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CHTC FONG'S INTERNATIONAL COMPANY LIMITED

中國恒天立信國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 641)

**PROPOSED VERY SUBSTANTIAL DISPOSAL
IN RELATION TO LAND USE RIGHTS RESUMPTION**

LAND USE RIGHTS RESUMPTION

The Board announces that FNE Guangdong, an indirect wholly-owned subsidiary of the Company, intends to enter into the Xiangshan Avenue Land Resumption Agreement with Zhongshan LRC and Zhongshan Cuiheng NDMC in respect of the Xiangshan Avenue Land Resumption. Pursuant to the Xiangshan Avenue Land Resumption Agreement, FNE Guangdong shall surrender the land use rights of the Xiangshan Avenue Land to Zhongshan LRC and will receive a cash compensation of RMB102,710,000 (equivalent to approximately HK\$110,516,000).

In addition, MF Zhongshan, an indirect wholly-owned subsidiary of the Company, intends to enter into the Cuicheng Road Land Resumption Agreement with Zhongshan LRC and Zhongshan Cuiheng NDMC in respect of the Cuicheng Road Land Resumption. Pursuant to the Cuicheng Road Land Resumption Agreement, MF Zhongshan shall surrender the land use rights of Cuicheng Road Land to Zhongshan LRC and will receive a cash compensation of RMB308,060,000 (equivalent to approximately HK\$331,472,000).

LISTING RULE IMPLICATIONS

As the Land Resumption Agreements are both intended to be entered into with the same parties, namely Zhongshan LRC and Zhongshan Cuiheng NDMC, in connection with disposal of parts of the same asset, the Land Resumption Agreements shall be aggregated in the calculation of the relevant percentage ratios to determine the classification of transactions pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under 14.04(9) of the Listing Rules) in respect of the Land Use Rights Resumption is expected to exceed 75%, the Land Use Rights Resumption, if proceeded as intended by the Company, shall constitute a very substantial disposal for the Company. Thus, the Land Use Rights Resumption is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DESPATCH OF CIRCULAR

A circular, containing, among others, (i) further information in relation to the Land Use Rights Resumption; (ii) independent valuation reports in relation to the Resumed Lands; (iii) the notice convening the SGM; and (iv) other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 8 May 2025 in accordance with the Listing Rules, so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

Shareholders and potential investors of the Company should be aware that the signing of the Land Resumption Agreements are subject to the Shareholders' approval and the Board's discretion. The Land Use Rights Resumption therefore may or may not proceed. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

LAND USE RIGHTS RESUMPTION

The Board announces that FNE Guangdong, an indirect wholly-owned subsidiary of the Company, intends to enter into the Xiangshan Avenue Land Resumption Agreement with Zhongshan LRC and Zhongshan Cuiheng NDMC in respect of the Xiangshan Avenue Land Resumption. Pursuant to the Xiangshan Avenue Land Resumption Agreement, FNE Guangdong shall surrender the land use rights of the Xiangshan Avenue Land to Zhongshan LRC and will receive a cash compensation of RMB102,710,000 (equivalent to approximately HK\$110,516,000).

In addition, MF Zhongshan, an indirect wholly-owned subsidiary of the Company, intends to enter into the Cuicheng Road Land Resumption Agreement with Zhongshan LRC and Zhongshan Cuiheng NDMC in respect of the Cuicheng Road Land Resumption. Pursuant to the Cuicheng Road Land Resumption Agreement, MF Zhongshan shall surrender the land use rights of Cuicheng Road Land to Zhongshan LRC and will receive a cash compensation of RMB308,060,000 (equivalent to approximately HK\$331,472,000).

LAND RESUMPTION AGREEMENTS

The principal terms of the Land Resumption Agreements are summarised as follows:

Effective Date

The Land Resumption Agreements shall take effect from the date of signing. The Subsidiaries are expected to enter into the Land Resumption Agreements after the Company has obtained the Shareholders' approval for the Land Use Rights Resumption at the SGM. The Company will comply with the applicable requirements under the Listing Rules when the Land Resumption Agreements are formally signed or when there is any material change to the terms of the Land Resumption Agreements.

Parties

(a) Xiangshan Avenue Land Resumption Agreement

- (i) FNE Guangdong (an indirect wholly-owned subsidiary of the Company);
- (ii) Zhongshan LRC; and
- (iii) Zhongshan Cuiheng NDMC.

(b) Cuicheng Road Land Resumption Agreement

- (i) MF Zhongshan (an indirect wholly-owned subsidiary of the Company);
- (ii) Zhongshan LRC; and
- (iii) Zhongshan Cuiheng NDMC.

Pursuant to the Xiangshan Avenue Land Resumption Agreement, FNE Guangdong shall surrender, and Zhongshan LRC shall resume, the land use right of the Xiangshan Avenue Land (including the land and the buildings and structures located on the land). On the other hand, pursuant to the Cuicheng Road Land Resumption Agreement, MF Zhongshan shall surrender, and Zhongshan LRC shall resume, the land use right of the Cuicheng Road Land (including the land and the buildings and structures located on the land).

Information of the Resumed Lands

The Xiangshan Avenue Land pertains to a portion of the land parcel owned by FNE Guangdong with an aggregate site area of approximately 47,446.8 m² located at 9 Xiangshan Avenue, Cuiheng New District, Zhongshan City, Guangdong Province, the PRC. The total area of the parcel of land owned by FNE Guangdong amounts to 302,768.1 m². As at the date of this announcement, the major buildings and structures located on the Xiangshan Avenue Land include, among others, a 12-story staff dormitory, a basketball court and a parking lot designated for the use of the Group's employees. The staff dormitory was built in May 2017.

The Cuicheng Road Land represents the entire parcel of land owned by MF Zhongshan with an aggregate site area of approximately 133,333.3 m² located at 101 Cuicheng Road, Cuiheng New District, Zhongshan City, Guangdong Province, the PRC. As at the date of this announcement, the major buildings and structures located on the Cuicheng Road Land include, among others, three manufacturing plants with an aggregate site area of 57,829 m², designated for the manufacture and production of dyeing and finishing machinery, offices, a canteen, a hazardous material warehouse and guardrooms. These buildings and structures were constructed by MF Zhongshan between 2012 to 2018.

Furthermore, as at the date of this announcement, the manufacturing plants on the Cuicheng Road Land are still in operation, with more than 400 employees at the manufacturing plants and offices. For the year ended 31 December 2024, approximately 240 dyeing and finishing machinery were manufactured at these manufacturing plants by MF Zhongshan, and the percentage of total revenue attributable to the Resumed Lands amounted to approximately 29.9% of the total revenue of the Group for the year ended 31 December 2024.

Compensation and payment terms

(a) *Xiangshan Avenue Land Resumption Agreement*

Pursuant to the Xiangshan Avenue Land Resumption Agreement, the total compensation payable to FNE Guangdong for the Xiangshan Avenue Land Resumption is RMB102,710,000 (equivalent to approximately HK\$110,516,000) ("**Xiangshan Compensation**"), which shall be payable in cash by Zhongshan Cuiheng NDMC to FNE Guangdong by instalments in the following manner:

- (i) First instalment: payment of the first instalment in the amount of RMB30,813,000 (equivalent to approximately HK\$33,155,000) shall be made within 30 days from the date on which (1) FNE Guangdong receives the written notice from Zhongshan Cuiheng NDMC regarding payment of the first instalment of Xiangshan Compensation; and (2) the completion of registration for the cancellation of mortgage rights on Xiangshan Avenue Land by FNE Guangdong;

- (ii) Second instalment: payment of the second instalment in the amount of RMB20,542,000 (equivalent to approximately HK\$22,103,000) shall be made within 30 days from the date FNE Guangdong submits the land resumption application to Zhongshan NRB;
- (iii) Third instalment: payment of the third instalment in the amount of RMB30,813,000 (equivalent to approximately HK\$33,155,000) shall be made within 30 days from the date FNE Guangdong completes the procedures regarding resumption of land and obtains the Written Decision of Administrative Disposition* (行政處理決定書); and
- (iv) Fourth instalment: payment of the fourth instalment in the amount of RMB20,542,000 (equivalent to approximately HK\$22,103,000) shall be made within 60 days from (1) the date that FNE Guangdong completes the payment of corresponding tax and obtains the verification form from the relevant tax authority; and (2) the date of completion of payment of the second and third instalments by Zhongshan Cuiheng NDMC to FNE Guangdong, whichever is later. This payment shall be made to a bank account jointly supervised by Zhongshan Cuiheng NDMC and FNE Guangdong, which will be released to FNE Guangdong upon the signing of land resumption confirmation between FNE Guangdong, Zhongshan LDC and Zhongshan Cuiheng NDMC.

(b) *Cuicheng Road Land Resumption Agreement*

Pursuant to the Cuicheng Road Land Resumption Agreement, the total compensation payable to MF Zhongshan for the Cuicheng Road Land Resumption is RMB308,060,000 (equivalent to approximately HK\$331,472,000) (“**Cuicheng Compensation**”), which shall be payable in cash by Zhongshan Cuiheng NDMC to MF Zhongshan by instalments in the following manner:

- (i) First instalment: payment of the first instalment in the amount of RMB92,418,000 (equivalent to approximately HK\$99,442,000) shall be made within 30 days from the date that (1) MF Zhongshan receives the written notice from Zhongshan Cuiheng NDMC regarding payment of the first instalment of Cuicheng Compensation; and (2) the completion of registration for the cancellation of mortgage rights on Cuicheng Road Land by MF Zhongshan;
- (ii) Second instalment: payment of the second instalment in the amount of RMB61,612,000 (equivalent to approximately HK\$66,294,000) shall be made within 30 days from the date MF Zhongshan submits the land resumption application to Zhongshan NRB;
- (iii) Third instalment: payment of the third instalment in the amount of RMB92,418,000 (equivalent to approximately HK\$99,442,000) shall be made within 30 days from the date MF Zhongshan completes the procedures regarding resumption of land and obtains the Written Decision of Administrative Disposition* (行政處理決定書); and

- (iv) Fourth instalment: payment of the fourth instalment in the amount of RMB61,612,000 (equivalent to HK\$66,294,000) shall be made within 60 days from (1) the date that MF Zhongshan completes the payment of corresponding tax and obtains a verification form from the relevant tax authority; and (2) the date of completion of payment of the second and third instalments by Zhongshan Cuiheng NDMC to MF Zhongshan, whichever is later. This payment shall be made to a bank account jointly supervised by Zhongshan Cuiheng NDMC and MF Zhongshan, which will be released to MF Zhongshan upon the signing of land resumption confirmation between MF Zhongshan, Zhongshan LDC and Zhongshan Cuiheng NDMC.

The aggregate amount of the Xiangshan Compensation and Cuicheng Compensation amounted to RMB410,770,000 (equivalent to approximately HK\$441,988,000). The Xiangshan Compensation and Cuicheng Compensation were determined after arm's length negotiation between (i) Zhongshan LRC, Zhongshan Cuiheng NDMC and FNE Guangdong; and (ii) Zhongshan LRC, Zhongshan Cuiheng NDMC and MF Zhongshan, respectively, with reference to laws, regulations and procedures applicable to the resumption of state-owned lands in Zhongshan City, Guangdong Province, the PRC and the valuation reports in respect of the Xiangshan Avenue Land and Cuicheng Road Land issued by an independent professional valuer, which has assessed the value of the Xiangshan Avenue Land in the amount of approximately RMB102,659,000, and the value of Cuicheng Road Land in the amount of approximately RMB308,078,000, as at 9 April 2025 based on market approach. The valuations, alongside with the Xiangshan Compensation and Cuicheng Compensation, have also taken into account the potential loss of profit for MF Zhongshan due to the temporary suspension of manufacturing and production of dyeing and finishing machinery during the relocation of manufacturing plants.

The Directors consider that the terms of the Land Resumption Agreements (including the amount of Xiangshan Compensation and Cuicheng Compensation) are fair, reasonable and in the interest of the Company and the Shareholders as a whole.

Transfer of rights of Resumed Lands

The Subsidiaries shall complete the registration for the cancellation of mortgage rights on the Resumed Lands within three months of receiving the respective written notices from Zhongshan Cuiheng NDMC regarding the payment of first instalment of Xiangshan Compensation and Cuicheng Compensation. Additionally, the Subsidiaries are required to submit the land resumption applications to Zhongshan NRB within 10 days of receiving the first instalment of Xiangshan Compensation and Cuicheng Compensation, respectively, and complete the registration of land resumption according to the applicable laws and regulations within six months, thereby allowing Zhongshan LRC to register the Resumed Lands as reserve land of the Zhongshan government.

Furthermore, the Subsidiaries shall complete the clearance and reclamation of the Resumed Lands, including the removal of all properties and assets in the buildings on the Resumed Lands within 10 days from the date of payment of the fourth instalment into a bank accounts jointly supervised by (a) Zhongshan Cuiheng NDMC and FNE Guangdong; and (b) Zhongshan Cuiheng NDMC and MF Zhongshan, respectively, and enter into land resumption confirmations with Zhongshan LRC and Zhongshan Cuiheng NDMC.

If the Subsidiaries fail to vacate the Resumed Lands and enter into the land resumption confirmations according to the abovementioned schedule, they will be deemed as waiving their ownership on all relevant properties and assets in the buildings on the Resumed Lands.

REASONS FOR AND BENEFITS OF THE LAND USE RIGHTS RESUMPTION

As part of the local government's initiative to manage and enhance the land reserves and industrial development prospects of Zhongshan City, Guangzhou Province, the PRC, Zhongshan NRB published "The Pilot Plan for Redevelopment of Low-Efficiency Land in Zhongshan City"* (《中山市低效用地再開發試點實施方案》) in 2023. In accordance with this plan, Zhongshan Cuiheng NDMC assessed the overall planning for the area encompassing the Resumed Lands and determined that the Resumed Lands shall be reclaimed by the government for redevelopment and replanning purposes. Consequently, Zhongshan Cuiheng NDMC initiated the land resumption processes.

The Cuicheng Road Land was acquired by MF Zhongshan in 2010, while the Xiangshan Avenue Land was acquired by FNE Guangdong in 2013. Given the current economic climate and the Group's level of debts, the Board is of the view that the resumption of both Cuicheng Road Land and Xiangshan Avenue Land will enable the Group to generate positive cash flow, reduce the level of debts, increasing its working capital and alleviate its financial burden for the time being.

Additionally, the remaining portion of the land owned by FNE Guangdong, which is adjacent to Cuicheng Road Land, contains under-utilised land and space. This facilitates the relocation of all of the manufacturing plants for manufacturing dyeing and finishing machinery, as well as the offices situated on the Cuicheng Road Land. Moreover, the dormitories situated on the remaining portion of the land owned by FNE Guangdong contain unutilised space, enabling employees residing in the dormitory on Xiangshan Avenue Land to relocate without significant impact. In particular, the Group has formulated a relocation plan for the manufacturing plants and offices located on Cuicheng Road Land to the remaining portion of land owned by FNE Guangdong, and the relocation is expected to be completed within two months.

The Board considers that the Land Use Rights Resumption and subsequently the relocation of manufacturing plants and dormitory will significantly enhance the Group's land utilisation and production efficiency. This strategic consolidation will enable the Group to consolidate its resources, and the cash compensation from the Land Use Rights Resumption will improve its financial position, thereby promoting its long-term development and is in the best interest of the Company and the Shareholders as a whole. Consequently, the Board anticipates that the Land Use Rights Resumption will benefit the Group's operational management and production capabilities. Furthermore, the Xiangshan Compensation and Cuicheng Compensation are considered fair and reasonable with reference to the valuations conducted by the independent professional valuer, which have taken into account the potential loss of profit for MF Zhongshan due to the temporary suspension of manufacturing and production of dyeing and finishing machinery during the relocation of manufacturing plants.

Therefore, the Company is committed to cooperate with Zhongshan LRC and Zhongshan Cuiheng NDMC regarding the Land Use Rights Resumption. The Directors (including the independent non-executive Directors) consider that the terms of the Land Use Right Resumptions are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

FINANCIAL EFFECT ON THE GROUP

Based on the latest audited financial statements as at 31 December 2024, the aggregate net book value of the Resumed Lands was approximately RMB141,310,000 (equivalent to approximately HK\$152,050,000). On account of the Xiangshan Compensation of RMB102,710,000 (equivalent to approximately HK\$110,516,000), and Cuicheng Compensation of RMB308,060,000 (equivalent to approximately HK\$331,473,000), the Company is expected to record an unaudited net gain from the Land Use Right Resumption of approximately RMB269,460,000 (equivalent to approximately HK\$289,939,000). The actual amount of gain from the Land Use Rights Resumption to be recorded by the Group is subject to audit and will take into account any costs and expenses incurred relating to the Land Use Rights Resumption, and accordingly, it may be different from the amount stated above.

Please refer to the table below for the net profit (before and after tax) attributable to the Resumed Lands (together with the buildings on top of the Resumed Lands) for the years ended 31 December 2023 and 2024, respectively:

	Net profit (before taxation) <i>RMB'000</i>	Net profit (after taxation) <i>RMB'000</i>
For the year ended 31 December 2023	14,660	12,880
For the year ended 31 December 2024	43,390	36,890

PROPOSED USE OF PROCEEDS

The Company currently intends that, subject to actual circumstances and decision of the Board when concrete details of the proposed uses are put forward for consideration, all the proceeds from Land Use Rights Resumption will be used for repayment of bank loans of the Group.

GENERAL INFORMATION

Information of Zhongshan LRC and Zhongshan Cuiheng NDMC

Zhongshan LRC is a departmental centre under the Zhongshan NRB, which is principally responsible for the formulation and implementation of the land use planning, urban and rural planning and land reserve management of Zhongshan City. It is also responsible for managing and handling the administrative procedures regarding resumption of land. Zhongshan Cuiheng NDMC is a governmental agency established by the Zhongshan City Municipal Government, which is principally responsible for managing and overseeing the strategic planning, resource allocation, investment attraction, construction and development of Cuiheng New District, Zhongshan City. It is also responsible for managing urban planning projects and develop specialised plans in relation to consolidation and re-development of land.

Zhongshan LRC and Zhongshan Cuiheng NDMC are governmental authorities of the PRC, which are in turn controlled by the Zhongshan City Municipal Government and People's Government of Guangdong Province, and ultimately controlled by The State Council of the PRC. On the other hand, the ultimate controlling shareholder of the Company, SINOMACH, is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, a commission under the direct control of The State Council of the PRC, and is not under control of any local government authorities. Other than the above relationship, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Zhongshan LRC and Zhongshan Cuiheng NDMC and their ultimate beneficial owners are independent of the Company and its connected persons.

Information of the Group

The Company acts as an investment holding company. The Group is principally engaged in the manufacture and sale of dyeing and finishing machines, manufacture and sale of stainless steel casting products and trading of stainless steel supplies.

FNE Guangdong was incorporated in the PRC in June 2007 and is an indirect wholly-owned subsidiary of the Company. Its main business includes manufacture and trading of dyeing and finishing machines. MF Zhongshan was also incorporated in the PRC in June 2007 and is an indirect wholly-owned subsidiary of the Company. Its main business includes manufacture and trading of textile machinery.

LISTING RULES IMPLICATIONS

As the Land Resumption Agreements are both intended to be entered into with the same parties, namely Zhongshan LRC and Zhongshan Cuiheng NDMC, in connection with disposal of parts of the same asset, the Land Resumption Agreements were aggregated in the calculation of the relevant percentage ratios to determine the classification of transaction pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under 14.04(9) of the Listing Rules) in respect of the Land Use Rights Resumption is expected to exceed 75%, the Land Use Rights Resumption, if proceeded as intended by the Company, shall constitute a very substantial disposal for the Company. Thus, the Land Use Rights Resumption is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Whilst Zhongshan LRC and Zhongshan Cuiheng NDMC are controlled by Zhongshan City Municipal Government and People's Government of Guangdong Province, and ultimately controlled by The State Council of the PRC, whereas the ultimate controlling shareholder of the Company, SINOMACH, is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, a commission under the direct control of The State Council of the PRC and is not under control of any local government authorities, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder and its associate has a material interest in the Land Use Rights Resumption as contemplated under the Land Resumption Agreements. As such, no Shareholder is required to abstain from voting under the Listing Rules on the ordinary resolution to approve the Land Use Rights Resumption at the SGM.

DESPATCH OF CIRCULAR

A circular, containing, among others, (i) further information in relation to the Land Use Rights Resumption; (ii) independent valuation reports in relation to the Resumed Lands; (iii) the notice convening the SGM; and (iv) other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 8 May 2025 in accordance with the Listing Rules, so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

DEFINITIONS

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

“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Company”	CHTC Fong’s International Company Limited, an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Cuicheng Road Land”	a land parcel with the real estate certificate number of Yue (2017) Zhongshan Real Estate No. 0087209* (粵(2017) 中山市不動產權第0087209號) encompassing an aggregate site area of approximately 133,333.3 m ² located at 101 Cuicheng Road, Cuiheng New District, Zhongshan City, Guangdong Province, the PRC, together with the buildings and structures located on the land, which is owned by MF Zhongshan as at the date of this announcement
“Cuicheng Road Land Resumption”	the resumption of Cuicheng Road Land under the Cuicheng Road Land Resumption Agreement
“Cuicheng Road Land Resumption Agreement”	the resumption agreement regarding state-owned land use rights* (國有土地使用權收回協議) in relation to Cuicheng Road Land which is proposed to be entered into between MF Zhongshan, Zhongshan LRC and Zhongshan Cuiheng NDMC
“Director(s)”	the directors of the Company
“FNE Guangdong”	Fong’s National Engineering (Guangdong) Co., Ltd.* (立信染整機械(廣東)有限公司), a company established in the PRC with limited liability, being an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Land Resumption Agreements”	refers to the Cuicheng Road Land Resumption Agreement and the Xiangshan Avenue Land Resumption Agreement

“Land Use Rights Resumption”	refers to Cuicheng Road Land Resumption and Xiangshan Avenue Land Resumption
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“m ² ”	square metre(s)
“MF Zhongshan”	Monforts Fong’s Textile Machinery (Zhongshan) Co., Ltd.* (立信門富士紡織機械(中山)有限公司), a company established in the PRC with limited liability, being an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Resumed Lands”	refers to the Cuichang Road Land and Xiangshan Avenue Land
“SINOMACH”	China National Machinery Industry Corporation* (中國機械工業集團有限公司), a limited liability company established in the PRC and the ultimate controlling shareholder of the Company
“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider, and if thought fit, approve the Land use Rights Resumption
“Shareholder(s)”	the registered holder(s) of the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	refers to FNE Guangdong and MF Zhongshan
“Xiangshan Avenue Land”	a portion of the land parcel with the real estate certificate number of Yue (2024) Zhongshan Real Estate No. 0574492* (粵 (2024) 中山市不動產權第0574492號) encompassing an aggregate site area of approximately 47,446.8 m ² , and located at located at 9 Xiangshan Avenue, Cuiheng New District, Zhongshan City, Guangdong Province, the PRC, together with the buildings and structures located on the land, which is owned by FNE Guangdong as at the date of this announcement

“Xiangshan Avenue Land Resumption”	the resumption of Xiangshan Avenue Land under the Xiangshan Avenue Land Resumption Agreement
“Xiangshan Avenue Land Resumption Agreement”	the resumption agreement regarding state-owned land use rights* (國有土地使用權收回協議) in relation to Xiangshan Avenue Land which is proposed to be entered into between FNE Guangdong, Zhongshan LRC and Zhongshan Cuiheng NDMC
“Zhongshan Cuiheng NDMC”	Zhongshan Cuiheng New District Management Committee* (中山翠亨新區管理委員會), being a governmental agency established by the Zhongshan City Municipal Government
“Zhongshan LRC”	Zhongshan City Land Reserve Centre* (中山市土地儲備中心), being an departmental centre under the Zhongshan NRB
“Zhongshan NRB”	Zhongshan Natural Resources Bureau* (中山市自然資源局), a governmental department of the Zhongshan City Municipal Government
“%”	per cent

Notes:

1. * For identification purpose only
2. For the purpose of this announcement and for illustrative purpose only, RMB is converted into HK\$ at the rate of RMB1.00: HK\$1.076. No representation is made that any amounts in RMB has been or could be converted at the above rate or at any other rates.

By order of the Board
CHTC Fong’s International Company Limited
Lee Che Keung
Company Secretary

Hong Kong, 11 April 2025

As at the date of this announcement, the Company’s Executive Directors are Mr. Guan Youping (Chairman) and Mr. Chen Peng (General Manager); the Non-executive Director is Mr. Fong Kwok Leung, Kevin; and the Independent Non-executive Directors are Mr. Tong Wing Chi, Dr. Jiang Gaoming and Dr. Chen Ying.