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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)

INSIDE INFORMATION ESTIMATED DECREASE IN NET LOSS – FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the Group's unaudited consolidated management accounts for year ended 31 December 2021 and the information currently available to the Board, the Group is expected to record a net loss in its the final results for the year ended 31 December 2021. However, the net loss for the Reporting Period is expected to be decreased significantly as compared with that for the Preceding Period.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Hua Lien International (Holding) Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the Group's unaudited consolidated management accounts for the year ended 31 December 2021 and information currently available to the Board, the Group is expected to record a net loss in its final results for the year ended 31 December 2021. However, the net loss is expected to show a significantly decrease by about 50% from approximately HK\$121 million for the year ended 31 December 2020 (the “**Preceding Period**”) to approximately HK\$57 million for the year ended 31 December 2021 (the “**Reporting Period**”).

** For identification purpose only*

The Board considers that the expected decrease in net loss of the Group for the Reporting Period as compared to that for the Preceding Period was principally attributable to the following:

- (a) a decrease in loss in fair value of biological assets of approximately HK\$16 million, mainly resulting from the rise in market value of sugar cane;
- (b) a decrease in other expense of approximately HK\$31 million, mainly relating to the decrease in impairment loss on trade receivables of approximately HK\$30 million; and
- (c) An increase in other revenue of approximately HK\$26 million, mainly attributable to the reversal of impairment loss on trade receivables of approximately HK\$25 million upon the receipt of payment from the impaired trade receivable.

As the Company is still in the process of finalizing its final results for the Reporting Period, the information contained in this announcement is only based on unaudited consolidated management accounts of the Group for Reporting Period, which has neither been reviewed nor audited by the auditor of the Company nor approved by the audit committee of the Company. The Company's actual financial results for the Reporting Period, which may be different from those disclosed in this announcement, will be audited by the auditor of the Company and will be disclosed in the annual results announcement of the Company for the year ended 31 December 2021. The annual results announcement will be published by the end of March 2022.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Hua Lien International (Holding) Company Limited
Liu Yan
Chairman

Hong Kong, 25 March 2022

As at the date of this announcement, the Board comprises eight directors, of which three are executive directors, namely Mr. Liu Xueyi, Mr. Han Hong, and Mr. Wang Zhaohui, two are non-executive directors, namely Ms. Liu Yan and Mr. Zhang Jian, and three are independent non-executive directors, namely Mr. Cheng Tai Kwan Sunny, Mr. Shi Zhu and Dr. Lu Heng Henry.