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KASEN INTERNATIONAL HOLDINGS LIMITED
卡森國際控股有限公司

(An exempted company incorporated in the Cayman Islands with limited liability)

(Stock Code: 496)

DISCLOSEABLE TRANSACTION IN RELATION TO STEEL STRUCTURES PURCHASE CONTRACT

THE CONTRACT

The Board is pleased to announce that on 12 December 2025 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) and the Supplier entered into the Contract, pursuant to which the Purchaser has agreed to purchase, and the Supplier has agreed to manufacture and sell, the Steel Structures at the Consideration of RMB43,536,600.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions under the Contract exceed 5% but are all less than 25%, the entering into of the Contract constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 12 December 2025 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) and the Supplier entered into the Contract, pursuant to which the Purchaser has agreed to purchase, and the Supplier has agreed to manufacture and sell, the Steel Structures at the Consideration of RMB43,536,600.

THE CONTRACT

The principal terms of the Contract are set out as follows:

Date:	12 December 2025 (after trading hours)
Parties:	(i) Kasen International Power Development Limited, as the purchaser; and (ii) Anhui Fuhuang Steel Structure Co., Ltd.*（安徽富煌鋼構股份有限公司）, as the supplier.
Particulars of the Steel Structures:	(i) Steel structure for the turbine hall; (ii) Steel structure of the boiler operating platform; and (iii) Steel structure for the vehicle storage warehouse.
Consideration and payment terms:	RMB43,536,600, to be settled in the following manner: (a) Advance payment (5%) Within seven (7) business days after signing of the Contract, the Purchaser shall pay to the Supplier an advance payment equal to 5% of the Consideration. (b) Material preparation payment (15%) Within seven (7) business days after the Supplier provides supporting documents for material procurement contracts, the Purchaser shall pay to the Supplier 15% of the Consideration as the material preparation payment. (c) Delivery payment (60%) Within seven (7) business days after delivery of the goods, the Purchaser shall pay to the Supplier 60% of the Consideration.

(d) Installation payment (15%)

Within fifteen days (15) after completion of installation or within six months after completion of delivery of all goods, whichever occurs earlier, the Purchaser shall pay to the Supplier 15% of the Consideration.

(e) Quality guarantee deposit (5%)

The remaining 5% of the Consideration shall be retained as quality guarantee deposit, and it shall be released and paid to the Supplier after expiry of the quality warranty period.

The warranty period shall be the earlier of (i) 18 months from the date of completion of delivery of all goods, or (ii) 12 months from the date of successful completion of installation.

It is expected that the Steel Structures will be delivered to the Purchaser before the end of 31 July 2026.

All of the aforementioned payments shall be made in cash.

The Consideration was determined between the parties after arm's length negotiations and on normal commercial terms after taking into account, among others, (i) the quality and technical specification of the Steel Structures; (ii) the fee quotations and terms (such as the proposed delivery schedules) obtained from several potential independent suppliers; and (iii) the technical know-how, experience and track records of the Supplier in providing similar products.

The Consideration will be funded by the Group's internal resources.

INFORMATION ON THE SUPPLIER

The Supplier is a company established under the laws of the PRC, principally engaged in the design, fabrication, installation, and general contracting of steel structures. The Supplier is a listed company on the Shenzhen Stock Exchange (stock code: 002743).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Supplier and its controlling shareholder(s) are third parties independent of the Company and its connected persons.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in (i) manufacturing and trading of upholstered furniture; (ii) properties development; (iii) special economic zone; and (iv) travel and related operations.

The Purchaser is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. It is principally engaged in investment holding.

REASONS FOR AND BENEFIT OF THE TRANSACTION

The Company has been continuously evaluating the Group's businesses strategies with a view to expanding and diversifying its revenue streams by investing in projects with strong growth potential.

Mongolia's total electricity consumption in 2024 reached 11,619 million kWh, representing an increase of 643 million kWh or 5.9% compared with 2023. In the same year, electricity imports amounted to 2,863.4 million kWh of electricity, an increase of 416.6 million kWh or 17% compared with 2023. The Mongolian government has adopted the long-term development policy "Vision-2050", which aims to fully meet domestic energy demand and transform Mongolia into an energy-exporting country. A key objective of this policy is to achieve complete energy independence by 2030 by eliminating the need for electricity imports and satisfying all domestic requirements through local generation.

Having considered that (i) the strong policy support provided by "Vision-2050" for domestic energy investment in the coming years; (ii) the robust and growing demand for electricity in Mongolia, the Company believes that the power generation sector in Mongolia offers attractive prospects and growth potential. To this end, the Company plans to construct and establish a coal-fired power plant with an installed capacity of 660 MW, located in Bagakhangai, Mongolia (the "**Power Plant Project**"). The Group has obtained necessary approvals from the Mongolian government, and entered into a power purchase agreement (the "**PPA**") in July 2024 with a state-owned entity in Mongolia. The PPA has been approved by the Minister of Energy of Mongolia. Pursuant to the PPA, the Group is entitled to supply and sell the electricity generated by the Power Plant Project to the state-owned entity for a term of 25 years commencing on the commercial operation date.

The Steel Structures constitute part of the essential structural components for the Power Plant Project. Through the development and operation of the Power Plant Project, the Company aims to diversify its revenue sources and enhance its long-term financial performance.

In view of the above, the Directors consider that the terms of the Contract are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions under the Contract exceed 5% but are all less than 25%, the entering into of the Contract constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors
"Company"	Kasen International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	the total consideration of the Steel Structures in the amount of RMB43,536,600
"Contract"	the contract dated 12 December 2025 entered into between the Purchaser and the Supplier in relation to the purchase of the Steel Structures
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Purchaser"	Kasen International Power Development Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of par value of US$0.00015 each in the share capital of the Company
"Shareholder(s)"	shareholder(s) of the Company
"Steel Structures"	several steel structures for the Power Plant Project as described in this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplier"	Anhui Fuhuang Steel Structure Co., Ltd.* (安徽富煌鋼構股份有限公司), a company established under the laws of the PRC with limited liability, an independent third party of the Company and its connected persons
"%"	per cent.

By Order of the Board
Kasen International Holdings Limited
Zhu Zhangjin
Chairman

12 December 2025

As at the date of this announcement, the executive Directors are Mr. Zhu Zhangjin and Ms. Zhou Xiaohong, and the independent non-executive Directors are Mr. Chow Hiu Tung, Mr. Zhang Yuchuan and Mr. Zhou Lingqiang.

Website: http://www.irasia.com/listco/hk/kasen/index.htm

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *for identification purpose only*