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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 COMPANY WITH
A MACAU PROPERTY WITH HOTEL 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 22 July 2025 (after trading hours), the Company entered into a memorandum of understanding (the “**MOU**”) with the vendor (the “**Vendor**”), pursuant to which the Vendor intended to sell and procure to sell, and the Company intended to purchase the entire issued share capital (the “**Potential Acquisition**”) of the target company (the “**Target Company**”).

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the ultimate beneficial owner of the Vendor is a connected person of the Company only at the Company’s subsidiary level as at the date of this announcement.

Exclusivity

Pursuant to the MOU, the Vendor undertakes to procure the Target Company’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 Company during the four (4) months commencing from the execution of the MOU (the “**Exclusive Period**”).

Due diligence review

The Company shall conduct due diligence review on the assets, liabilities, operations and affairs of the Target Company, which is estimated to be completed within three (3) months after the date of the MOU.

Sale and Purchase Agreement

Pursuant to the MOU, the Vendor and the Company 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 Company or such later date as the Vendor and the Company may agree in writing.

Consideration

The consideration is subject to further negotiations between the Company and the Vendor with reference to a valuation on the Target Company 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 Company being satisfied with the results of its due diligence review on the assets, liabilities, operations and affairs of the Target Company;
- (b) a valuation report of the Target Company from an independent valuer to be engaged by the Company; and
- (c) all necessary consents and approvals required to be obtained on each of the Company and the Vendor in respect of the Acquisition and the transactions contemplated thereunder having been obtained.

The Company and/or the Vendor 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 COMPANY

The Target Company holds a property located in Macau, principally engaged in hotel operations.

Upon completion of the Potential Acquisition, the Target Company will be wholly owned by the Company. This will allow the Group to take full ownership, management and operation of the hotel.

REASONS FOR AND BENEFITS OF THE POTENTIAL ACQUISITION

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

Over the years, Hong Kong's property market 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 Company's management is reviewing its investment properties and tenant portfolio with an aim to generating stable income for the Group and for capital appreciation. In addition, the Group is seeking to optimise the composition of the property portfolio based on the outlook of the economies.

The Company's management believes that the Potential Acquisition provides the Group with an opportunity to broaden its properties portfolio and capture the economy recovery of Macau through hotel operations. The Board believes that the Potential Acquisition, if materialises, 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 very substantial acquisition of the Company under Chapter 14 of the Listing Rules and a connected transaction with a connected person at the subsidiary level under Chapter 14A 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, 22 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.