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**Asset Chain Limited**  
**財富鏈有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 616)**

**MEMORANDUM OF UNDERSTANDING  
IN RELATION TO A POSSIBLE DISPOSAL**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**MEMORANDUM OF UNDERSTANDING**

The board (the “**Board**”) of directors (the “**Directors**”) of Asset Chain Limited (the “**Company**”) is pleased to announce that on 12 March 2026 (after trading hours), Skill Master as the potential vendor (the “**Vendor**”) entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Easyknit as the potential purchaser (the “**Purchaser**”). Pursuant to the MOU, the Vendor intends to dispose and the Purchaser intends to acquire 10% to 20% of the equity interests in the Target Company (the “**Possible Disposal**”). The Target Company is incorporated in the BVI with limited liability, which is principally engaged in property development business.

**Principal Terms of the MOU**

Date: 12 March 2026 (after trading hours)

Parties:

- (i) The Vendor; and
- (ii) The Purchaser.

As at the date of this announcement, Easyknit and certain of its subsidiaries hold 82,286,811 Shares in aggregate, representing approximately 4.41% of the total number of Shares. In the event that (i) the 2025 Convertible Note is fully converted at the initial conversion price of HK\$0.169 per conversion share (subject to adjustment); and (ii) the outstanding 2023 Convertible Note is fully converted at the conversion price of HK\$0.05 per conversion share (subject to adjustment), a total of 2,187,045,100 Shares would be issued to Easyknit Group, representing approximately 55.97% of the issued share capital of the Company as enlarged by that issue and assuming no other change in the number of issued Shares. If the 2025 Convertible Note and the outstanding 2023 Convertible Note held by Easyknit Group are fully converted into Shares, Easyknit Group will control the voting rights of 55.97% of the total number of issued Shares. As such, Easyknit is a connected person of the Company and a substantial Shareholder.

The Possible Disposal, if materialized, may constitute a notifiable and connected transaction for the Company under the relevant Listing Rules. In the event that the Group enters into the Formal Agreement (as defined below), further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

### ***Assets to be disposed***

Under the MOU, the Vendor intends to dispose and the Purchaser intends to acquire 10% to 20% of the equity interests in the Target Company subject to further negotiation between the parties to the MOU. As at the date of this announcement, the material asset of the Target Company is a property under development located at Nos. 646, 648 and 648A Castle Peak Road, Kowloon (“**Project Fung Wah**”) which is planned to be developed into a student hostel and the estimated value of which is approximately HK\$940 million.

### ***Consideration***

The consideration for the Possible Disposal and the manner of payment shall be further negotiated between the Vendor and the Purchaser and be determined in the Formal Agreement (as defined below).

### ***Refundable deposit***

Pursuant to the terms of the MOU, the Purchaser shall pay a refundable deposit of HK\$30 million in cash to the Vendor within 15 business days upon signing of the MOU. If the Formal Agreement (as defined below) has been entered into between the Vendor and the Purchaser, the refundable deposit of HK\$30 million shall be applied as partial payment of the consideration for the Possible Disposal in accordance with the terms of the Formal Agreement (as defined below).

In the event that the MOU is terminated or that the Formal Agreement (as defined below) is not entered into within the Valid Period (as defined below) for whatever reasons, the aforesaid refundable deposit (without interest) will be returned to the Purchaser within ten business days from the date of written notice provided by the Purchaser or the date of expiry of the Valid Period (as defined below) (whichever is earlier).

### ***Due diligence review***

Pursuant to the MOU, the Purchaser may, within the Valid Period (as defined below), conduct due diligence review on, including but without limitation the incorporation and subsisting status, assets, liabilities, business operations status of the Target Company. The Vendor and the Target Company shall use their best endeavours to procure the Target Company to provide assistance and information that is necessary for the Purchaser to complete its due diligence review on the Target Company.

### ***Exclusivity***

After the date of execution of the MOU and before 12 June 2026 (or such other date as agreed between the Purchaser and the Vendor in writing) (the “**Valid Period**”), the Purchaser shall have exclusive right to negotiate with the Vendor in relation to the terms of the Possible Disposal. During the Valid Period, the Vendor and the Target Company shall not directly or indirectly negotiate or agree with any other party with respect to potential transaction regarding the Target Company’s capital equity, business and/or assets without prior written consent of the Purchaser.

### ***Formal Agreement***

Subject to the Purchaser being satisfied with the due diligence review results, the Vendor and the Purchaser shall use their best endeavours to procure a legally binding formal agreement in relation to the Possible Disposal (the “**Formal Agreement**”) within the Valid Period.

### ***Binding effect***

Save for the provisions relating to the due diligence review, refundable deposit, exclusivity and confidentiality, the MOU does not constitute a legally binding agreement on the parties to the MOU.

## REASONS FOR THE POSSIBLE DISPOSAL

The Group is principally engaged in property development, property investment (comprising ownership and rental of investment properties), investment in securities and others and loan financing business which property development and property investment are the core businesses.

Having considered the total estimated cost for developing Project Fung Wah into a quality student hostel, the Directors consider that the Possible Disposal, if materialized, is a good opportunity for the Company to (i) share the market risk with the Purchaser; (ii) generate immediate cash inflows; and (iii) have a strategic partner to share the construction cost related to Project Fung Wah in the future.

**Shareholders and potential investors of the Company should note that no legally binding agreement in relation to the Possible Disposal has been entered into as at the date of this announcement. As such, the Possible Disposal may or may not proceed. If the Possible Disposal materializes, it may constitute a notifiable and connected transaction for the Company. Moreover, the Possible Disposal will be subject to certain conditions precedent which may not be able to be fulfilled or waived. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Possible Disposal will be made by the Company in the event that the Formal Agreement has been entered into.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings when used herein:

“2023 Convertible Note”                      the 5% per annum coupon rate convertible note issued to Goodco by the Company in the original principal amount of HK\$209,000,000 conferring rights to convert at any time before the fifth anniversary of the issue thereof the principal amount into Shares on the basis of a conversion price (subject to adjustments). Details of which were set out in the joint circular of the Company and Easyknit dated 21 January 2023, the circulars of the Company dated 6 March 2024 and 28 July 2025, the announcements of the Company dated 17 April 2024, 3 February 2025 and 16 January 2026, and the joint announcement of the Company and Easyknit dated 4 June 2025

“2025 Convertible Note”	the 5% per annum coupon rate convertible note issued to Goodco by the Company in the principal amount of HK\$286,800,622 conferring rights to convert at any time before the fifth anniversary of the issue thereof the principal amount into Shares on the basis of an initial conversion price of HK\$0.169 per conversion share (subject to adjustments). Details of which were set out in the announcements of the Company dated 10 October 2025 and 16 January 2026, the circular of the Company dated 25 November 2025, and the announcement of Easyknit dated 16 January 2026
“BVI”	the British Virgin Islands
“Easyknit”	Easyknit International Holdings Limited (永義國際集團有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 1218)
“Easyknit Group”	Easyknit and its subsidiaries
“Goodco”	Goodco Development Limited (佳豪發展有限公司), a company incorporated in the BVI with limited liability, the holder of the 2023 Convertible Note and 2025 Convertible Note, an indirect wholly-owned subsidiary of the Easyknit and a shareholder of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board maintained and operated by the Stock Exchange
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)

“Skill Master”	Skill Master Investments Limited, a company incorporated in the BVI with limited liability, and a direct wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	a subsidiary for the purposes of the Listing Rules
“Target Company”	Treasure Arts International Group Limited (寶藝國際集團有限公司), a company incorporated in the BVI with limited liability, and an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Asset Chain Limited**  
**Lai Law Kau**  
*Chairman and Chief Executive Officer*

Hong Kong, 12 March 2026

*As at the date hereof, the Board comprises Mr. Lai Law Kau, Ms. Lui Yuk Chu and Mr. Kwong Jimmy Cheung Tim as executive Directors; and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Wu Koon Yin Welly as independent non-executive Directors.*

*In the case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.*