



OFFICIAL STATEMENT

Dear partners, media, and friends,

It is with deep regret that we announce that on May 1st, 2026—International Labor Day—we are forced to inform all our employees in Pakistan and China that, due to ongoing non-market factors and operational barriers, the company can no longer sustain normal operations and will be compelled to shut down the factory.

Our facility has successfully met the inspection and quarantine standards of China Customs and complies with international HACCP food safety requirements. However, despite meeting all international export standards, the project has not received the necessary approvals in practice, and exports have remained blocked.

Over the past three months, we have remained patient and fully cooperative with all relevant authorities, while actively seeking resolution through higher-level coordination. During this period, the company has continued to bear substantial financial losses, including employee wages, contractual penalties, electricity costs, and container demurrage charges.

We fully respect the importance of regulatory oversight and understand the seriousness of food safety and quarantine requirements. However, in practice, the challenges we face are no longer purely technical or compliance-related, but stem from execution-level uncertainties and systemic barriers, which have ultimately made it impossible for the business to continue operating.

China and Pakistan are all-weather strategic partners, and Gwadar Port is a flagship project of the China-Pakistan Economic Corridor (CPEC). As investors, we have overcome numerous challenges, including difficult logistics, limited utilities, and underdeveloped infrastructure, to build and operate in this region. Unfortunately, the obstacles we now face go beyond what any enterprise can resolve on its own.

We would like to express our sincere gratitude to the government officials and members of society who have supported us, especially the leadership of the Ministry of Planning, whose actions have truly demonstrated the spirit of China-Pakistan friendship.

According to media reports, the Prime Minister of Pakistan is scheduled to visit China in the third week of this month and participate in a B2B investment forum. We would like to take this opportunity to convey the following:

We are fully ready to immediately generate foreign exchange, create employment, revitalize Gwadar Port, and contribute to the development of CPEC. What we urgently need is a clear, consistent, and executable policy environment that allows investments to be implemented in reality.



At the same time, we would like to offer a sincere reminder to companies planning to participate in the upcoming B2B forum or considering investment in Pakistan:

Before making investment decisions, it is essential to carefully assess the potential policy execution gaps and institutional uncertainties that may arise during project implementation.

The Chinese government and Chinese investors have consistently supported Pakistan's economic development and social progress. However, the situation we are currently facing also highlights the real challenges that can occur during the investment process.

Finally, we extend our deepest apologies to all our employees. Under the current circumstances, we are no longer able to provide stable employment.

**“We are truly sorry.
We have done everything we could.”**

This statement is hereby issued to the public, as well as to Chinese, Pakistani, and international media.

Andy Liao
Hangeng group

