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FAR EAST CONSORTIUM INTERNATIONAL LIMITED

遠東發展有限公司*

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.fecil.com.hk>

(Stock code: 35)

(1) INSIDE INFORMATION IN RELATION TO POTENTIAL SPIN-OFF AND SEPARATE LISTING OF CERTAIN HOSPITALITY PROPERTIES (2) POSSIBLE MAJOR TRANSACTION

This announcement is made by Far East Consortium International Limited (the “**Company**”, and together with its subsidiaries the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that the Company is considering a potential spin-off and separate listing (“**Potential Spin-off and Separate Listing**”) of certain hospitality properties of the Group in Australia, Singapore, Malaysia and the United Kingdom on an overseas securities exchange in the form of a stapled trust group comprising a real estate investment trust and a business trust (collectively, the “**Hospitality Trust**”). In connection with the Potential Spin-off and Separate Listing, the Company has submitted a proposal (the “**PN 15 Proposal**”) to the Stock Exchange pursuant to Practice Note 15 of the Listing Rules on 28 November 2019. As at the date of the announcement, the PN 15 Proposal is still under consideration by the Stock Exchange. The Potential Spin-off and Separate Listing is subject to the requirements under Practice Note 15, other relevant provisions of the Listing Rules and the relevant provisions of the rules of the relevant overseas securities exchange.

* For identification purposes only

The Board expects that the Potential Spin-off and Separate Listing, if it proceeds, would likely constitute a major transaction for the Company under the Listing Rules, and approval from the Shareholders would be required under paragraph 3(e) of Practice Note 15 of the Listing Rules.

The Board believes that the Potential Spin-off and Separate Listing, if it proceeds, would among others: (i) create an asset management platform for the Group dedicated to hospitality assets, which would generate a new income stream to the Group, (ii) unlock and crystallise the value of the hospitality properties of the Group, and allow the Group to recycle capital, and (iii) facilitate more active third-party hotel acquisitions using the spun-off entity.

The Company will comply with the relevant Listing Rules requirements and make further announcement(s) in respect of the Potential Spin-off and Separate Listing as and when appropriate in accordance with the Listing Rules.

The Potential Spin-off and Separate Listing is still at an early stage, and no application has been made for the listing of the Hospitality Trust on the overseas securities exchange. Shareholders and potential investors of the Company should note that the Potential Spin-off and Separate Listing is subject to, among others, the approval of the Shareholders, the final decision of the Board, market conditions, the approval of the Stock Exchange and the approval of the relevant overseas securities exchange. Accordingly, there is no assurance that the Potential Spin-off and Separate Listing will take place or as to when it may take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board of
Far East Consortium International Limited
Wai Hung Boswell CHEUNG
Company Secretary

Hong Kong, 28 November 2019

As at the date of this announcement, the Board comprises five executive directors, namely Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Mr. Dennis CHIU, Mr. Craig Grenfell WILLIAMS and Ms. Wing Kwan Winnie CHIU; and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Kwong Siu LAM and Mr. Lai Him Abraham SHEK.