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## **Kiu Hung International Holdings Limited**

**僑雄國際控股有限公司**

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

**(Stock Code: 00381)**

### **VOLUNTARY ANNOUNCEMENT UPDATES ON BUSINESS DEVELOPMENT IN RELATION TO THE BUSINESS OPERATION IN SAMOA**

This announcement is made by Kiu Hung International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) on a voluntary basis to provide the shareholders and potential investors of the Company with updates in relation to the business operation of the Group in Samoa.

Reference is made to the announcement of the Company dated 5 October 2015 in relation to the acquisition by the Company of the 19% equity interest in USO Management & Holding Co Ltd (“Associate”) on 5 October 2015. Further reference is made to the announcement dated 23 January 2019 in relation to the further acquisition by the Company of the 28% equity interest in USO Management & Holding Co Ltd on 23 January 2019, the voluntary announcement dated 21 August 2019 and the voluntary announcement dated 11 September 2019.

#### **FURTHER UPDATES ON BUSINESS DEVELOPMENT**

The Ministry of Natural Resources and Environment of Samoa Government (the “Ministry”) officially issued a Variation of Lease to the Associate on 3 October 2019, whereby approving that the land use of the Leased Properties includes public amenities, hotel operation, real estate, and commercial activities. The Ministry also confirmed that no Supplemental Tenancy Agreement to be entered into between the Associate and the AFS is required.

The Leased Properties can be developed into diversified hotels and resorts, residential villas and other businesses after including the use of public amenities, hotel operation, real estate, and commercial activities. According to the latest local market price of commercial land online (Source: <https://www.samoarealty.net/commercial.htm>) and information provided by a professional valuer, the market price of the Leased Properties is approximately HK\$900,000 per mu.

The Leased Properties cover a site area of 500 acres, representing approximately 3,035 mu. Based on the above market price of HK\$900,000 per mu, the value amounts to approximately HK\$2,731,500,000. Holding the 47% equity interest in the Associate, the Company has a development interest of approximately HK\$1,283,805,000 in assets without any additional investments, equivalent to approximately 4 times higher than the consideration paid by the Company as an investment in the Associate. The future development of the Leased Properties will contribute positively to the revenue and profit of the Associate and will benefit the development of the Group, thereby benefiting the Company and its shareholders as a whole.

The Company will make further announcements in relation to the latest updates on the said business in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as and when applicable.

The shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board  
**Kiu Hung International Holdings Limited**  
**Zhang Qijun**  
*Chairman*

Hong Kong, 3 October 2019

*As at the date of this announcement, the Board comprises two executive Directors, Mr. Zhang Qijun and Mr. Chen Jian and three independent non-executive Directors, Mr. Cheng Ho On, Mr. Kong Chun Wing and Mr. Wang Xiao Ning.*