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CHEVALIER INTERNATIONAL HOLDINGS LIMITED
其士國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 25)

DISCLOSEABLE TRANSACTION
ACQUISITION OF THE TARGET LOANS AND SALE SHARES

The Board is pleased to announce that on 13 February 2026 (after trading hours of the Stock Exchange), the Purchaser (a wholly-owned subsidiary of the Company) and the Seller entered into the Sale and Purchase Agreement, pursuant to which the Purchaser has agreed to purchase and the Seller has agreed to sell the Target Loans and Sale Shares at the Aggregate Consideration.

Listing Rules Implications

As one of the applicable percentage ratios exceed 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As the total assets, profits and revenue of the Target Group compared to that of the Group are less than 10% under the percentage ratios for each of the latest three financial years, the Target Company is an insignificant subsidiary of the Company. As at the date of this announcement, the Seller holds 40% equity interest in the Target Company, and accordingly is a substantial shareholder of an insignificant subsidiary of the Company. Notwithstanding that the Seller is a substantial shareholder of the Target Company, the Seller and its ultimate beneficial owner(s) are not regarded as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules. Therefore, the Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

The Board is pleased to announce that on 13 February 2026 (after trading hours of the Stock Exchange), the Purchaser (a wholly-owned subsidiary of the Company) and the Seller entered into the Sale and Purchase Agreement, pursuant to which the Purchaser has agreed to purchase and the Seller has agreed to sell the Target Loans and Sale Shares at the Aggregate Consideration.

THE SALE AND PURCHASE AGREEMENT

Material terms of the Sale and Purchase Agreement are set out below:

Date: 13 February 2026

Parties: the Purchaser;

the Company as the Purchaser's guarantor; and

the Seller.

As at the date of this announcement, the Seller holds 40% equity interest in the Target Company. The Target Company constitute an insignificant subsidiary under Rule 14A.09 (for details, please refer to the section headed "Listing Rules Implications" below) and accordingly the Seller is a substantial shareholder of an insignificant subsidiary of the Company. Save for the above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Seller and their ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Purchaser has agreed to purchase and the Seller has agreed to sell the Target Loans and Sales Shares.

Consideration

The Aggregate Consideration payable by the Purchaser to the Seller for the purchase of the Target Loans and Sale Shares under the Sale and Purchase Agreement shall be HK$203,800,000. Subject to Completion having occurred, the Purchaser shall pay the Aggregate Consideration to the Seller in five (5) equal annual instalments of HK$40,760,000, payable on each scheduled payment date, with the first scheduled payment due on 24 December 2026, which shall be allocated as follows:

(1) the consideration for the purchase of the Target Loans under the Sale and Purchase Agreement shall be HK$188,563,840, representing the consideration for the loans in an aggregate principal amount of HK$169 million, extended by the Seller to PG pursuant to the Mitsui Loan Agreement and the consideration for any interests accrued or to be accrued arising in relation to such loans, being HK$19,563,840 ("Deferred Loan Consideration"); and

(2) the consideration for the purchase of the Sale Shares under the Sale and Purchase Agreement shall be HK$15,236,160 ("Deferred Share Consideration").

The Company unconditionally and irrevocably guarantees to the Seller the due payment by the Purchaser of all the scheduled payments and any default interest in respect thereof pursuant to the Sale and Purchase Agreement.

The Aggregate Consideration for the Acquisition was determined after arm's length negotiations between the Parties based on normal commercial terms, with reference to (i) the purchase price of HK$12 million paid by the Seller at the time of acquisition of Sale Shares in 2017; (ii) the present value of the Deferred Share Consideration as at the date of the Sale and Purchase Agreement calculated with reference to the latest 12-months HIBOR, amounts to approximately HK$12 million, being roughly equivalent to the consideration paid by the Seller in 2017; (iii) the aggregate principal amount of the loans of HK$169 million extended by the Seller to PG pursuant to the Mitsui Loan Agreement; (iv) the consideration for any interests accrued or to be accrued arising in relation to such loans in the amount of HK$19,563,840; and (v) the present value of the Deferred Loan Consideration as at the date of the Sale and Purchase Agreement calculated with reference to the latest 12-months HIBOR, amounts to approximately HK$169 million, being roughly equivalent to principal amount of the loans extended by the Seller pursuant to the Sale and Purchase Agreement. The Aggregated Consideration will be financed by internal resource of the Group.

Completion

Completion took place on the date of signing of the Sale and Purchase Agreement.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company.

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Islands with limited liability and principally engaged in investment holding. PG is principally engaged in provision of services and finance for a development project of a church and the Facility Building.

Immediately prior to Completion, the Target Company is an indirect non-wholly owned subsidiary of the Company. Following Completion, the Target Company becomes an indirect wholly-owned subsidiary of the Company.

The financial information of the Target Group for the two years ended 31 March 2024 and 31 March 2025 are set out below:

Target Group (audited)

	Year ended 31 March 2024 *(HK$'000)*	**Year ended 31 March 2025 *(HK$'000)***
Net loss before/after taxation	194,959	**420,671**

Based on the unaudited consolidated financial statements of the Target Group as at 31 January 2026, the unaudited net liability value of the Target Group was approximately HK$916 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As disclosed in the announcement of the Company dated 7 October 2016, pursuant to the Master Agreement, the Target Group agreed to grant the Loan to VRL or ASRHL, in consideration for which VRL and ASRHL agreed to appoint the Target Group to provide consultancy services to and participate in the Project. For details, please refer to the announcement of the Company dated 7 October 2016.

To obtain sufficient funding for the Loan, Target Group entered into the Mitsui Loan Agreement with the Seller. Under the Mitsui Loan Agreement, the rate of interest applicable to the Target Loans is 10%per annum, with approximately HK$122 million of interest accrued up to the date of the Sale and Purchase Agreement. Upon Completion, the Group will benefit from an immediate saving in interest expense of approximately HK$122 million (i.e., the aggregate principal and accrued interest of HK$291 million, less the present value of Deferred Loan Consideration of HK$169 million) and will avoid any further interest expense that would otherwise be payable to the Seller under the Mitsui Loan Agreement.

Further, to the best of the knowledge, information and belief of the Directors, after the Seller made assessments on the business of the Target Group, and in particular, the estimated time required for the Target Group to operate its consultancy business as a profitable business in relation to the operations of the Facility Building as a senior housing facility and a RCHE, the Seller decided to materialise its investment earlier than originally anticipated. By contrast, the Group is focused on the Target Group's long-term prospect. Although the Target Group is currently loss-making, the Directors maintain the view that given Hong Kong's ageing population, demand for senior housing facility in Hong Kong will continue to grow and that, with the Facility Building's premium location and quality, together with the fact that the operations of Facility Building only commenced in November 2024, the Target Group is well-positioned to generate long-term profit by improving the occupancy rate of the Facility Building to drive operating revenue. Accordingly, the Directors consider that the Acquisition represents a valuable opportunity for the Group to obtain full control over the Target Group if the Seller wishes to materialise its investment early.

The Directors are of the view that the terms of the Acquisition (including the Aggregated Consideration) are fair and reasonable and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

Financial impact of the Acquisition

Saving in interest expense

As mentioned in the section headed "REASONS FOR AND BENEFITS OF THE ACQUISITION" above, upon Completion, the Group will recognise a gain of approximately HK$122 million from the acquisition of the Target Loans. This represents the difference between (i) the present value of the Deferred Loan Consideration (i.e. approximately HK$169 million) and (ii) the Target Loans, the principal amount and the interest accrued (approximately HK$291 million), payable by PG as at the Completion Date pursuant to the Mitsui Loan Agreement, in the absence of the Acquisition.

Decrease in reserves

Following the Seller's cessation as a shareholder of the Target Group, the Group will assume the Seller's portion of their fair value loss and other losses, amounting to approximately HK$171 million which will immediately reduce the Group's reserves by approximately HK$171 million after the Completion.

INFORMATION ON THE PARTIES TO THE SALE AND PURCHASE AGREEMENT

The Company is a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock code: 25). The principal activity of the Company is investment holding and the principal activities of the Group are construction and engineering, property investment, property development and operations, healthcare investment, car dealership, insurance and investment and others.

The Purchaser is a company incorporated in the British Virgin Islands with limited liability. It is a wholly-owned subsidiary of the Company and is primarily engaged in investment holding and provision of financing to a subsidiary.

The Seller is a company incorporated in Hong Kong with limited liability. The Seller is primarily engaged in import and export trading. The Seller is an indirect wholly-owned subsidiary of Mitsui & Co. Ltd., a company incorporated in Japan whose shares are listed on the Tokyo Stock Exchange (Securities Code: 8031).

Listing Rules Implications

As one of the applicable percentage ratios exceed 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As the total assets, profits and revenue of the Target Group compared to that of the Group are less than 10% under the percentage ratios for each of the latest three financial years, the Target Company is an insignificant subsidiary of the Company. As at the date of this announcement, the Seller holds 40% equity interest in the Target Company, and accordingly is a substantial shareholder of an insignificant subsidiary of the Company. Notwithstanding that the Seller is a substantial shareholder of the Target Company, the Seller and its ultimate beneficial owner(s) are not regarded as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules. Therefore, the Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

DEFINITIONS

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

"Acquisition"	the proposed acquisition of the Target Loans and the Sale Shares from the Seller by the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
"ASRHL"	Adventist Senior Residence Holding Limited (previously known as Hong Kong-Macao Conference Holding Limited), a company limited by guarantee and incorporated in Hong Kong
"Aggregate Consideration"	HK$203,800,000, being the aggregate consideration of the Acquisition
"Board"	the board of Directors
"Church Building"	a church building built and erected on the Land
"Completion"	the completion of transactions pursuant to the Sale and Purchase Agreement
"Completion Date"	13 February 2026
"Company"	Chevalier International Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock code: 25)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Development"	the development of the Land which comprises the demolition works of all subsisting buildings structures erected on the Land and the building works of the Facility Building and the Church Building on the Land
"Director(s)"	the director(s) of the Company
"Facility Building"	a facility building comprising a senior housing facility and a RCHE built and erected on the Land
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"HIBOR"	the Hong Kong Interbank Offered Rate for Hong Kong Dollars quoted by The Hong Kong Association of Banks at 11:15 a.m. (Hong Kong time) on such date
"Independent Third Party(ies)"	third party(ies) who is/are independent of, and not connected with, the Company and its connected persons
"Land"	the land parcel described as The Remaining Portion of Inland Lot No.8280, located at Nos. 17A-17B Ventris Road, Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan"	interest-free loan(s) up to HK$800 million to be granted from the Target Company or its nominee(s) to ASRHL or VRL
"Master Agreement"	an agreement dated 7 October 2016 entered into between the Target Company, ASRHL and VRL
"Mitsui Loan Agreement"	the HK$169 million loan agreement dated 25 September 2017 between PG as borrower and the Seller as lender
"Parties"	the Purchaser, the Company as the Purchaser's guarantor and the Seller
"PG"	Profit Galaxy Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Target Company
"Project"	the project contemplated by the parties to the Master Agreement, i.e. to, amongst others, (i) redevelop the Land which comprises the Development; and (ii) operate the Facility Building as a senior housing facility and a RCHE
"Purchaser"	System Express Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
"RCHE"	residential care home for the elderly licensed under the Residential Care Homes (Elderly Persons) Ordinance (Chapter 459 of the Laws of Hong Kong)

"Sale and Purchase Agreement"	the sale and purchase deed dated 13 February 2026 and entered into between the Purchaser, the Company (as the Purchaser's guarantor) and the Seller in relation to the sale and purchase of the Sale Shares and the Target Loans
"Sale Shares"	the 40 ordinary shares of the Target Company, representing 40% of the total issued shares of the Target Company
"Seller"	Mitsui & Company (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability
"Shareholder(s)"	holder(s) of the ordinary share(s) in the capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Target Company"	NC1 Sandhill Limited, a company incorporated in the British Virgin Islands with limited liability
"Target Group"	the Target Company and PG
"Target Loans"	the loans in an aggregate principal amount of HK$169 million, extended by the Seller to PG pursuant to the Mitsui Loan Agreement, which remain outstanding as at the date of the Sale and Purchase Agreement, together with any interests accrued or to be accrued arising in relation therefrom
"VRL"	Ventria Residence Limited (previously known as Hong Kong Macao Conference Limited), a company limited by guarantee and incorporated in Hong Kong
"%"	per cent

By Order of the Board
Chevalier International Holdings Limited
KUOK Hoi Sang
Chairman

Hong Kong, 13 February 2026

As at the date of this announcement, the Board of the Company comprises Messrs Kuok Hoi Sang (Chairman), Chow Vee Tsung, Oscar (Vice Chairman), Tam Kwok Wing (Managing Director) and Miss Lily Chow as Executive Directors; Professor Poon Chung Kwong, Mr. Irons Sze, Mr. Sun Leland Li Hsun and Ms. Kwan Angelina Agnes as Independent Non-Executive Directors.

* *For identification purpose only*