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## **TEXHONG INTERNATIONAL GROUP LIMITED**

**天虹國際集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2678)**

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE AND CONNECTED TRANSACTION PARTIAL UNWINDING OF CERTAIN ACQUISITION OF ASSETS IN VIETNAM**

Reference is made to the announcement of the Company dated 24 March 2025 (the “**March Announcement**”) in relation to, among others, the Unwinding. Terms used herein shall have the same meanings as defined in the March Announcement and the Circular unless otherwise indicated.

As disclosed in the March Announcement, based on the fees generated from the Returned Assets, the relevant operating costs accrued since Completion up to 28 February 2025 and the relevant interest, the Returned Consideration pursuant to the Unwinding is estimated to be approximately US\$13.4 million.

The Board wishes to provide the shareholders of the Company with more information on the calculation of the Returned Consideration above, the breakdown of which is as follows:

Consideration paid by the Group as at 24 March 2025 (being the date of the March Announcement), being 80% of US\$54.6 million	(A)	US\$43.7 million
Value of Land Lot 2A (which has been acquired by the Group) as at 30 September 2022	(B)	US\$7.1 million

Value of the Utility Assets on Land Lot 2A as at 30 September 2022 and the actual costs of the Newly-added Assets incurred on Land Lot 2A (which have been acquired by the Group)	(C)	US\$26.2 million
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Relevant interest attributable to the consideration of the Returned Assets since payment up to 28 February 2025	(D)	US\$1.8 million
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The fees generated from the provision of Utilities by the Utility Assets on Land Lot 2A received by Texhong Industrial Park net of the relevant operating costs incurred by Texhong Industrial Park (the “Fees”) since the Completion Date up to 28 February 2025	(E)	US\$1.2 million
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Amount of Returned Consideration to be received by the Group pursuant to the Unwinding	(F) = (A) – (B) – (C) + (D) + (E)	<b>US\$13.4 million</b>
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In accordance with the terms of the Asset Purchase Agreement, the Consideration actually paid by the Group as at the date of the March Announcement was approximately US\$43.7 million, being 80% of the maximum consideration of US\$54.6 million.

Pursuant to the Revised Asset Purchase Agreement (as supplemented by the Second Supplemental Agreement), only the Consideration paid by the Group (in respect of the parcel of land together with the buildings and all assets attached to the land for which the Registration cannot be completed) shall be returned if the Registration cannot be completed by 31 March 2025. Since the Registration in respect of Land Lot 2A has been completed, the value of Land Lot 2A, together with the Utility Assets thereon and the actual costs of Newly-added Assets thereon was excluded from the Returned Consideration. The value of Land Lot 2A as at 30 September 2022 on a standalone basis is approximately US\$7.1 million.

As disclosed in the Circular, the maximum Consideration of US\$54.6 million was determined with reference to: (i) market value of Land Lot 1 of approximately US\$7.79 million; (ii) market value of the plant and machinery of approximately US\$24.3 million; (iii) the reference value of Land Lot 2 of approximately US\$20.8 million; and (iv) the estimated cost of the Newly-added Assets incurred or to be incurred of not more than US\$2.6 million. For the purpose of conducting the valuation report as attached to the Circular, the market value of the Utility Assets were appraised separately from the land value of Land Lot 1 and Land Lot 2. On the other hand, to determine the consideration

of the Returned Assets to calculate the Returned Consideration, the market values of the Utility Assets were allocated back to each of Land Lot 1, Land Lot 2A and Land Lot 2B according to their respective actual locations. As disclosed in the March Announcement, the Utility Assets on Land Lot 2 that the Group set out to acquire are situated on Land Lot 2A, whereas Land Lot 2B is vacant. Therefore, together with the actual costs of Newly-added Assets (which are on Land Lot 2A), approximately US\$26.2 million was allocated to the Utility Assets on Land Lot 2A and thus excluded from the Returned Consideration. Added with the value of Land Lot 2A as at 30 September 2022 of approximately US\$7.1 million, a total of approximately US\$33.3 million shall be deducted from the Consideration paid by the Group when computing the Returned Consideration.

As provided by the Asset Purchase Agreement, when returning the Consideration, all the interest accrued in respect of the parcel of land together with the buildings and all assets attached to the land for which the Registration cannot be completed and the relevant fees generated from the provision of Utilities net of the relevant operating costs, which has not been received by the Group, shall also be included in the Returned Consideration. The sum of the relevant interest attributable to the consideration of the Returned Assets since payment up to 28 February 2025 (being approximately US\$1.8 million) and the Fees since the Completion Date up to 28 February 2025 (being approximately US\$1.2 million) is approximately US\$3.0 million. Therefore, after adding the abovementioned accrued interest and Fees to the Returned Consideration, the total amount of the Returned Consideration is approximately US\$13.4 million.

The supplemental information above does not affect other information contained in the March Announcement and save as disclosed above, all other information in the March Announcement remains unchanged.

By Order of the Board  
**Texhong International Group Limited**  
**Hong Tianzhu**  
*Chairman*

Hong Kong, 2 May 2025

As at the date of this announcement, the Board comprises the following Directors:

*Executive Directors:*

Mr. Hong Tianzhu  
Mr. Zhu Yongxiang  
Mr. Ye Lixin

*Independent non-executive Directors:*

Prof. Tao Xiaoming  
Prof. Cheng Longdi  
Mr. Shu Wa Tung, Laurence