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遠東宏信有限公司
FAR EAST HORIZON LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3360)

S\$400,000,000 4.25 per cent. Notes due 2017

(Stock Code: 5736)

US\$200,000,000 Senior Perpetual Capital Securities

(Stock Code: 5764)

A\$200,000,000 6.125 per cent. Notes due 2019

(Stock Code: 5791)

S\$200,000,000 4.25 per cent. Notes due 2019

(Stock Code: 5806)

**UNAUDITED OPERATION SUMMARY FOR THE FIRST QUARTER OF
2017 AS AT 31 MARCH 2017**

This announcement sets out the unaudited operation summary of Far East Horizon Limited (the “Company”) and its subsidiaries (the “Group”) for the first quarter ended 31 March 2017 (the “Period under Review”).

This announcement is made in accordance with the requirements of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As at 31 March 2017, the Group recorded a stable growth for its operations, with total assets increased by approximately 5% from the end of 2016 (net of assets involved in the asset-backed securities programs of RMB5 billion completed during the Period under Review), while profit attributable to ordinary shareholders increased by over 10% as compared with the corresponding period of 2016. In response to the changes in the domestic funding environment during the first quarter of 2017, the Group took active strategies, with the efforts of which the average yield of interest-earning assets remained stable and rose slightly at the assets end, yet the average cost rate of interest-bearing liabilities also increased at the liabilities end, resulting in slight decreases in net interest spread and net interest margin as compared with those of the whole year of 2016. The non-performing asset ratio of the Group moderately declined as compared with that at the end of 2016, and the provision coverage ratio remained at a healthy level of over 200%.

In respect of industrial investment and operations, the Group further expanded the scale of investments in hospitals. As at 31 March 2017, the Group entered into agreements to invest in 21 hospitals with a total number of about 8,000 beds available. Currently, on the basis of continuing to speed up the investment in the hospital, the Group continued to deepen the promotion of the professional discipline construction, operation process management, medical environment experience, corporate culture integration and so forth of our existing hospitals. In respect of operations in the education sector, the Group currently operated 4 high-end kindergartens and 2 international schools. Meanwhile, the newly established kindergartens in 2016 will be put into operation in succession.

CAUTION STATEMENT

The board of directors (the “Board”) of the Company hereby reminds investors that the above operation summary for the first quarter ended 31 March 2017 is based on the Group’s internal data and management accounts which are not reviewed or audited by auditors. In the meantime, investors are advised to exercise caution in dealing in the shares of the Company.

Words such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions in this announcement are forward-looking statements. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group and are difficult to predict, that will or may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include the effects of volatility in domestic and international financial markets and macro-economics, economic conditions in individual markets in which the Group operates, and other factors affecting the level of Group’s business activities and the costs and availability of financing for Group’s activities.

Any forward-looking statements contained in this announcement should not be taken as a representation that such trends or activities will continue in the future. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the Group as at the date of this announcement or in future will necessarily match or exceed the historical or published earnings of the Group. Each forward-looking statement speaks only as of the date of the particular statement. The Group expressly disclaims any obligation or undertaking to release publicly any updated figures or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

By Order of the Board
Far East Horizon Limited
Chief Executive Officer and Executive Director
KONG Fanxing

Hong Kong, 21 April 2017

As at the date of this announcement, the executive directors of the Company are Mr. KONG Fanxing and Mr. WANG Mingzhe, the non-executive directors of the Company are Mr. NING Gaoning (Chairman), Mr. YANG Lin, Mr. LIU Haifeng David, Mr. KUO Ming-jian, Dr. CHEN Guogang and Mr. John LAW, and the independent non-executive directors of the Company are Mr. CAI Cunqiang, Mr. HAN Xiaojing, Mr. LIU Jialin and Mr. YIP Wai Ming.