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HUA LIEN INTERNATIONAL (HOLDING) COMPANY LIMITED

華聯國際(控股)有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 969)

VOLUNTARY ANNOUNCEMENT

This announcement is made on a voluntary basis to allow the shareholders and potential investors of the Company to comprehend the latest development of the Ethanol Biofuel Business in Benin of the Company.

References are made to Hua Lien International (Holding) Company Limited (the “Company”)’s announcement dated 22 October 2010 and the circular dated 22 November 2010 (the “Circular”) in relation to, inter alia, the formation of a joint venture namely Zheng Da Investments Limited (“Zheng Da”), by River Right (the Company’s wholly-owned subsidiary), China Complant and CADFund, issue of new shares and convertible notes by specific mandate. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as ascribed thereto in the Circular.

The board of directors (the “Board”) of the Company is pleased to announce that following completion of all transactions set out in the Circular on 26 August 2011, Zheng Da entered into the Cooperation Agreement with the Government of the Republic of Benin (the “Benin Government”) for a project on the Ethanol Biofuel Business in Benin on 3 October 2011 (the “Cooperation Agreement”).

The principal terms of the Cooperation Agreement are as follows:

I. Parties:

- (1) Zheng Da; and
- (2) Benin Government

* For identification purpose only

II. Leased Land and its Rental

The Benin Government conditionally agrees to lease 4,800 hectare of land at annual rental of 11,875 FCFA (approximately HK\$185) per hectare for the cultivation of cassava and/or sugar cane for the project of the production of bioethanol in Benin (the “Leased Land”), for a term of 25 years and renewable for another 10 years.

III. Bioethanol Project Construction

- (1) Benin Government conditionally allows Zheng Da to invest and to construct new bioethanol production facilities in Benin.
- (2) All the agricultural irrigation facilities that remain in the Leased Land will be transferred to Benin Government at the end of the 35 years lease period.

IV. Benin PC

Zheng Da or its subsidiaries will set up a local company (the “Benin PC”) for the production and sales of fuel bioethanol and be responsible for operating the bioethanol production facilities.

V. Zheng Da’s Responsibilities

Zheng Da has committed to (i) implement the project, inter alia, by stages for the production of bioethanol with reference to the feasibility studies report of the project; (ii) start the production of bioethanol within a period of 24 months after the Cooperation Agreement has become effective in order to meet as soon as possible the demand of local market in Benin and export the surplus to foreign markets; (iii) open bank accounts in Benin and carry out operations in accordance with the regulations in force in The West African Economic and Monetary Union (UEMOA); (iv) develop the entire 4,800 hectare of Leased Land by itself and will not sub-lease any part of it to any third party; (v) work with The Ministry of Agriculture, Livestock and Fisheries of Benin to make available to farmers the advanced species of cassava and cassava planting and cuttings technology to help farmers, especially large producers, to increase the output of their production of cassava per unit area for fostering the economic and social development of Benin.

VI. Benin Government's Responsibilities

In consideration of the above, the Benin Government has guaranteed in favour of Zheng Da, inter alia, that (i) Zhang Da's rights and interests under with the laws in force from time to time or any other contractual documents will be protected; (ii) no restriction on the use of Chinese technicians, import of raw materials for the project will be imposed and Zheng Da will enjoy free selection of local or oversea suppliers; (iii) dispute relating to the occupation and use of the premises and the land (including the 4,800 hectare farm land and the paid use of public facilities and utilities) will be resolved reasonably. If there is any dispute, the Benin Government will assume full financial and legal responsibility; (iv) the project be granted various tax and customs concessions and other benefits and special concessions and appropriate customs duties and other benefits or preferences will provide under the Investment Code to benefit the project; (v) there will be introduction of bioethanol fuel in gasoline market in Benin when the project commencing production; (vi) all necessary measures to facilitate the project to obtain quota for exporting bioethanol fuel to European Union, the United States and other regions will be taken; (vii) not to expropriate or nationalize the project and any property of the Benin PC except in the case that the Benin Government provides a fair and equitable compensation to Zheng Da, in conformity to terms of the Cooperation Agreement; (viii) land use right document relating to the Leased Land will be issued within a maximum period of 90 days after the Cooperation Agreement became effective.

The agreement shall come into effect after both parties have completed all necessary approval procedures, if any, within 60 days after signing the Cooperation Agreement.

As the Cooperation Agreement may or may not complete, shareholders of the Company and potential investors are reminded to exercise caution when dealing with the securities of the Company.

By Order of the Board
Hua Lien International (Holding) Company Limited
Hu Yebi
Executive Director

Hong Kong, 11 October 2011

As at the date of this announcement, the Board comprises six directors, of which three are executive directors, namely Mr. Han Hong, Mr. Xiao Longlong and Mr. Hu Yebi and three are independent non-executive directors, namely Dr. Zheng Liu, Mr. Yu Chi Jui and Ms. Li Xiao Wei.