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ZHENGYE INTERNATIONAL HOLDINGS COMPANY LIMITED

正業國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3363)

MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

THE DISPOSAL

The Board is pleased to announce that on 30 September 2026 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the SPA with the Purchaser, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Factory #9 at the consideration of RMB48,680,000.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 25% but all are less than 75%, the Disposal constitutes a major transaction for the Company, and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associates has a material interest in the Disposal and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Disposal.

As at the date of this announcement, the Hu Family through their respective associate indirectly owned 375,000,000 Shares in total (representing 75% of the issued share capital of the Company as at the date of this announcement). Accordingly, the Company has obtained a written shareholder's approval certificate from the Hu Family and its associates (being a closely allied group of Shareholders who are parties acting in concert among themselves within the meaning of the Takeovers Code) to approve the Disposal pursuant to Rule 14.44 of the Listing Rules and no extraordinary general meeting will be convened and held by the Company to approve the Disposal.

GENERAL

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Disposal and the transactions contemplated thereunder; and (ii) other information required to be included in the circular under the requirements of the Listing Rules shall be despatched to the Shareholders within fifteen (15) business days after the publication of this announcement.

THE DISPOSAL

The Board is pleased to announce that on 30 September 2026 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the SPA with the Purchaser, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Factory #9 at the consideration of RMB48,680,000.

SPA

Set out below are the key terms of SPA:

Date: 30 September 2026

Parties: Vendor: Zhongshan Yongfa Zhizao Company Limited* (中山永發製造有限公司), an indirect wholly-owned subsidiary of the Company; and

Purchaser: Zhongshan Tongrui Packaging Materials Company Limited* (中山彤瑞包裝材料有限公司)

Property: Factory #9 of the Huigu Project.

The gross floor area of Factory #9 is 12,170 square metres.

Consideration: The consideration for the disposal of Factory #9 is RMB48,680,000, payable in cash.

Payment terms: Subject to the fulfillment of the conditions precedents, the total consideration of RMB48,680,000 shall be paid on or before 15 November 2026.

Conditions precedent: Completion of the Disposal is subject to fulfillment of, among others, the following conditions precedent:

- (i) the Vendor and the Company having complied with all applicable requirements under the Listing Rules and all other applicable laws and regulations in respect of the SPA and the transactions contemplated thereunder; and

- (ii) all necessary consents, approvals, permits and authorisations in connection with the SPA and the transactions contemplated thereunder having been obtained by the relevant parties (including, without limitation, the approval of the shareholders of the Company).

Registration: Subject to the fulfillment of the conditions precedents, Factory #9 shall be delivered to the Purchaser for use on 15 November 2026.

The parties shall complete the necessary registration for the disposal at the relevant governmental authority within 720 working days from the signing of the SPA.

BASIS OF CONSIDERATION

As Factory #9 was purpose-built and customised in accordance with the specific operational requirements of the Purchaser, its floor area configuration, ceiling height and floor loading capacity differ from those of standard factory premises in the surrounding area. Accordingly, the consideration for the Disposal (the “**Consideration**”) was determined after arm’s length negotiations between the parties with reference to, among others:

- (i) the prevailing market prices of comparable standard factory premises in the vicinity, being approximately RMB3,400 to RMB4,000 per sq.m. for the entire factory building; and
- (ii) the additional construction and customisation costs incurred in designing and constructing Factory #9 to satisfy the specific requirements of the Purchaser. Taking into account such adjustments, the parties agreed a unit price of RMB4,000 per sq.m. for the entire factory building.

Accordingly, the Directors are of the view that the Consideration is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT OF THE DISPOSAL AND USE OF PROCEEDS

The aggregate carrying value of Factory #9 as shown in the unaudited consolidated financial statements of the Company as at 31 August 2026 was approximately RMB41,513,000. Based on the consideration of RMB48,680,000, the Group is expected to record a gain of approximately RMB3,148,000 from the Disposal. Such gain is calculated based on the net consideration of approximately RMB44,661,000, being the consideration after deducting value-added tax of approximately RMB4,019,000, less the aggregate carrying value of the property, and before taking into account land value-added tax, selling expenses and other transaction-related costs.

The Company intends to utilise the net proceeds from the Disposal as to (i) approximately 35% for the payment of taxes and relevant transaction-related taxes arising from the Disposal; (ii) approximately 55% for the payment and settlement of construction costs of the Huigu Project; and (iii) approximately 10% for the general working capital of the Group.

INFORMATION OF THE PURCHASER

The Purchaser is a company established in the PRC with limited liability and is principally engaged in manufacturing and sales of packaging materials and plastic products. The Purchaser is wholly owned by Yin Zhihui (尹智輝), who is a businessman.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Purchaser and its ultimate beneficial owners are all Independent Third Parties.

INFORMATION OF THE GROUP AND THE VENDOR

The Group is principally engaged in manufacturing and sales of packaging paper and paper-based packaging products.

The Vendor is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company, and is principally engaged in properties development.

REASONS FOR THE DISPOSAL

Reference is made to the supplemental announcement of the Company dated 12 June 2026 in relation to the background of the Huigu Project and the Zhigu Project (the “**Supplemental Announcement**”). As disclosed in the Supplemental Announcement, the Group is currently undertaking two redevelopment projects, namely the Huigu Project and the Zhigu Project, pursuant to the Zhongshan Municipal Government’s “Three Olds” (三舊) redevelopment initiative, which aims to enhance land-use efficiency through the redevelopment and upgrading of land occupied by old towns, old factories and old villages.

The Huigu Project and the Zhigu Project are located on peripheral portions of larger land parcels owned by the Group on which its existing production facilities are situated. In line with the redevelopment initiative and as part of its strategy to optimise the utilisation of its land resources, the Group has redeveloped certain underutilised areas and obsolete buildings into modern industrial premises with improved specifications and functionality.

Factory #9 is located within the Huigu Project. The underlying land was previously used as auxiliary material warehouses serving the Yongfa Production Base. Following relocation of such warehouses to other available areas within the Yongfa Production Base, the relevant land was redeveloped without disrupting the Group’s production and operational activities. There are currently eight factory buildings constructed under Phase I and Phase II of the Huigu Project. Including the Disposal and the disposal of first to third floors of Factory #10 (as announced by the Company on the same date as this announcement), approximately 66% of the gross floor area of the Huigu Project has been sold by the Vendor. As the Group is required under the applicable redevelopment requirements to retain not less than 20% of the completed gross floor area of the Huigu Project for a minimum period of 15 years, only up to 80% of the gross floor area of the Huigu Project may be disposed of. The remaining portion of the 80% of the completed gross floor area of the Huigu Project that may be disposed of is currently held by the Group and may be sold in the future as and when suitable opportunities arise.

The Board considers that the Disposal represents an opportunity for the Group to realise the value embedded in the redeveloped property assets and generate cash proceeds from non-core property holdings. The proceeds from the Disposal will strengthen the Group's financial position, enhance its liquidity and provide additional resources for its general working capital and future business development.

In light of the above, the Directors consider that the terms of the Disposal are on normal commercial terms, fair and reasonable, and that the Disposal is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 25% but all are less than 75%, the Disposal constitutes a major transaction for the Company, and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associates has a material interest in the Disposal and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Disposal.

As at the date of this announcement, the Hu Family through their respective associate indirectly owned 375,000,000 Shares in total (representing 75% of the issued share capital of the Company as at the date of this announcement). Gorgeous Rich Development Limited, which is wholly owned by Mr. Hu Zheng, owns 191,250,000 Shares (representing 38.25% of the issued share capital of the Company as at the date of this announcement), Golden Century Assets Limited, which is wholly owned by Mr. Hu Hancheng, owns 93,750,000 Shares (representing 18.75% of the issued share capital of the Company as at the date of this announcement), Leading Innovation Worldwide Corporation, which is wholly owned by Mr. Hu Hanchao, owns 75,000,000 Shares (representing 15.00% of the issued share capital of the Company as at the date of this announcement), and Fortune View Services Limited, which is wholly owned by Ms. Hu Jianwen, owns 15,000,000 Shares (representing 3.00% of the issued share capital of the Company as at the date of this announcement).

Mr. Hu Zheng, Mr. Hu Hancheng and Mr. Hu Hanchao are the executive Directors and brothers. Ms. Hu Jianwen is the non-executive Director and the niece of Mr. Hu Zheng, Mr. Hu Hancheng and Mr. Hu Hanchao.

Accordingly, the Company has obtained a written shareholder's approval certificate from the Hu Family and its associates (being a closely allied group of Shareholders who are parties acting in concert among themselves within the meaning of the Takeovers Code) to approve the Disposal pursuant to Rule 14.44 of the Listing Rules and no extraordinary general meeting will be convened and held by the Company to approve the Disposal.

GENERAL

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Disposal and the transactions contemplated thereunder; and (ii) other information required to be included in the circular under the requirements of the Listing Rules shall be despatched to the Shareholders within fifteen (15) business days after the publication of this announcement.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Zhengye International Holdings Company Limited, a company incorporated in Bermuda, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of Factory #9 to the Purchaser
“Factory #9”	the factory #9 located at the Huigu Project
“Group”	the Company and its subsidiaries
“Hu Family”	Mr. Hu Zheng, Mr. Hu Hancheng, Mr. Hu Hanchao and Ms. Hu Jianwen
“Huigu Project”	the Songwan Huigu Zhineng Zhizao Project (松灣薈谷智能智造項目) located at Xintang Community, Huangpu Town, Zhongshan City, the PRC (中山市黃圃鎮新糖社區)
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement only, except where the context requires, references in this announcement to the PRC or China exclude Hong Kong, Macau and Taiwan

“Purchaser”	Zhongshan Tongrui Packaging Materials Company Limited* (中山彤瑞包裝材料有限公司), a company established in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“SPA”	the agreement for the sale and purchase dated 30 September 2026 entered into between the Vendor and the Purchaser in relation to the sale and purchase of Factory #9
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Zhongshan Yongfa Zhizao Company Limited* (中山永發智造有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Yongfa Production Base”	the land owned by the Vendor where 24 existing factories and ancillary facilities are situated in Zhongshan
“Zhigu Project”	the Songwan Zhigu Zhineng Zhizao Project (松灣智谷智能製造項目) located at 138 Xin Hao South Road, Shaxi Town, Zhongshan City, the PRC (中山市沙溪鎮新濠南路138號)
“%”	per cent

* *For identification purposes only*

By order of the Board
Zhengye International Holdings Company Limited
Hu Zheng
Chairman

Hong Kong, 30 September 2026

As at the date of this announcement, the Board comprised Mr. Hu Zheng, Mr. Hu Hancheng (Mr. Hu Jianjun as his alternate), Mr. Hu Hanchao (Mr. Tan Xijian as his alternate), Mr. Hu Jianpeng and Ms. Chen Wei as executive Directors; Ms. Hu Jianwen as non-executive Director; and Mr. Au Yeung Po Fung, Mr. Chung Kwok Mo John and Mr. Liew Fui Kiang as independent non-executive Directors.