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QINGDAO HOLDINGS INTERNATIONAL LIMITED

青島控股國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00499)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO A POTENTIAL ACQUISITION

This announcement is made by Qingdao Holdings International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with updated information in relation to the latest business development of the Group.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 30 June 2022 (after trading hours), the Company, as potential purchaser, entered into a non-legally binding (save for the provisions set out under the paragraph headed “Legal Effect” below) memorandum of understanding (the “**MOU**”) relating to the Potential Acquisition (as defined below) with Cinda Financial Leasing Co., Ltd* (信達金融租賃有限公司), a company incorporated in the People’s Republic of China, as the potential vendor (the “**Potential Vendor**”).

To the best of the Directors’ knowledge, information and belief having made reasonable enquiries, the Potential Vendor is a third party independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the “**Listing Rules**”).

Pursuant to the MOU, the Company intends to acquire, and the Potential Vendor intends to dispose of, its entire interest in two commercial properties situated in Qingdao City, the People's Republic of China, comprised of office properties with aggregate gross floor area of approximately 102,200 square metres (collectively, the "**Target Properties**") free from encumbrances (the "**Potential Acquisition**"). Due diligence review on the Target Properties will be commenced upon signing of the MOU and the parties will use their best endeavour to facilitate the Potential Acquisition and negotiate in good faith with a view to entering into a legally binding definitive agreement in relation to the Potential Acquisition (the "**Definitive Agreement**") as soon as possible.

The consideration for the Proposed Acquisition (the "**Consideration**") and the payment terms of the Consideration shall be further negotiated between the Company and the Potential Vendor and be determined in the Definitive Agreement.

LEGAL EFFECT

The Potential Acquisition and other provisions in the MOU do not create any legally binding obligations on the parties, save for the provisions relating to the binding effect, confidentiality, governing law and jurisdiction.

The MOU shall remain in effect from the date of the MOU until (i) the potential purchaser or potential vendor decided to cease the Potential Acquisition; or (ii) the execution of the Definitive Agreement; or (iii) one year from the date of the MOU.

REASONS FOR AND BENEFITS OF THE POTENTIAL ACQUISITION

The Group is principally engaged in the business of leasing of investment properties, production and sale of digital Chinese calligraphy education equipment and relevant learning and tutorial systems, provision of consulting services, and the provision of loan financing and property development.

The Group has been continuously developing and expanding its principal businesses. The Board considers that the Target Properties provide an attractive opportunity for the Company to broaden and diversify the Group's existing investment property portfolio. The Directors consider that the Potential Acquisition and the entering into of the MOU are in the interests of the Company and its shareholders as a whole.

GENERAL

As at the date of this announcement, the Potential Acquisition is still subject to negotiations and no legally binding agreement on the subject matter has been entered into. The Potential Acquisition, if proceeded and materialised, will constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares of the Company.

On behalf of the board of
Qingdao Holdings International Limited
Gao Yuzhen
Executive Director and Chairman

Hong Kong, 30 June 2022

As at the date of this announcement, the executive Directors are Mr. Gao Yuzhen, Mr. Yuan Zhi and Mr. Hu Liang; the non-executive Director is Mr. Li Shaoran; and the independent non-executive Directors are Mr. Yin Tek Shing, Paul, Mr. Wong Tin Kit, Ms. Zhao Meiran and Mr. Li Xue.

* *For identification purposes only*