

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Yues International Holdings Group Limited

樂氏國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1529)

DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHTS

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that, on 22 October 2024, Jiangxi Lelaohao Traditional Chinese Medicine Industry Technology Development Co., Ltd, a wholly owned subsidiary of the Company, won the bid in respect of the acquisition of the Land Use Rights of the Land situated at Jiangxi Province, the PRC through public tender for a consideration of RMB10,000,000.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirements but is exempt from the shareholders' approval requirement.

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that on 22 October 2024, the Purchaser, a wholly owned subsidiary of the Company, won the bid in respect of the acquisition of the Land Use Rights of the Land situated at Jiangxi Province, the PRC through public tender for a consideration of RMB10,000,000.

The Purchaser received the confirmation notification from the Vendor in relation to the successful bid of the Land Use Rights on 22 October 2024. The Vendor and the Purchaser plan to enter into the formal contract in respect of the Acquisition on or around 1 December 2024. Details of the Acquisition are set out below:

Parties : (i) The Purchaser; and
(ii) The Vendor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor the ultimate beneficial owner of the Vendor are third parties independent of the Company and connected persons of the Company (as defined in the Listing Rules).

Subject matter : The Land is located at south of Entrepreneurship Avenue and west of Anshi Mingzhu in Dongxiang District, Fuzhou City, Jiangxi Province, PRC. It covers an area of 13,597.53 square meters, which includes Type A logistics warehousing area of up to 10,937.53 square meters and a hotel area of up to 2,660 square meters.

Consideration and its basis : RMB10,000,000

The consideration for the Land Use Rights is determined through a bidding process conducted by the Vendor in compliance with relevant PRC laws and regulations. The Group considered the bidding price fair and reasonable, taking into account: (i) the minimum bidding price for Land Use Rights set by the Vendor at RMB9,900,000; (ii) the minimum bid increment of RMB100,000; (iii) current market prices of land in Dongxiang District, Fuzhou City and adjacent areas; and (iv) the location and development potential of the Land. No independent valuation has been taken as reference for setting the bidding price.

The Group intends to finance the Acquisition by internal resources.

Payment terms : The Group has paid a refundable deposit of RMB9,900,000 to the Vendor, which would have been refunded if the Group had not won the bid. The remaining RMB100,000 is to be paid by the Group before 31 December 2024.

Term of grant of the Land Use Rights and use of the Land : (i) for Type A logistics warehousing use for a term of 50 years
(ii) for hotel use for a term of 40 years

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group plans to establish a traditional Chinese medicine (TCM) logistics industry park on the Land which will improve the quality of warehousing services for TCM products. The logistics center will also serve other business sectors of the Group, including TCM warehousing, distribution, healthcare and wellness, tapping into a broader market. By diversifying the business of the Group, the Board believes this strategic move will support long-term growth and boost profitability and returns for Shareholders.

The Land's proximity to major transportation hubs enables efficient distribution and minimizes transit times. Its zoning for Type A logistics warehousing simplifies the approval process for construction and operation.

The Board is of the view that the Acquisition is in the Group's ordinary and usual course of business, the terms of the Acquisition are fair and reasonable, and the Acquisition is in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Company is an investment holding company and together with its subsidiaries are principally engaged in the provision of transportation, warehousing, in-plant logistics and customisation services. The Purchaser is a wholly owned subsidiary of the Company and is principally engaged in transportation and drug sale services.

The Vendor, as the owner of the Land, is a bureau of local government responsible for, among others, the administration of planning and natural resources in Dongxiang District.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirements but is exempt from the shareholders' approval requirement.

DEFINITIONS

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

“Acquisition”	the acquisition of the Land Use Rights of the Land by the Purchaser
“Board”	the board of Directors
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“Company”	Yues International Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People's Republic of China

“Land”	the Land is located at south of Entrepreneurship Avenue and west of Anshi Mingzhu in Dongxiang District, Fuzhou City, Jiangxi Province, PRC. It covers an area of 13,597.53 square meters, which includes Type A logistics warehousing area of up to 10,937.53 square meters and a hotel area of up to 2,660 square meters
“Land Use Rights”	the state-owned construction land use rights* (國有建設用地使用權) on the Land
“Listing Rules”	the Rule Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Jiangxi Lelaohao Traditional Chinese Medicine Industry Technology Development Co., Ltd.* (江西樂老號中醫藥產業科技發展有限公司), a company incorporated in PRC with limited liability
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be, whether issued or unissued
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	People’s Government of Dongxiang District, Fuzhou City, Jiangxi Province

By order of the Board
Yues International Holdings Group Limited
Le Kang
Chairman

Hong Kong, 22 October 2024

As at the date of this announcement, the Board consists of six executive Directors, Mr. Le Kang, Mr. Li Jiahao, Mr. Li Jiali, Mr. Du Yingyou, Mr. Li Zhigang and Ms. Liu Ping, and four independent non-executive Directors, Mr. Lau Wai Piu Patrick, Dr. Wang Yi, Mr. Chan Koon Yung and Mr. Zhang Yao.

* *For identification purposes only*