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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 — INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 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 management account for the six months ended 30 June 2021 and the information currently available to the Board, the Group is expected to record a net loss in its interim results for the six months ended 30 June 2021. However, the net loss during the Reporting Period is expected to be decreased significantly by about 70% as compared to that of 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**”).

** For identification purpose only*

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 management accounts for the six months ended 30 June 2021 and information currently available to the Board, the Group is expected to record a net loss in its interim results for the six months ended 30 June 2021. However, the net loss is expected to show a significantly decrease by about 70% from approximately HK\$67 million (unaudited) for the six months ended 30 June 2020 (the “**Preceding Period**”) to about HK\$20 million for the six months ended 30 June 2021 (the “**Reporting Period**”).

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

- (a) an increase in gross profit of about HK\$4 million for reason of increase in revenue and gross profit margin of raw sugar and molasses;
- (b) a decrease in loss in fair value of biological assets of about HK\$16 million resulting mainly from the rise in market value of sugar cane; and
- (c) a decrease in finance cost of about HK\$23 million, of which, about HK\$20 million relating to decrease in exchange loss (attributable primarily to the reduction in the extent of depreciation of Jamaican dollar) and about HK\$3 million relating to decrease in floating rate interest expense from the decline in 12-Month US Dollar LIBOR rate.

As the Company is still in the process of finalizing its interim results for the six months ended 30 June 2021, the information contained in this announcement is based only on a preliminary assessment of the management accounts of the Company as at 30 June 2021 by, and information currently available to, the Board which have not been audited or reviewed by the Company’s auditor or the audit committee of the Company, and may be subject to adjustments. Further details of the Company’s interim results for the six months ended 30 June 2021 will be announced on 31 August 2021.

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, 24 August 2021

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.