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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)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF BONDS

THE ACQUISITION

The Board is pleased to announce that on 6 November 2018 (after trading hours), the Group placed an order to acquire the Bonds in the principal amount of HK\$5,000,000 at a total consideration (including transaction cost) of HK\$5,012,500.

LISTING RULES IMPLICATIONS

Given that one or more of the relevant applicable percentage ratios in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

On 6 November 2018 (after trading hours), the Group placed an order to acquire the Bonds in the principal amount of HK\$5,000,000 at a total consideration (including transaction cost) of HK\$5,012,500. The Group will fund the total consideration under the Acquisition from its internal resources.

PRINCIPAL TERMS OF THE BONDS

Issuer : Mega Expo Holdings Limited

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Issuer and its ultimate beneficial owner(s) are Independent Third Parties of the Company and its connected persons (as defined under the Listing Rules).

Aggregate principal amount of the Bonds : Up to HK\$300,000,000

- Interest : 15% annual interest, payable in cash quarterly in arrears
- Maturity date : The date falling on the second anniversary of the relevant issue date of the Bonds, or if such date is not a Business Day, the Business Day immediately following such date.
- Redemption at maturity : Unless previously redeemed or purchased and cancelled, the Issuer shall redeem all the outstanding Bonds on the maturity date
- Early redemption at the option of the Issuer : The Issuer may at any time before the maturity date and from time to time by serving not less than 10 nor more than 30 days' notice, redeem the Bonds (in whole or in part) at the total principal amount of the Bonds together with payment of interests accrued but unpaid up to the date of such early redemption. For the avoidance of doubt, no early redemption may be requested by the holders of the Bonds.
- Status of the Bonds : The Bonds shall constitute direct, senior, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves.
- Transferability: : The Bonds are transferrable.

It is expected that the Bonds in the principal amount of HK\$5,000,000 will be transferred to the Group before the end of November 2018, upon which the total consideration of HK\$5,012,500 shall be paid by the Group.

INFORMATION OF THE ISSUER

The Issuer is a company incorporated in the Cayman Islands with limited liability whose issued securities are listed on the Main Board of the Stock Exchange. The Issuer and its subsidiaries are principally engaged in the business of (i) organization of exhibitions, events planning and related services; (ii) provision of brand management and related services; (iii) contracting services and entertainment equipment solution services; (iv) provision of promotion and consulting services; and (v) provision of loan and financing services.

Financial information of the Issuer

Set out below is the summary of the key financial information of the Issuer based on the audited financial statements of the Issuer for each of the two years ended 30 June 2018 and 30 June 2017:

	For the year ended 30 June 2018 HK\$'000	For the year ended 30 June 2017 HK\$'000
Profit/(loss) before taxation	113,140	(33,653)
Profit/(loss) after taxation	90,705	(39,317)
	As at 30 June 2018 HK\$'000	As at 30 June 2017 HK\$'000
Total assets	643,051	170,326
Net assets	389,868	142,030

INFORMATION OF THE GROUP

The Group is principally engaged in manufacturing and export of garment products, property investment and investment in securities.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Directors believe that the Acquisition is complementary to the Group's development strategy and is conducive in generating long term investment return for the Group as well as to diversify the Group's investments.

The Directors consider that the terms of the Bonds and the Acquisition are fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Given that one or more of the relevant applicable percentage ratios in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Acquisition”	The acquisition of the Bonds in the principal amount of HK\$5,000,000;
“Board”	The board of Directors;
“Bonds”	unlisted bonds to be issued by the Issuer in an aggregate principal amount of HK\$300,000,000;
“Business Day”	any day (excluding a Saturday, Sunday and public holiday) on which banks in Hong Kong are generally open for business throughout their normal business hours;
“Company”	Far East Holdings International Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company together with 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;
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) are third parties independent of and not connected with the Group and its connected persons in accordance with the Listing Rules;
“Issuer”	Mega Expo Holdings Limited, a company incorporated in Hong Kong and listed on the Stock Exchange (stock code: 1360);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Shareholder(s)” holder(s) of the issued share capital of the Company;
“Stock Exchange” The Stock Exchange of Hong Kong Limited; and
“%” per cent.

By Order of the Board
Far East Holdings International Limited
Dr. Wong Yun Kuen
Chairman

Hong Kong, 6 November 2018

As at the date of this announcement, the Board comprises five Directors, of which two are executive Directors, namely, Dr. Wong Yun Kuen (Chairman), Mr. Sheung Kwong Cho; and three are independent non-executive Directors, namely, Ms. Kwan Shan, Mr. Wong Kui Shing, Danny and Mr. Mak Ka Wing, Patrick.