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## **MULTIFIELD INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 898)**

### **MAJOR TRANSACTION ACQUISITION OF LAND DEVELOPMENT RIGHTS**

#### **LAND DEVELOPMENT RIGHTS AGREEMENT**

The Board hereby announces that on 19 January 2024 (after trading hours), the Developer (an indirect wholly-owned subsidiary of the Company) entered into the Land Development Rights Agreement with the Landowner, pursuant to which the Landowner has agreed to grant the Developer the rights to develop the Property pursuant to the terms of the Land Development Rights Agreement and the Developer has agreed to acquire such rights at a consideration of RM158,500,000.00 (equivalent to approximately HK\$262,809,000.00).

#### **LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios under the Land Development Rights Agreement is more than 25% but less than 100%, the transaction contemplated under the Land Development Rights Agreement constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, none of the Shareholders has any material interest in the transaction contemplated under the Land Development Rights Agreement. As such, no Shareholder is required to abstain from voting if a special general meeting was convened for the approval of the Land Development Rights Agreement.

A circular containing, among other things, further details of the Land Development Rights Agreement will be despatched to the Shareholders on or before 9 February 2024.

**INTRODUCTION**

The Board hereby announces that on 19 January 2024 (after trading hours), the Developer (an indirect wholly-owned subsidiary of the Company) entered into the Land Development Rights Agreement with the Landowner, pursuant to which the Landowner has agreed to grant the Developer the rights to develop the Property pursuant to the terms of the Land Development Rights Agreement and the Developer has agreed to acquire such rights at a consideration of RM158,500,000.00 (equivalent to approximately HK\$262,809,000.00).

**LAND DEVELOPMENT RIGHTS AGREEMENT**

The principal terms of the Land Development Rights Agreement are set out below:

- Date: 19 January 2024
- Parties: (i) the Landowner; and  
(ii) the Developer.
- Subject Matter: The Landowner, being the registered and beneficial owner of the Property, has agreed to grant the Developer the rights to develop the Property pursuant to the terms of the Land Development Rights Agreement, and the Developer has agreed to acquire such rights at the Consideration.
- Consideration: RM158,500,000.00 (equivalent to approximately HK\$262,809,000.00), which is calculated at RM66.22 (equivalent to approximately HK\$109.80) per square foot of the Property.
- Payment Terms: The Consideration shall be paid by the Developer in the following manner:
- (i) Earnest Deposit: a sum of RM3,170,000.00 (equivalent to approximately HK\$5,256,000.00) has been paid by the Developer to the Landowner pursuant to the letter of intent dated 3 November 2023, and the said amount has been applied automatically as part payment of 2% of the Consideration upon execution of the Land Development Rights Agreement.
  - (ii) Balance Deposit: a sum of RM12,680,000.00 (equivalent to approximately HK\$21,025,000.00), being 8% of the Consideration, shall be paid by the Developer to the Landowner upon execution of the Land Development Rights Agreement.

- (iii) Balance Consideration: a sum of RM142,650,000.00 (equivalent to approximately HK\$236,528,000.00), being 90% of the Consideration, shall be paid by the Developer to the Landowner's solicitors within 1 month from the date the last of the conditions precedent is fulfilled or (if permitted) waived.

The Consideration will be financed by internal resources of the Group, bank facilities or a combination of both.

Development Rights:

The Landowner allows and grants the Developer the sole and exclusive right to exercise the following rights (collectively the "Development Rights") and to develop the Property at the Developer's own cost and expense and to determine all issues relating to the Development:

- (i) the right to use the approved plans approved by the relevant authorities for the Development and to construct, manage and implement the Development in accordance with the said development plans;
- (ii) the right to submit applications to the relevant authorities for the modification of the approved plans as the Developer may deem expedient;
- (iii) the right to vacant possession and access to the Property;
- (iv) the right to brand, market, promote and sell the Units at such price in the Developer's sole and absolute discretion;
- (v) the right to receive all proceeds derived from the sale or rental of the Units and/or any other form of revenue derived from the Property and to keep all profits derived therefrom;
- (vi) the right to prepare and execute sale and purchase agreements and/or tenancy agreements for the Units;
- (vii) the right to take legal action and demand payment from end-purchasers for the payment of purchase prices of the Units;

- (viii) the right to manage all administrative and other matters as may be necessary in attending to any and all matters pertaining to the Development; and
- (ix) all other necessary rights and authorities as if the Developer is the owner of the Property.

Conditions Precedent: The completion of the Land Development Rights Agreement is conditional on the following to be fulfilled or (if permitted) waived:

- (i) Letters of Release: The Landowner shall have provided the certified true copies of all the necessary letters of release from its consultants and other professionals engaged in the development of the Property to the Developer's solicitors. The Developer reserves its right to waive this condition precedent.
- (ii) Developer's Shareholders' Approval: The Company shall have obtained the necessary approval from its Shareholders for the transactions contemplated under the Land Development Rights Agreement pursuant to the Listing Rules.
- (iii) Landowner's Shareholders' Approval: The Landowner shall have obtained the approval from its shareholder for the transactions contemplated under the Land Development Rights Agreement.
- (iv) Amendment to Development Order: The Developer shall have received the first written correspondence or the first approval in writing from the relevant authority, whichever is earlier, to an application to amend the existing development order dated 29 November 2019 of the Property.

In the event that any of the conditions precedent is not satisfied within 6 months from the date of the Land Development Rights Agreement (or such further extended period as mutually agreed between the Landowner and the Developer), the Land Development Rights Agreement shall be terminated and the Landowner shall refund the Deposit to the Developer, free of interest, within 14 days of receipt of written notification for the same, failing which Late Payment Interest on the outstanding amount calculated on a daily rest basis shall be payable from the expiry of 14 days till the date of full payment.

Completion:

The Land Development Rights Agreement is deemed completed upon all the following conditions are fulfilled or satisfied (“Completion”):-

- (i) the full payment of the Consideration with Late Payment Interest (if any) by the Developer;
- (ii) the payment of apportioned quit rent and assessment (if any) payable in respect of the Property by the Developer to the Landowner;
- (iii) the delivery of vacant possession of the Property by the Landowner to the Developer;
- (iv) the delivery of the title deed of the Property to the Developer’s solicitors or to the Developer’s financier’s solicitors, as the case may be;
- (v) the delivery of a power of attorney executed by the Landowner in favour of the Developer or jointly to a Malaysian resident director of the Developer and/or any person duly authorised by the Developer, whereby each of them may exercise their rights severally as an attorney, for the Development of the Property.

Transfer of Property: After full payment of the Consideration, the Developer shall be entitled to request the Landowner to transfer the Property to it without further payment to the Landowner.

Events of Default: In the event that:

- (i) the Landowner or the Developer is in material breach of any of the terms and conditions of the Land Development Rights Agreement and in the instance of breach on the part of the Landowner, such material breach would hinder the Developer’s ability to complete the Development;
- (ii) the Landowner or the Developer becomes insolvent (save for the purpose of amalgamation or reconstruction or a voluntary winding-up proceedings initiated by the Landowner after Completion has taken place) or has a provisional liquidator appointed in respect of its business or undertaking; or
- (iii) the Developer fails to pay any part of the Consideration due to the Landowner,

then the non-defaulting party shall be entitled to serve a notice in writing to the defaulting party requiring it to rectify such default and if the defaulting party shall fail to remedy such default within 60 days after receipt of such notice or such longer period as specified in the notice, the non-defaulting party may by notice forthwith terminate the Land Development Rights Agreement in which event the provisions of the Consequences of Termination shall take effect.

Consequences of Termination: In the event that the defaulting party is the Landowner:

- (i) where the Developer has paid the Consideration and Completion has occurred, the Developer, at its sole and absolute discretion, may request the Landowner to transfer the Property to it without further payment to the Landowner; or

- (ii) where the Developer has not paid the Balance Consideration, at its sole and absolute discretion, the Developer may (i) pay the Balance Consideration and thereafter request the Landowner to transfer the Property to it without further payment to the Landowner, or (ii) terminate the Land Development Rights Agreement. In the event of termination, the Landowner shall refund the Deposit and further pay a sum equivalent to the Deposit to the Developer within 14 days from the date of receipt of notice of termination, failing which Late Payment Interest shall be payable on the amount outstanding from the expiry of 14 days till the date of full payment.

In the event that the defaulting party is the Developer:

- (i) where the Developer has not paid the Balance Consideration, the Landowner may (i) require the Developer to pay the Balance Consideration or (ii) it may terminate the Land Development Rights Agreement and forfeit the Deposit; or
- (ii) where the Developer has paid the Consideration and Completion has taken place, the Landowner, at its sole and absolute discretion, may proceed to transfer the Property to the Developer without further payment from the Developer.

## **BASIS OF CONSIDERATION**

The Consideration of RM158,500,000.00 (equivalent to approximately HK\$262,809,000.00) was determined between the Landowner and the Developer after arm's length negotiations with reference to (a) the prevailing market conditions, the location of the Property and the market price of comparable properties in the same area; and (b) benefits of entering into the Land Development Rights Agreement as set out in the section headed "Reasons for and benefits of entering into the Land Development Rights Agreement".

The Board, including the independent non-executive Directors, considers that the determination of the Consideration are fair and reasonable as far as the Company is concerned.

## **INFORMATION ON THE GROUP AND THE LANDOWNER**

The Group is principally engaged in property development, property investment, provision of serviced apartments and villas and property management services, trading of securities and investment holding. The Group also focuses on the business of property development which involves purchase of land and developing properties for lease and/or sale.

The Landowner is a company incorporated in Malaysia, principally engaged in the development of properties such as office buildings, retail space and apartment suites.

According to the information available to the Company, the Landowner is indirectly owned as to 25% by UEM Sunrise Berhad (whose shares are listed on the Main Market of Bursa Malaysia Securities Berhad in Malaysia, stock code: 5148) and as to 48.75% by PB Trustee Services Berhad (which is the trustee holding the shares for the benefit of Puan Sri Datin Hj Wan Nong Binti Hj Wan Ibrahim). The remaining ultimate beneficial owners are Datuk Kasi A/L Palaniappan and Datin Janaki@Mallika A/P Palaniappan, who own as to 20% and 6.25% respectively of the equity interests in the Landowner.

To the best of the Directors' knowledge and belief and having made all reasonable enquiries, the Landowner and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE LAND DEVELOPMENT RIGHTS AGREEMENT**

The core business of the Group includes property development and property investment. The Land Development Rights Agreement will enable the Developer to have development rights in the Property for the purposes of implementing the Development and branding, marketing, promoting and selling and/or renting the Units to generate revenue. The development project will further strengthen and promote the Group's development in Malaysia and benefit the Group's property development and property investment business.

Taking into account of the above, the Board believes and considers that the terms of the Land Development Rights Agreement are fair and reasonable and that the entering into of the Land Development Rights Agreement is in the interests of the Shareholders as a whole.

## **IMPLICATION UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios under the Land Development Rights Agreement is more than 25% but less than 100%, the transaction contemplated under the Land Development Rights Agreement constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, none of the Shareholders has any material interest in the transaction contemplated under the Land Development Rights Agreement. As such, no Shareholder is required to abstain from voting if a special general meeting was convened for the approval of the Land Development Rights Agreement.

A circular containing, among other things, further details of the Land Development Rights Agreement will be despatched to the Shareholders on or before 9 February 2024.

## **DEFINITIONS**

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

“Balance Consideration”	Ringgit Malaysia One Hundred and Forty-Two Million Six Hundred and Fifty Thousand (RM142,650,000.00) (equivalent to approximately HK\$236,528,000.00), being ninety percent (90%) of the Consideration;
“Balance Deposit”	Ringgit Malaysia Twelve Million Six Hundred and Eighty Thousand (RM12,680,000.00) (equivalent to approximately HK\$21,025,000.00), being eight percent (8%) of the Consideration;
“Board”	the board of Directors of the Company;
“Company”	Multifield International Holdings Limited (萬事昌國際控股有限公司), a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange (Stock Code: 898);

“Consideration”	the total consideration to be paid by the Developer to the Landowner pursuant to the Land Development Rights Agreement, being Ringgit Malaysia One Hundred and Fifty-Eight Million and Five Hundred Thousand (RM158,500,000.00) (equivalent to approximately HK\$262,809,000.00);
“Deposit”	collectively the Earnest Deposit and the Balance Deposit;
“Developer”	WINDSOR HOMES SDN. BHD. (Registration No. 202301050699 (1544613-W)), a company incorporated in Malaysia and an indirect wholly-owned subsidiary of the Company;
“Development”	the development of the Property by the Developer in accordance with the terms of the Land Development Rights Agreement;
“Directors”	the directors of the Company;
“Earnest Deposit”	Ringgit Malaysia Three Million One Hundred and Seventy Thousand (RM3,170,000.00) (equivalent to approximately HK\$5,256,000.00), being two percent (2%) of the Consideration;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Land Development Rights Agreement”	the Development Rights Agreement dated 19 January 2024 entered into between the Landowner and the Developer in relation to the granting of Development Rights by the Landowner to the Developer for the Development;
“Landowner”	SETIA HARUMAN SDN. BHD. (Registration No. 199701009649 (425145-U)), a company incorporated in Malaysia;

“Late Payment Interest”	interest at 8% per annum, being interest payable for late payment of outstanding amount;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	all that parcel of freehold land held under H.S.(D) 43128, PT 58748, Mukim Dengkil, Daerah Sepang, Negeri Selangor measuring approximately 222,373.49 square meters;
“RM”	Ringgit Malaysia, the lawful currency of Malaysia;
“Shareholder(s)”	holder(s) of the share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Units”	the units to be developed by the Developer within the Development;
“%”	per cent.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RM1.00 = HK\$1.6581 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or any other rates.

By Order of the Board of  
**Multifield International Holdings Limited**  
**Lau Chi Yung, Kenneth**  
*Chairman*

Hong Kong, 19 January 2024

*As at the date of this announcement, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth and Mr. Lau Michael Kei Chi and the independent non-executive directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Lo Kam Cheung, Patrick and Mr. Tsui Ka Wah.*