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遠東控股國際有限公司

Far East Holdings International Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 36)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO
A POSSIBLE ACQUISITION OF A TARGET GROUP
ENGAGED IN PROPERTIES RELATED BUSINESS**

This announcement is made by Far East Holdings International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of the directors (“**Directors**”) of the Company is pleased to announce that on 31 July 2025 (after trading hours), Gold Sky Finance Limited (the “**Purchaser**”), the wholly-owned subsidiary of the Company entered into a memorandum of understanding (the “**MOU**”) with the vendors (the “**Vendors**”), pursuant to which the Vendors intended to sell and procure to sell, and the Purchaser intended to purchase the entire issued share capital (the “**Potential Acquisition**”) of the target Group (the “**Target Group**”).

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Vendors are third parties independent of and not connected with the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as at the date of this announcement.

Exclusivity

Pursuant to the MOU, the Vendors undertake to procure the Target Group’s shareholders, directors, employees, representatives and agents not to conduct any discussions or negotiations, nor sign any framework agreement or sale and purchase agreement with any other parties as regards the sale of the Target Group during the two (2) months commencing from the execution of the MOU (the “**Exclusive Period**”).

Due diligence review

The Purchaser shall conduct due diligence review on the assets, liabilities, operations and affairs of the Target Group, which is estimated to be completed within two (2) months after the date of the MOU.

Sale and Purchase Agreement

Pursuant to the MOU, the Vendors and the Purchaser shall negotiate in good faith with one another to ensure that the sale and purchase agreement (the “**Sale and Purchase Agreement**”) be entered into as soon as possible and in any event, within one (1) month after completion of the due diligence review on the Target Group or such later date as the Vendors and the Purchaser may agree in writing.

Consideration

The consideration is subject to further negotiations between the Purchaser and the Vendors with reference to a valuation on the Target Group to be conducted by an independent valuer.

Conditions precedent

The Potential Acquisition is conditional upon satisfaction of certain conditions precedent, including but not limited to:

- (a) the Purchaser being satisfied with the results of its due diligence review on the assets, liabilities, operations and affairs of the Target Group;
- (b) a valuation report of the Target Group from an independent valuer to be engaged by the Purchaser or its nominee; and
- (c) all necessary consents and approvals required to be obtained on each of the Purchaser and the Vendors in respect of the Potential Acquisition and the transactions contemplated thereunder having been obtained.

The Purchaser and/or the Vendors shall set out all other applicable conditions precedent in the Sale and Purchase Agreement.

Legal effect

Save for the provisions on, among other things, the due diligence review, Exclusivity Period, confidentiality, notices, costs, legal effect and governing law and jurisdiction, the MOU does not constitute a legally binding agreement among the parties.

THE TARGET GROUP

The Target Group is directly and/or indirectly wholly owned by the Vendors.

The Target Group is principally engaged in the provision of property-related services, including real estate securities services, facility management services and safe box services. It mainly provides services to Hong Kong governmental departments (such as Hong Kong Housing Authority), Hong Kong Housing Society, schools, hotels, commercial buildings, industrial buildings, and private residences. As at the date of this announcement, there are approximately 200 on-going projects.

Upon completion of the Potential Acquisition, the Target Group will be wholly owned by the Company.

REASONS FOR AND BENEFITS OF THE POTENTIAL ACQUISITION

The Company is an investment holding company. The Group is principally engaged in property investment business.

Over the years, Hong Kong's property market has faces challenges, and asset prices are constrained amid cautious sentiments due to the uncertain external economic outlook, heightened geopolitical tensions and tight financial liquidity. The Board is reviewing from time to time its investment properties and tenant portfolio with the aim of generating stable income for the Group and achieving capital appreciation. The Board considers that the principal activities of the Target Group provide complementary and ancillary services to the property investment business. The Potential Acquisition provides the Group with an opportunity to expand its business vertically into property-related services. The Board believes that the Potential Acquisition, if materialises, can diversify income sources, thereby enhancing financial stability and reducing risk exposure, and is in the interests of the Company and its shareholders as a whole.

GENERAL

As at the date of this announcement, the terms and conditions of the Potential Acquisition are still under negotiation and no definitive transaction agreement or other legally binding agreement has been entered into. The Potential Acquisition, if materialises, may constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) in respect of the Potential Acquisition will be made by the Company as and when appropriate.

As the Potential 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.

By order of the Board
Far East Holdings International Limited
Cheung Sze Ming
Executive Director & Company Secretary

Hong Kong, 31 July 2025

As at the date of this announcement, the Board comprises Mr. Cheung Sze Ming and Ms. Li Kai Lai Miranda as executive Directors; Mr. Zhu Weiwen as non-executive Director; and Mr. Mak Ka Wing, Patrick, Mr. Lam Wai Hung and Mr. Lam Cheung Shing, Richard as independent non-executive Directors.