had abstained from voting for the resolution for approving the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps, no other Director was materially interested and had to abstain from voting on the board resolution.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps and Donvex Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps.

8. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“%”	percentage
“2013-2014 Jamaica Supply and Service Agreement”	A legally binding supply and service agreement entered into between SATT and Project Company on 6 February 2013 in respect of the provision of E&M and service exclusively by SATT for an initial term of about two years commencing from date of approval by the Independent Shareholders at the CCT EGM up to 31 December 2014.
“2013-2014 Revised Annual Caps”	a maximum aggregate annual value of the transaction contemplated under the 2012-2014 Supply and Service Agreements and the 2013-2014 Jamaica Supply and Service Agreement

“2012-2014 Supply and Service Agreements”	<p>(i) the five legally binding supply and service agreements entered into between SATT and each of the African Company 1, African Company 2, African Company 3 African Company 4 as well as Zheng Da respectively on 5 December 2011 in respect of the provision of E&M and service exclusively by SATT for an initial term of three years commencing from 1 January 2012; and</p> <p>(ii) a legally binding supply and service agreement entered into between China Complant and SATT on 5 December 2011 in respect of the provision of E&M and service by China Complant for an initial term of three years commencing from 1 January; and</p>
	<p>2012-2014 Supply and Service Agreement mean one of these agreements</p>
“3-Year Revival Plan”	A capital expenditure of US\$126.8 million (approximately HK\$989 million) to be made by JV Company to Project Company for the revival and working capital of the three sugar estates of Project Company in Jamaica
“Addendum”	An addendum to the 2012-2014 Supply and Service Agreement between China Complant and SATT entered on 6 February 2013
“African Companies”	African Company 1, African Company 2, African Company 3 and African Company 4; all of which are subsidiaries of COMPLANT
“African Company 1”	La Sucrierie de COMPLANT de Madagascar (中成馬達加斯加糖業股份有限公司), a company incorporated in Republic of Madagascar
“African Company 2”	COMPLANT Magbass Sugar Complex Company Limited (中成馬格巴斯糖業有限責任公司), a company incorporated in Republic of Sierra Leone
“African Company 3”	La Sucrierie de COMPLANT du Benin (中成貝寧糖業股份有限公司), a company incorporated in Republic of Benin
“African Company 4”	Sucrierie Cote Ouest de COMPLANT de Madagascar (Ouest Sucre) (中成馬達加斯加西海岸糖業股份有限公司), a company incorporated in Republic of Madagascar
“Approved Annual Cap(s)”	annual cap(s) approved at the extraordinary general meeting of the Company held on 10 January 2012
“associate(s)”	has the meaning ascribed to it under the listing rules
“BVI”	British Virgin Islands
“Board”	the board of directors of the Company

“Benin PC”	Compagnie Beninoise de Bioenergie S.A. (貝寧生物能源股份有限公司), a company incorporated in Benin with limited liability and is a wholly owned subsidiary of the Zheng Da
“China Complant”	China National Complete Plant Import & Export Corporation (Group) (中國成套設備進出口(集團)總公司), a state owned company incorporated in the PRC and is a wholly owned subsidiary of State Development & Investment Corp. (國家開發投資公司) and owns 70% equity interest in COMPLANT
“Company”	Hua Lien International (Holding) Company Limited, a company incorporated in the Cayman Islands and the issued Shares of which are listed on the main board of the Stock Exchange
“COMPLANT”	COMPLANT International Sugar Industry Co., Ltd. (中成國際糖業股份有限公司), a company incorporated in the Cayman Islands with limited liability and a substantial shareholder of the Company
“connected person”	has the meaning ascribed to it under Chapter 14A of the Listing Rules
“Continuing Connected Transactions”	the transactions contemplated under the 2012-2014 Supply and Service Agreements, the Addendum and the 2013-2014 Jamaica Supply and Service Agreement
“controlling shareholder”	has the meaning ascribed to it under the listing rules
“Director(s)”	the director(s) of the Company
“CCT EGM”	an extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, to approve the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and 2013-2014 Revised Annual Caps
“E&M”	the equipments, machineries, parts and raw materials with origin of source from the PRC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent committee of the Board comprising three independent non-executive Directors, namely, Dr. Zheng Liu, Mr. Yu Chi Jui and Ms. Li Xiao Wei, which has been formed for the purpose of advising the Independent Shareholders as to on the terms of the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps

“Independent Financial Adviser” or “Donvex Capital”	Donvex Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to on the terms of the 2013-2014 Jamaica Supply and Service Agreement, the Addendum and the 2013-2014 Revised Annual Caps
“Independent Shareholder(s)”	the Shareholders other than China Complant, COMPLANT and its associates
“JV EGM”	an extraordinary general meeting of the Company held on 31 December 2012 to approve the Joint Venture Agreement and the transactions contemplated thereunder
“JV Completion”	completion of the transactions contemplated under the Joint Venture Agreement
“Jamaica Sugar Industry Projects”	the projects relating to the developments and investments in the Jamaican sugar industry which, involve, inter alia, cultivation of sugar cane, manufacturing, development, sale and distribution of sugar, molasses and any other related business in the sugar estates in Jamaica
“Joint Venture Agreement”	the joint venture agreement entered into among COMPLANT, the JV Company and the Company on 3 August 2012, pursuant to which the Company has conditionally agreed to purchase and COMPLANT has conditionally agreed to sell the Sale JV Company Shares after the issue and allotment of the New JV Company Shares to COMPLANT by the JV Company at par value
“JV Company”	Joyful Right Limited (正樂有限公司), a company incorporated in the British Virgin Islands with limited liability and is wholly owned by COMPLANT as at the Latest Practicable Date
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project Company”	Pan-Caribbean Sugar Company Limited (泛加勒比糖業有限公司), a company incorporated in Jamaica with limited liability and is wholly owned by the JV Company as at the announcement date and it will be a 70% owned subsidiary upon JV Completion
“RMB”	Renminbi, the lawful currency of the PRC
“SATT”	Sino-Africa Technology & Trading Limited (中非技術貿易有限公司), a company incorporated in BVI with limited liability and is a wholly owned subsidiary of the Company
“SFO”	Securities and Future Ordinance Chapter 571 of the Laws of Hong Kong as amended and supplemented from time to time

“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the listing rules
“US\$”	United States dollars, the lawful currency of the United States of America
“Zheng Da”	Zheng Da Investments Limited (正達投資有限公司), a company incorporated under the law of BVI with limited liability and is a joint venture company currently owned 65% by River Right Limited (a wholly-owned subsidiary of the Company), 25% by China-Africa Xin Xing Investment Limited (a wholly-owned subsidiary of China-Africa Development Fund) and 10% by COMPLANT as vehicle to establish Benin PC in Benin to engage in the ethanol biofuel business and trading of related products

By order of the Board
Hua Lien International (Holding) Company Limited
Tang Jianguo
Chairman

Hong Kong, 6 February 2013

As at the date of this announcement, the Board comprises six directors, of which three are executive directors, namely Mr. Han Hong, Mr. Hu Yebi and Mr. Tang Jianguo, and three are independent non-executive directors, namely Dr. Zheng Liu, Mr. Yu Chi Jui and Ms. Li Xiao Wei.

For the purpose of illustration only and unless otherwise stated, conversions of US\$ to HK\$ in this announcement is based on the exchange rate of US\$1.00 to HK\$7.8. Such conversions should not be construed as a representation that any amounts have been, could have been, or may be, exchanged at this or any other rate.