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Heng Hup Holdings Limited

興合控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1891)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTIES IN MALAYSIA

THE ACQUISITION

The Board is pleased to announce that on 18 December 2025 (after trading hours of the Stock Exchange), the Purchaser, being the indirect controlled subsidiary of the Company has entered into two (2) conditional sale and purchase agreements with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase, the Properties for a total purchase price of RM17,035,825.67 (equivalent to approximately HK\$32,386,927.43) upon the terms and subject to the conditions set out therein.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratio(s) (as defined under the Listing Rule) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but is exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The completion of the Acquisition is subject to the fulfilment of the conditions precedent as set out in the Agreements and therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

THE AGREEMENTS

The principal terms of the Agreements are as follows:

Date

18 December 2025

Parties

- (a) the Vendor; and
- (b) the Purchaser.

Properties

The details of the Properties are as follows:

- (a) one (1) piece of leasehold land with a tenure of 99 years expiring on 10 September 2106 held under individual title PN 92795, Lot 37589, Pekan Baru Subang, Daerah Petaling, Negeri Selangor measuring 0.711 hectares and bearing postal address at 146 (265) Jalan 1A, Kampung Baru Subang, Seksyen U3, 40150 Shah Alam, Selangor (“**Property 1**”); and
- (b) one (1) piece of leasehold land with a tenure of 99 years expiring on 22 February 2104 held under individual title PN 92794, Lot 43181, Pekan Baru Subang, Daerah Petaling, Negeri Selangor measuring 0.6079 hectares and bearing postal address at PT 145 (264), Jalan 1A, Kampung Baru Subang, Seksyen U3, 40150 Shah Alam, Selangor (“**Property 2**”).

The Properties are currently rented by the Purchaser via the Tenancy Agreement.

Conditions Precedent

The Acquisition shall take effect upon the satisfaction of the following precedent within eighteen (18) months from the date of the Agreements:

- (a) the Vendor obtaining consent from the State Authority to transfer the Properties to the Purchaser (hereinafter referred to as “**the Consent to Transfer**”);
- (b) the Purchaser obtaining from the State Authority for its written consent for the purchase of the Properties by any foreign interest under Section 433B of the Malaysian National Land (hereinafter referred to as “**Foreigner Consent**”).

The Consent to Transfer and Foreigner Consent collectively shall referred to as “**Conditions Precedent**”.

In the event that the Conditions Precedent are not fulfilled within eighteen (18) months from the date the Agreements or such other period as the parties may mutually agree in writing (“**Stipulated Period**”).

If any of the Conditions Precedent are not fulfilled (or waived) on or before the Stipulated Period, the Purchaser may, by written notice to the Vendor’s solicitors, terminate the Agreements. In such event, the Vendor shall refund the Deposit to the Purchaser free of interest within fourteen (14) days of receipt of the termination notice. If the Vendor fails to refund the Deposit within such period, the Vendor shall pay default interest at 8% per annum until actual repayment. Upon refund of the Deposit (and any applicable interest), the Agreements shall cease to have further force and effect.

Purchase Consideration and Payment Terms

The purchase consideration for the Acquisition is RM17,035,825.67 (equivalent to approximately HK\$32,386,927.43) (“**Purchase Consideration**”) which be payable by the Purchaser in the manner below.

- (a) A sum of RM2,555,373.84 (equivalent to approximately HK\$4,858,039.09) (“**SPA Deposit**”) representing 15% of the Purchase Consideration, shall be paid by the Purchaser to the Vendor’s solicitors upon execution of the Agreements;
- (b) A sum of RM14,480,451.83 (equivalent to approximately HK\$27,528,888.34) (“**Balance Purchase Price**”), representing 85% of the Purchase Consideration, shall be paid by the Purchaser to the Vendor’s solicitors within three (3) months from the Unconditional Date (“**Completion Date**”), failing this, an extension of one (1) month period (“**Extended Completion Date**”) from the Completion Date shall automatically be granted to the Purchaser subject to an interest rate of 8% per annum calculated on a daily basis on the outstanding part of the Balance Purchase Price in respect of the Extended Completion Date until full settlement of the same.

For the purpose of the Agreements, any payment made to the Vendor’s solicitors shall be deemed as payment received by the Vendor.

The Purchase Consideration was determined on the basis of normal commercial terms and after arm’s length negotiations between the Vendor and the Purchaser with reference to the following:

- (i) the preliminary valuation of Properties at RM17,100,000.00 (equivalent to approximately HK\$32,508,929.70) as of 23 September 2025 was conducted by Henry Butcher Malaysia (Sel) Sdn Bhd, an independent property valuer by referring to the sales evidence available in the market;
- (ii) the location of the Properties; and
- (iii) the saving on the rental expenses under the Tenancy Agreement. For the avoidance of doubt, the Purchaser is currently paying a monthly rent of RM29,000.00 for the Properties under the Tenancy Agreement.

The Purchase Consideration will be funded by bank borrowings and internal resources of the Group.

Delivery of the Properties

The vacant possession of the Properties shall be deemed delivered to the Purchaser prior to the execution of the Agreements by virtue of Tenancy Agreement. The legal possession of the Properties shall be deemed to be delivered by the Vendor to the Purchaser upon the date of full settlement of the Balance Purchase Price together with the late payment interest (if any) and all apportioned outgoings due and payable to the Vendor (if any) by the Purchaser.

GENERAL INFORMATION

Information of the Group

The Company is an investment holding company and its subsidiaries are principally engaged in trading of scrap ferrous metals, used batteries, waste paper, iron ore, other scraps and provision for logistic services in Malaysia.

Information of the Vendor

The Vendor is a Malaysian citizen and having his corresponding address at 22, Jln Besar, Kg Baru Subang, 40150 Shah Alam, Selangor and to the best of the Directors' knowledge, information, and belief having made all reasonable enquiries, as at the date of this announcement, the Vendor is independent of the Company and its connected persons as defined in the Listing Rules.

Information of the Purchaser

The Purchaser is a company incorporated in Malaysia and having its business address at No. 264, Jalan Satu A, Kampung Baru Subang, 40150 Shah Alam, Selangor.

The Purchaser is a wholly owned indirect subsidiary of the Company. The directors of the Purchaser are Sia Kok Seng, Sia Kok Heong, Sia Kok Chong, Datuk Sia Keng Leong and Datuk Sia Kok Chin.

The Purchaser is principally engaged in the trading of scrap ferrous and non-ferrous metals, metal ores such as iron ore, steel slag, used batteries, paper scrap and other recyclable scrap materials.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors consider that the Acquisition is in the interests of the Group and its shareholders as a whole. The Purchaser has been operating from the Properties for several years under tenancy arrangements and has constructed its warehouse, office and operational facilities on the Properties at its own cost. Ownership of the Properties will provide long-term security of tenure and remove uncertainties associated with tenancy renewals.

The Directors also note that significant capital expenditure has been invested in purpose-built facilities located on the Properties. The Acquisition enables the Group to safeguard its existing investment and mitigates the risks and potential operational interruption that could arise from relocation or non-renewal of the tenancy.

In addition, the Purchaser has established stable operations at the Properties with an experienced workforce and efficient logistical arrangements. Securing ownership of the Properties will ensure continuity of operations and reduce disruption risks relating to supply chain and customer commitments.

The Properties are strategically located within a key industrial and logistics area with convenient access to major transport routes, ports and customers. The Directors believe that the location is favourable to the Purchaser's operational needs and will continue to support long-term business development.

The Properties also provide the Group with the flexibility and capacity for future expansion of production and warehousing activities, in line with the Group's overall growth strategy. From a financial perspective, the Directors expect the Acquisition to be more cost-effective over the long term compared to recurring rental payments, thereby strengthening the Group's asset base and operational stability.

Having considered the above, the Directors are of the view that the terms of the Acquisition are fair and reasonable and that the Acquisition is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS OF THE LISTING RULES

As one or more applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a disclosable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but is exempt from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	Acquisition of the Properties by the Purchaser from the Vendor
“Agreements”	The sale and purchase agreements both dated 18 December 2025 in respect of the Properties
“Board”	The board of Directors of the Company
“Company”	Heng Hup Holdings Limited (stock code: 1891), a company incorporated in Cayman Islands with limited liability, the issue shares of which are listed on the Main Board of the Stock Exchange
“Directors”	Directors of the Company
“Group”	The Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Listing Rules”	The Rules governing the Listing of Securities on the Stock Exchange
“Properties”	Property 1 and Property 2
“Purchaser”	Heng Hup Metal Sdn Bhd
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tenancy Agreement”	Tenancy Agreement dated 21 December 2024 in respect of the Properties
“Unconditional Date”	The date when all the Conditions Precedent are satisfied under the Agreements
“Vendor”	Tang Kam Chin
“%”	Per cent

Unless otherwise specified, the conversion of RM into HK\$ is based on the exchange rate of RM1.00 to HK\$1.90. No representation is made that any amounts in RM and HK\$ has been or could be converted at the relevant dates at the above rate or other rates or at all.

By order of the Board
Heng Hup Holdings Limited
Datuk Sia Kok Chin
Chairman and Chief Executive Officer

Hong Kong, 18 December 2025

As at the date of this announcement, the directors of the Company are:

Executive Directors

Datuk Sia Kok Chin (*chairman and chief executive officer*)

Datuk Sia Keng Leong

Mr. Sia Kok Chong

Mr. Sia Kok Seng

Mr. Sia Kok Heong

Independent Non-Executive Directors

Ms. Sai Shiow Yin

Mr. Puar Chin Jong

Mr. Chu Kheh Wee