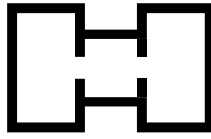


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**HERALD HOLDINGS LIMITED**

**興利集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00114)**

**DISCLOSEABLE TRANSACTION  
ACQUISITION OF PROPERTY**

**THE ACQUISITION**

The Board is pleased to announce that, on 30 October 2025 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Property at the consideration of HK\$81,500,000.

**LISTING RULES IMPLICATION**

As the relevant percentage ratios in respect of the acquisition of the Property exceed 5% but are less than 25%, the acquisition of the Property constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

**INTRODUCTION**

The Board is pleased to announce that, on 30 October 2025 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Property at the consideration of HK\$81,500,000.

## THE PRELIMINARY AGREEMENT

The principal terms of the Preliminary Agreement are summarised as follows:

**Date:** 30 October 2025

**Parties:**

- (1) Vendor: Dipende Limited; and
- (2) Purchaser: Herald Properties Limited, an indirect wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Party and are not connected with the Group.

**Property**

The Property to be acquired is Flat B on 18th Floor of Tower 2, Dynasty Court, No.23 Old Peak Road, Hong Kong, together with Car Parking Space No. 6 on Level LG4, Dynasty Court, No. 23 Old Peak Road, Hong Kong.

The Property is currently subject to the Tenancy between the Vendor (as the lessor) and HMPL, an indirect wholly-owned subsidiary of the Company (as the lessee) with a monthly rental of approximately HK\$126,000 (exclusive of rates, government rent and management fee). The Tenancy commenced on 1 January 2024 and will expire on 31 December 2025. The Property is in turn occupied by Dr. Cheung, a director of the Company and HMPL, for the duration of the Tenancy pursuant to a rental reimbursement arrangement in accordance with the service contract with Dr. Cheung, whereby a portion of Dr. Cheung's remuneration under the service contract equivalent to the monthly rental amount of the Tenancy is to be satisfied through the provision of the Property for Dr. Cheung's occupation and is deducted accordingly from the amount paid to Dr. Cheung. The monthly rental under the Tenancy was determined with reference to similar rental value of comparable properties in the proximity of the Property.

Pursuant to the Preliminary Agreement, the Purchaser agrees to purchase the Property subject to the Tenancy, and the Vendor shall deliver the Property with the Tenancy to the Purchaser upon Completion.

## **Consideration and Payment Terms**

The Consideration for the acquisition of the Property is HK\$81,500,000, which shall be paid by the Purchaser to the Vendor in the following manner:

- (a) an initial deposit of HK\$4,075,000 has been paid upon signing of the Preliminary Agreement;
- (b) a further deposit of HK\$4,075,000 shall be paid upon signing of the Formal Agreement; and
- (c) the remaining balance in the sum of HK\$73,350,000 shall be paid upon Completion.

The Consideration was agreed between the Vendor and the Purchaser after arm's length negotiations on normal commercial terms with reference to, among others, the current market value of comparable properties in the proximity of the Property as published by property agents and the current property market conditions in Hong Kong.

The Consideration will be financed by a combination of the Group's internal resources and external financing.

Subject to the execution of the Formal Agreement, the payment of the deposits to the Vendor and the payment of all necessary stamp duty, the Vendor will pay the Purchaser an amount of HK\$3,463,750, equal to 4.25% of the Consideration, being a cash rebate from the Vendor to the Purchaser. Such cash rebate is intended to be applied directly for part of payment of the remaining balance of the Consideration payable upon Completion.

## **Formal Agreement**

Pursuant to the Preliminary Agreement, the Vendor and the Purchaser shall enter into the Formal Agreement on or before 13 November 2025, being 14 days from the date of the Preliminary Agreement.

## **Completion**

Pursuant to the Preliminary Agreement, Completion shall take place on or before 22 December 2025.

## **INFORMATION OF THE PARTIES**

The Purchaser is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in property investment.

The Group is principally engaged in manufacture, sale and distribution of toys, computer products, clocks, watches and electronic and gift products.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is a company incorporated in the British Virgin Islands with limited liability which is principally engaged in property investment and a wholly-owned subsidiary of Sun Hung Kai Properties Limited, a company incorporated in Hong Kong with limited liability and listed on the Stock Exchange (Stock Code:16).

## **REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY**

The Property is currently leased by HMPL from the Vendor as part of HMPL's rental reimbursement scheme for Dr. Cheung whereby HMPL leased the Property and subsequently provided it to Dr. Cheung for his occupation as part of Dr. Cheung's remuneration package. As the existing Tenancy is already in place, the Group is familiar with the physical condition and a good grasp of the commercial value of the Property. Taking into account the recent interest rate cut and signs of improvement in the Hong Kong residential property market, the Directors consider that the acquisition of the Property serves as an attractive investment opportunity for the Group and can diversify the Group's investment portfolio.

The Group currently intends to continue the rental reimbursement arrangement with Dr. Cheung during the duration of the Tenancy, and will re-assess whether to continue the rental reimbursement arrangement with Dr. Cheung after the end of the existing Tenancy after taking into account various factors, including but not limited to the rental prospect and return and market value of the Property.

In view of the above, the Directors considered that the terms of the Preliminary Agreement (including the Consideration) are fair and reasonable, on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the relevant percentage ratios in respect of the acquisition of the Property exceed 5% but are less than 25%, the acquisition of the Property constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors;
“Company”	Herald Holdings Limited (興利集團有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange;
“Completion”	completion of the acquisition of the Property;
“Consideration”	the consideration of HK\$81,500,000 payable by the Purchaser to the Vendor in relation to the acquisition of the Property pursuant to the Preliminary Agreement;
“Directors”	the directors of the Company;
“Dr. Cheung”	Dr. Cheung Tsang-Kay, Stan, an executive director of the Company and HMPL;
“Formal Agreement”	the formal agreement for sale and purchase to be entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property pursuant to the provisions of the Preliminary Agreement;
“Group”	the Company and 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;
“HMPL”	Herald Metal & Plastic Works Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Independent Third Party”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	Flat B on 18th Floor of Tower 2, Dynasty Court, No.23 Old Peak Road, Hong Kong, together with Car Parking Space No. 6 on Level LG4, Dynasty Court, No. 23 Old Peak Road, Hong Kong;
“Preliminary Agreement”	the preliminary agreement for sale and purchase dated 30 October 2025 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property;
“Purchaser”	Herald Properties Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Shareholders”	the holder(s) of the shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tenancy”	the tenancy agreement dated 27 November 2023 between the Vendor as the lessor and HMPL, an indirect wholly-owned subsidiary of the Company, as the lessee and expiring on 31 December 2025;
“Vendor”	Dipende Limited, a company incorporated in the British Virgin Islands with limited liability; and
“%”	per cent.

By Order of the Board  
**Herald Holdings Limited**  
**Robert Dorfman**  
*Chairman*

Hong Kong, 30 October 2025

*As at the date of this announcement, the Board comprises Mr. Robert Dorfman, Mr. Lai Man-Pun, Dr. Cheung Tsang-Kay, Stan and Mr. Gershon Dorfman as executive Directors, and Mr. Lie-A-Cheong Tai-Chong, David, Dr. Ng Tze-Kin, David and Ms. Wong Sau-Ling as independent non-executive Directors.*

*\* For identification only*