

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

LONGHUI INTERNATIONAL HOLDINGS LIMITED

龍輝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1007)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING — STRATEGIC COOPERATION AGREEMENT

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 2 August 2024 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Frontium Labs Sdn. Bhd (the “**Cooperative Partner**”), in relation to the potential strategic cooperation in the areas of artificial intelligence (“**AI**”) technologies development and application, catering data collection, big data analysis and business intelligence and chipset development in relation to the catering segment (the “**Strategic Cooperation**”).

Pursuant to the MOU, the Cooperative Partner agrees to cooperate with the Company to develop and operate chipsets and software for catering use to (i) facilitate the Group’s business; and (ii) provide the Group with full access and control over data of the abovementioned chipsets and software, and the Company agrees to provide resources and data to the Cooperative Partner for the development of chipsets and software and test case usage.

The Company and the Cooperative Partner agree to use their good faith efforts to explore and pursue additional opportunities for the Strategic Cooperation, including but not limited to the cooperation involving in wholesales and VIP services within the catering industry.

FORMAL AGREEMENT

Each of the parties to the MOU agrees to use all reasonable endeavours to negotiate the terms and conditions of a legally binding cooperation agreement between the relevant parties in relation to the Strategic Cooperation (the “**Formal Agreement**”).

TERMINATION

The MOU shall terminate on the earlier of (i) 120 days from the date of the MOU (or such later date as maybe agreed between the Parties in writing); or (ii) the date of execution of the Formal Agreement.

BACKGROUND OF THE COOPERATIVE PARTNER

The Cooperative Partner is a limited company incorporated under the laws of Malaysia and a research and development company that focuses on enhancing trustworthiness in digital systems and data or knowledge sovereignty spanning from microelectronics to systems and AI-powered applications.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Cooperative Partner and its ultimate beneficial owner(s) are independent third party(ies) and are not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Directors have been actively exploring suitable business opportunities through cooperation with local and overseas enterprises, seeking to broaden its sources of income by expanding its current business portfolio and engaging in new business operations with growth potential. In particular, in view of the global trend of the use of AI technology and big data analysis to improve work efficiency, the Directors believe that the Strategic Cooperation will enable the Group to further enhance its competitiveness in the relevant technology areas and create long-term value for the Shareholders.

The Directors are of the view that the Strategic Cooperation, if successful, could create opportunities for the Group to broaden its sources of income and is in the interests of the Company and the Shareholders as a whole.

NATURE OF THE MOU

The MOU does not create any legally binding obligations in respect of the possible business cooperation, save and except that each party agrees to be legally bound by certain clauses including, among other things, data usage, confidentiality, governing law and jurisdiction. The possible business cooperation between the Group and the Cooperative Partner will only be finalised after the conclusion of negotiation and execution of the Formal Agreement between the relevant parties.

GENERAL

The Board wishes to emphasise that the Company will closely monitor the progress of the Strategic Cooperation. If the transactions contemplated under the MOU materially advance, the Company will make further announcements on the material developments as and when appropriate in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Longhui International Holdings Limited
Hung Shui Chak
Chairman and Executive Director

Hong Kong, 2 August 2024

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Hung Shui Chak, Mr. So Kam Chuen and Mr. Yuan Mingjie; and three independent non-executive Directors, namely Mr. Tam Bing Chung Benson, Mr. Cheung Ting Pong and Mr. Shum Kei Yiu Daniel.