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FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00037)

DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

THE DISPOSAL

The Board announces that on 25 November 2026, the Vendor, a direct wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at an aggregate consideration of HK$65,688,480 subject to and upon the terms of the Provisional Agreement.

LISTING RULES IMPLICATIONS

Since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that on 25 November 2026 (after trading hours), the Vendor, a direct wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at an aggregate consideration of HK$65,688,480 subject to and upon the terms of the Provisional Agreement.

PROVISIONAL AGREEMENT

The principal terms of the Provisional Agreement are set out below:

Date	:	25 November 2026 (after trading hours)
Vendor	:	Sino Noble Development Limited, a direct wholly-owned subsidiary of the Company
Purchaser	:	Wah Sang (China – Hong Kong) Limited
Subject matter	:	Pursuant to the Provisional Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Property, which comprises 32 parcels of agricultural lots located in Yuen Long, New Territories, Hong Kong with a total site area of approximately 126,324 square feet, on an "as is" basis.
Consideration	:	The Consideration for the Disposal is HK$65,688,480 and shall be payable by the Purchaser to the Vendor in cash in the following manner: (i) an initial deposit in the sum of HK$3,000,000 has been paid upon signing of the Provisional Agreement; (ii) a further deposit in the sum of HK$3,568,848 (which together with the initial deposit, represent 10% of the Consideration) shall be payable upon signing of the Formal Agreement; (iii) a further deposit in the sum of HK$13,137,696 shall be payable on or before 16 February 2027; and (iv) the balance of the Consideration in the sum of HK$45,981,936 shall be payable upon Completion. The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser, after taking into account, among others, the prevailing market price and recent market transactions of comparable properties in the vicinity of the Property.
Formal Agreement	:	The Vendor and the Purchaser shall enter into the Formal Agreement on or before 8 December 2026.
Completion	:	Completion is scheduled to take place on or before 26 April 2027.

INFORMATION ON THE COMPANY AND THE VENDOR

The Company is an investment holding company. The Group is principally engaged in hotel operation, serviced property letting, securities investment and trading, and property investment in Hong Kong, the PRC and overseas.

The Vendor is a direct wholly-owned subsidiary of the Company and is principally engaged in property investment.

INFORMATION ON THE PURCHASER

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is principally engaged in property leasing and sub-leasing for rental income generation and is owned as to 50% by Mr. Tsui Ming Tuen and as to 50% by Ms. Lo Lai Fun. The Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

INFORMATION ON THE PROPERTY

The Property comprises 32 parcels of agricultural lots with a total site area of approximately 126,324 square feet located in the southern part of Shap Pat Heung, Yuen Long, New Territories, Hong Kong. As the Property had not been leased or licensed during the two financial years ended 31 March 2026, there was no profit attributable to the Property for such periods.

Based on the unaudited consolidated financial statements of the Company for the six months ended 30 September 2026, the unaudited book value of the Property as at 30 September 2026 was approximately HK$49.5 million.

FINANCIAL EFFECT OF THE DISPOSAL

It is expected that the Group will record a gain of approximately HK$14.7 million from the Disposal, which represents the amount of the Consideration less the book value of the Property as at 30 September 2026 of approximately HK$49.5 million and the estimated transaction expenses. The actual gain or loss from the Disposal is subject to review and final audit by the auditors of the Company.

The Company intends to use the net sale proceeds from the Disposal as general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Taking into account the prevailing property market conditions and the prospective liquidity needs of the Group, the Directors consider that the Disposal presents a good opportunity for the Group to realise the value of the Property, which is currently vacant and idle, at a reasonable price, while the proceeds from the Disposal will improve the liquidity and strengthen the financial position of the Group.

The Directors are of the view that the Provisional Agreement is on normal commercial terms which are fair and reasonable and the entering into of the Provisional Agreement and the transactions contemplated thereunder are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors
"Company"	Far East Hotels and Entertainment Limited (Stock Code: 00037), a company incorporated in Hong Kong and the issued shares of which are listed on the main board of the Stock Exchange
"Completion"	completion of the Disposal
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Consideration"	HK$65,688,480, being the total consideration payable by the Purchaser to the Vendor in respect of the Disposal
"Director(s)"	director(s) of the Company
"Disposal"	the disposal of the Property pursuant to the Provisional Agreement
"Formal Agreement"	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Disposal pursuant to the Provisional Agreement

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China which, for the purposes of this announcement, shall exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan
"Property"	32 parcels of agricultural lots with Lot Nos. 1478, 1481, 1483, 1484, 1487, 1488, 1489, 1490, 1491, 1492, 1495, 1496, 1497, 1498, 1499, 1502, 1503, 1505, 1506, 1509, 1510, 1512, 1513, 1515, 1519, 1520, 1521, 1522, 1523, 1525, 1526 and 1529 in Demarcation District No. 118, Shap Pat Heung, Yuen Long, New Territories, Hong Kong
"Provisional Agreement"	the provisional sale and purchase agreement dated 25 November 2026 entered into between the Vendor and the Purchaser in relation to the Disposal
"Purchaser"	Wah Sang (China – Hong Kong) Limited, a company incorporated in Hong Kong with limited liability
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	Sino Noble Development Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
"%"	per cent

For and on behalf of
Far East Hotels and Entertainment Limited
Derek Chiu
Executive Director, Chairman, Managing Director and Chief Executive

Hong Kong, 25 November 2026

As at the date of this announcement, the executive Directors are Mr. Derek Chiu and Ms. Amanda Chiu; the non-executive Directors are Mrs. Chiu Ju Ching Lan and Mr. Alex Chiu; the independent non-executive Directors are Mr. Choy Wai Shek Raymond, Mr. Ng Chi Kin and Mr. Lo Chun Chiu Adrian.