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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)

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(Stock Code: 35)

DISCLOSEABLE TRANSACTIONS OR MAJOR TRANSACTIONS DISPOSAL OF OFFICE, HOTEL AND TOWN HALL IN THE UNITED KINGDOM

References are made to the Announcements in relation of the Transactions. The terms of the Transactions have been varied pursuant to the Deed of Variation, the Office SPA and the Town Hall Asset SPA.

THE TRANSACTIONS

The Board wishes to announce that on 2 June 2026 (UK Time) (after trading hours in Hong Kong), CEL, the Town Hall Seller, the Hotel Seller, the Head Lease Owner, the Purchaser and the Office Seller entered into the Deed of Variation to vary the terms of the SPAs.

The material amendments effected by the Deed of Variation are summarised below:

(a) Conditions precedent

Each of the conditions precedent under the original Hotel SPA and the original Town Hall SPA has been fulfilled or waived as at the date of the Deed of Variation.

(b) Revised consideration and settlement mechanism

The aggregate consideration for the Transactions is revised to approximately £59.509 million (covering the consideration for the target shares and the amount of the Hotel Loan and the Office Loan which the Purchaser shall procure the relevant PropCo to repay) due to the change of the consideration for the Office Disposal from £18 million to approximately £12.309 million (covering the consideration for the Office PropCo Share and the amount of the Office Loan which the Purchaser shall procure the Office PropCo to repay) resulting from a change in the transaction structure from a direct sale of the Office itself to a sale of the Office PropCo which holds the Office as well as a change of the settlement mechanism of the consideration for the Transactions as detailed below. The consideration for Town Hall Transaction and the Hotel Transaction (including repayment of Hotel Loan) remains unchanged at £24.544 million and £22.656 million, respectively.

* *for identification purposes only*

The settlement of the consideration for the Transactions is revised from a combination of cash and loan as contemplated under the Term Sheet to a combination of cash and issuance of AMTD Shares under the Deed of Variation.

The revised settlement schedule is set out under the paragraph headed “The Deed of Variation – Revised consideration and settlement mechanism – Settlement arrangement” below.

(c) Completion

The transfer of the Town Hall PropCo Share and the Hotel PropCo Share were completed on the date of the Deed of Variation.

The completion of the Office PropCo Share is scheduled to take place on the 45th day from the date of the Deed of Variation.

(d) Security arrangement

The Purchaser has agreed to procure the Hotel PropCo to charge the Hotel Property in favour of CEL, the Hotel Seller, the Town Hall Seller, the Head Lease Owner and the Office Seller to secure outstanding obligations including payments and issue of AMTD Shares (where applicable) under the Hotel SPA, the Office SPA and Town Hall Asset SPA.

On the date of the Deed of Variation, the Purchaser, the Town Hall PropCo, Town Hall OpCo, Hotel PropCo, and Hotel OpCo have provided a guarantee in favour of CEL, the Hotel Seller, the Head Lease Owner, the Town Hall Seller and the Office Seller in respect of the outstanding payment, intra-group loan and issue of AMTD Shares (where applicable) under the respective SPAs.

The Purchaser has agreed to procure the Office PropCo to charge the Office and enter into guarantee in respect of certain liabilities and obligations of the parties with details to be further agreed on or prior to the Office Completion.

(e) Profit guarantee

CEL has agreed to provide a profit guarantee of 5% to 6% in respect of the Hotel Business to the Purchaser for a period of 2 years from the date of the Deed of Variation. For details, please refer to the paragraph headed “The Deed of Variation – Profit Guarantee”.

LISTING RULES IMPLICATIONS

The Office Disposal is required to be aggregated with the Hornsey Transactions as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

Considering that all applicable Percentage Ratios other than the consideration ratio are well below 25%, the Company believes that the current market capitalization does not reflect the true value of the Company or the materiality of the Transactions to the Company, an application has been made to the Stock Exchange for the adoption of an alternative size test in respect of the Transactions based on the total equity of the Company as at 30 September 2025.

If the alternative size test is approved by the Stock Exchange, as one or more applicable Percentage Ratios in respect of the Transactions exceeds 5% but all of the applicable Percentage Ratios are less than 25%, the Transactions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to announcement requirement but is exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

If the alternative size test is not approved by the Stock Exchange, as the highest applicable Percentage Ratios of the Transactions exceeds 25% but all of the applicable Percentage Ratios are less than 75%, the Transactions constitutes a major transaction of the Company under Chapter 14 of Listing Rules, and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the Transactions. As such, no Shareholder is required to abstain from voting if a general meeting were to be convened for the approval of the Transactions. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders' approval may be accepted in lieu of a general meeting.

As at the date of this announcement, Tan Sri Dato' David CHIU, Sumptuous Assets Limited and Modest Secretarial Services Limited (both are companies controlled by Tan Sri Dato' David CHIU) held 31,860,055 Shares, 1,667,816,745 Shares and 18,724 Shares, respectively. Written shareholders' approval for the Transactions has been obtained from Tan Sri Dato' David CHIU, Sumptuous Assets Limited and Modest Secretarial Services Limited (being a closely allied group of Shareholders holding 1,699,695,524 Shares in aggregate representing approximately 55.56% of the issued share capital of the Company as at the date of this announcement). Accordingly, no general meeting of the Company will be convened for the purpose of approving the Transactions in the event that the Transactions constitute a major transaction to the Company.

In the event that the Transactions constitute a major transaction of the Company, pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Transactions; and (ii) other information as required under the Listing Rules, is required to be despatched to the Shareholders within 15 business days (as defined under the Listing Rules) after the publication of this announcement, which shall be on or before 24 June 2026. To allow for more time to prepare the information for inclusion in the circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, and will publish further announcement(s) in compliance with the requirement under the Listing Rules as and when appropriate.

INTRODUCTION

References are made to the Announcements in respect of the Transactions. The terms of the Transactions have been varied in accordance with the Deed of Variation, the Office SPA and the Town Hall Asset SPA.

THE OFFICE SPA

As a result of the change in transaction structure from a direct sale of the Office itself to a sale of the Office PropCo which holds the Office and as well as change of settlement mechanism of the consideration for the Transactions as further detailed below, the Purchaser and the Office Seller entered into the Office SPA on 2 June 2026 (UK Time) (after trading hours in Hong Kong) pursuant to which the Purchaser has agreed to purchase, and the Office Seller has agreed to sell the Office PropCo Share.

The principal terms of the Office SPA are set out as follows:

Date

2 June 2026 (UK Time) (after trading hours in Hong Kong)

Parties

- (1) the Purchaser
- (2) the Office Seller

Subject matters

Subject to the terms of the Office SPA, the Purchaser has agreed to purchase, and the Office Seller has agreed to sell the Office PropCo Share free from encumbrances and with all rights, benefits or advantages attached to the Office PropCo Share, including the right to receive all dividends and distributions declared, paid or made on or after the Office Completion Date.

Consideration

The Purchaser shall pay the Office Seller a consideration equivalent to approximately £12.309 million less the sum required to fully repay the Office Loan at the Office Completion.

As at 1 June 2026, the outstanding Office Loan was approximately £7.541 million. The Office Loan bears an interest of 8.16% per annum.

The settlement mechanism of the consideration for the Office Disposal and the Office Loan is further supplemented by the Deed of Variation. Please refer to the paragraph headed “The Deed of Variation – Revised consideration and settlement mechanism – Settlement arrangement” below.

The consideration for the Office Disposal (including the consideration for the Office PropCo Share and the Office Loan) was determined after arm's length negotiations between the Office Seller and the Purchaser with reference to (i) the prime location of the Office at London with close proximity to the Chancery Lane underground station; (ii) the consideration for the Office Disposal (including the repayment of the Office Loan) is higher than that of the carrying value of the Office as at 30 September 2025 being approximately £5 million; (iii) the financial information of the Office PropCo as disclosed in the paragraph headed "Financial Information of the Office PropCo" below; (iv) the Office is a non-core asset of the Company for its own use. For the six months ended 30 September 2025, the Office PropCo recorded a loss of approximately £0.77 million. The Office Disposal represents an opportunity for the Group to dispose of and recycle non-core asset for working capital; (v) the Office Disposal aligns with the Group's strategy of divesting non-core assets which also helps the Group to improve its liquidity and reduce the net gearing of the Group; (vi) the outstanding amount of the Office Loan; and (vii) the changes in settlement mechanism with a higher upfront cash payment together with issue of AMTD Shares with a make-whole arrangement which is further explained under the paragraph headed "The Deed of Variation – Basis for the revised consideration and settlement arrangement" below.

The Company after taking a comprehensive review of the aforementioned factors considers that the consideration of the Office Disposal is fair and reasonable in the circumstance and in the interest of the Company and its Shareholders as a whole as the Company believes the Office Disposal enables the Group to realise its investment and increase liquidity of the Group.

Office Completion

Office Completion shall take place on the Office Completion Date.

THE DEED OF VARIATION

The Board further wishes to announce that on 2 June 2026 (UK Time) (after trading hours in Hong Kong), CEL, Town Hall Seller, Hotel Seller, Head Lease Owner, the Purchaser and the Office Seller entered into the Deed of Variation to vary the terms of the SPAs.

The principal terms of the Deed of Variation are set out as follows:

Parties

- (1) CEL
- (2) the Town Hall Seller
- (3) the Hotel Seller
- (4) the Head Lease Owner
- (5) the Purchaser
- (6) the Office Seller

Subject to the terms of the Deed of Variation, the parties to the Deed of Variation have agreed, among other things, to make the following material amendments to the terms of the SPAs:

Conditions precedent

Each of the conditions precedent under the original Hotel SPA and the original Town Hall SPA has been fulfilled or waived as at the date of the Deed of Variation.

Pursuant to the original Town Hall SPA, the completion of the transfer of the Town Hall PropCo Share shall be conditional upon, among other things, either (i) the head lease in relation to the Town Hall Property has been assigned to Town Hall PropCo or (ii) the underlease of the Town Hall Property has been granted to Town Hall PropCo, in either case following obtaining local authority's consent. The parties have waived the relevant condition under the Deed of Variation and the completion of transfer of the Town Hall PropCo Share has taken place on the date of the Deed of Variation. The Town Hall Property has not yet been transferred to the Town Hall PropCo as at the date of the Deed of Variation.

The Head Lease Owner and the Town Hall PropCo have entered into the Town Hall Asset SPA on 2 June 2026 (UK Time) (after trading hours in Hong Kong) pursuant to which the Head Lease Owner shall sell and the Town Hall PropCo shall acquire the Town Hall Property at a consideration of approximately £24.544 million. Completion of the transfer of the Town Hall Property shall take place on the later of (i) 45 days from the date of the Town Hall Asset SPA; (ii) 5 working days after completion of a lease in respect of the Town Hall F&B unit and the contribution deed to be entered into between CEL, Crouch End Management Limited and the Head Lease Owner; or (iii) 5 working days after completion of the consent of the council in respect the transfer of the lease of the Town Hall Property. The consideration of approximately £24.544 million shall be settled as follows:

- (a) The deposit of £2 million paid by the Purchaser on the date of the Town Hall SPA was refunded to the Purchaser immediately prior to the date of the Deed of Variation which has been used as deposit for the Town Hall Asset SPA.
- (b) First instalment of approximately £17.544 million shall be settled on the completion date of the Town Hall Asset SPA.
- (c) The remaining £5 million shall be paid in four equal instalments of £1.25 million on each anniversary from the date of the Deed of Variation for the next four years.

Under the Deed of Variation, if the consent to assign of the Town Hall Property to the Town Hall PropCo has not been completed by 31 August 2026 (subject to the Town Hall Seller giving the Purchaser written notice extending the same to 28 February 2027 or such date as the Purchaser and the Town Hall Seller and the Hotel Seller may mutually agree in writing), the Purchaser may terminate the Town Hall SPA and the parties shall unwind the Town Hall Transaction.

Revised consideration and settlement mechanism

Aggregate consideration

The aggregate consideration for the Transactions is revised to approximately £59.509 million (equivalent to approximately HK\$626.630 million) (covering the consideration for the target shares and the amount of the Hotel Loan and the Office Loan which the Purchaser shall procure the relevant PropCo to repay) due to the change of the consideration for the Office Disposal from £18 million to approximately £12.309 million (equivalent to approximately HK\$129.614 million) (covering the consideration of the Office PropCo Share and the amount of the Office Loan which the Purchaser shall procure the Office PropCo to repay) resulting from a change in the transaction structure from a direct sale of the Office itself to a sale of the Office PropCo which holds the Office as well as a change of the settlement mechanism of the consideration for the Transactions as detailed below. The consideration for Town Hall Transaction and the Hotel Transaction remains unchanged at £24.544 million and £22.656 million (including the repayment of Hotel Loan), respectively.

Settlement arrangement

The settlement of the consideration for the Transactions is revised from a combination of cash and loan under the Term Sheet to a combination of cash and issuance of AMTD Shares under the Deed of Variation.

The revised settlement schedule is as follows:

	Total amount	Intra-group loan	Deposit and prepayment	Payment on the Date of Deed of Variation	Payment on the 45 th date from the date of the Deed of Variation	Deferred consideration	
					Cash	AMTD Shares	
Town Hall Transaction	£24,544,000	-	£2,000,000 ⁽¹⁾	£1 ⁽²⁾	£17,543,999 ⁽³⁾	-	£1.25 million each on each anniversary from the date of the Deed of Variation for the next four years ⁽³⁾
Hotel Transaction	£22,656,000	£19,236,957.42 ⁽⁴⁾⁽⁷⁾	£18,933,000 ⁽⁵⁾	£18,933,000 ⁽⁵⁾	Cash of £663,000 less the outstanding balance of the Hotel Loan plus the accrued interests up to the Hotel Payment Date	Issue of AMTD Shares with an equivalent value of 4,229,694 ADS of AMTD Digital (subject to make-whole arrangement set out below)	-

	Total amount	Intra-group loan	Deposit and prepayment	Payment on the Date of Deed of Variation	Payment on the 45 th date from the date of the Deed of Variation	Deferred consideration
					Cash	AMTD Shares
Office Disposal	£12,308,640	£7,540,649.82 ⁽⁶⁾⁽⁷⁾	-	-	Cash of £7,700,000 less the Office Loan plus the interests accrued up to the Office Completion Date	Issue of AMTD Shares with equivalent value of 6,370,306 ADS of AMTD Digital (subject to make-whole arrangement set out below)

- (1) Deposit of £2 million paid by the Purchaser pursuant to the Town Hall SPA has been refunded to the Purchaser immediately prior to the date of the Deed of Variation which has been used as deposit for the Town Hall Asset SPA.
- (2) The consideration for the Town Hall PropCo Share will be revised to £1.
- (3) The cash consideration of £17,543,999 will be paid to the Head Lease Owner on the completion date of the Town Hall Asset SPA and the deferred consideration of £5 million will be paid to the Head Lease Owner by instalment of £1.25 million on each anniversary from the date of the Deed of Variation for the next four years.
- (4) As at 2 June 2026, the amount of outstanding Hotel Loan was £19,236,957.42. The Hotel Loan bears an interest of 1.75% per annum.
- (5) On the date of the Deed of Variation, £18,933,000 out of the total outstanding Hotel Loan has been settled by utilising the deposits of £2,000,000 paid by the Purchaser under the original Hotel SPA and a prepayment made by the Purchaser in the amount of £16,933,000.
- (6) As at 1 June 2026, the amount of outstanding Office Loan was £7,540,649.82. The Office Loan bears an interest of 8.16% per annum.
- (7) The Purchaser shall procure the Hotel PropCo to repay the balance of the Hotel Loan plus accrued interests on the Hotel Payment Date and the Office PropCo to repay the Office Loan plus accrued interests on the Office Completion Date.

The parties have agreed that no net asset value adjustment shall be made in relation to the Transactions.

AMTD Shares and make-whole arrangement

All AMTD Shares to be issued for the settlement of the consideration shall be issued to the Hotel Seller, the Office Seller and/or a subsidiary of the Company as designated by the PropCo Sellers. The AMTD Shares will be converted into ADS for trading purpose. The issue price of all AMTD Shares to be issued on the relevant payment date will be US\$1.70 per ADS corresponding to the AMTD Shares (the “**Original issue Price**”). The aggregate AMTD Shares to be issued will represent approximately 5.11% of the total issued ordinary A shares of AMTD Digital on a fully-diluted basis (on the assumption that there are no changes to the number of issued shares of AMTD Digital from the date of this announcement until the date of issue of the AMTD Shares).

If the proceeds from the sale of the AMTD Shares (or the corresponding block of ADS) are less than the aggregate Original Issue Price and/or the market price at which such AMTD Shares (or the corresponding block of ADS) were issued (by reference to the corresponding ADS value), the Purchaser shall arrange for additional AMTD Shares equal in value of the shortfall amount to the PropCo Sellers or such entity as designated by the PropCo Sellers. Such make-whole arrangement will only apply for a period of two years from the relevant payment date of the Hotel Transaction and the Office Disposal and may only be exercised up to two times during such period.

If the PropCo Sellers/subsidiary of the Company still hold any AMTD Shares and the quoted sale price of ADS drop below US\$1 per ADS for a period of at least 180 consecutive days, the relevant PropCo Sellers/subsidiary of the Company may require the Purchaser to procure shares in any of the Town Hall PropCo, Hotel PropCo or Office PropCo (such discretion to be agreed by the parties) to be transferred or issued to the relevant PropCo Seller/subsidiary of the Company (with the value as determined based on independent valuation at that time) equivalent to the value of the AMTD Shares/ADS held by the PropCo Sellers/subsidiary of the Company at that time based on the issued price of AMTD Shares when they were issued to the relevant PropCo Seller/subsidiary of the Company. At the request by the Purchaser, the PropCo Seller/subsidiary of the Company transfer the relevant AMTD Shares back to the Purchaser or a party nominated by the Purchaser Share.

As at 1 June 2026, the closing price of the ADS of AMTD Digital was US\$1.910 per ADS.

The parties agreed to attribute a value of approximately £7.669 million to the AMTD Shares with equivalent value of the 10,600,000 ADS of AMTD Digital be issued, reflecting an agreed discount to their prevailing market value, as the entire block cannot be disposed of immediately without exerting significant downward pressure on the ADS price due to its size relative to normal trading volume, and certain disposal restrictions have been imposed under the Deed of Variation, including among others, disposal is only permitted (i) if the sale price is not lower than 52-week low price of the ADS prior to any sale, the 30-day weighted average price for ADS for 30 days prior to any sale, or US\$1 per ADS; (ii) the weighted average sale price over any 30 consecutive trading days shall not at any time be lower than US\$1 per ADS; and (iii) the total volume of ADS sold on any given trading day shall not exceed 25% of the total trading volume on that day.

The Company has also taken into account a discount to the value of the ADS of AMTD Digital of 42.6% as determined by an independent valuation estimated using Bloomberg's Liquidity Assessment tool to model the price impact of orderly liquidation. The valuer has taken into account a liquidation volume, daily volatility and price volatility under the Bloomberg model. The valuation relies on the assumptions that (i) the block of AMTD Shares cannot be disposed of immediately at the prevailing market price without causing downward pressure on the market price necessitating a block trading discount; (ii) the historical average daily trading volume, historical volatility, public float, dividend policy and share price performance are reasonable indicators for assessing the discount; (iii) no double counting of valuation adjustment has occurred, the blockage discount and dilution discount reflect separate economic effects; (iv) new shares issued would dilute the ownership interests, voting interest and economic participation of the existing shareholders; and (v) other general assumptions of stable market and political conditions as of the valuation date and the accuracy and completeness of all information.

Basis for the revised consideration and settlement arrangement

The aggregate consideration for the Transactions has been revised from approximately £65.200 million (equivalent to approximately HK\$686.556 million) to approximately £59.509 million (equivalent to approximately HK\$626.630 million) (covering the consideration for the target shares and the amount of the Hotel Loan and the Office Loan which the Purchaser shall procure the relevant PropCo to repay) due to the change of the consideration for the Office Disposal from £18 million (equivalent to approximately HK\$189.54 million) to approximately £12.309 million (equivalent to approximately HK\$129.614 million) (covering the consideration for the Office PropCo Share and the amount of the Office Loan which the Purchaser shall procure the Office PropCo to repay). The consideration for Town Hall Transaction and the Hotel Transaction remains unchanged at £24.544 million (equivalent to approximately HK\$258.448 million) and £22.656 million (equivalent to approximately HK\$238.568 million) (including the repayment of the Hotel Loan), respectively. The basis for determining the considerations for the Transactions was disclosed in the paragraph headed "The Office SPA – Consideration" above and the announcement of the Company dated 9 May 2025.

As disclosed in the March Announcement, the original settlement structure for the aggregate consideration approximately £65.200 million involved a combination of cash and a £38.2 million term loan from the Group to the Purchaser. The revised structure replaces the loan component with a settlement partly in cash and partly through the issuance of the AMTD Shares. The Board considers the revised consideration and the revised settlement arrangement to be in the interest of the Company and its Shareholders as a whole. In particular, the revised arrangement significantly enhances in immediate value realisation by eliminating a substantial portion of deferred component of the consideration for the Transactions under the original terms of the Transactions. The Group will receive approximately £46.84 million in upfront cash which represents an increase of approximately £20 million of upfront cash as compared to the settlement mechanism as set out in the Term Sheet, significantly accelerating capital recovery compared to the original five-year loan repayment schedule. The deferred payment obligation is substantially reduced from £38.2 million over five years under the loan to a much smaller amount of £5 million over 4 years, providing the Group with higher flexibility in recycling its capital resources for repayment of its existing corporate debts and other working capital needs. In addition, AMTD Digital is a company listed on the New York Stock Exchange which is principally engaged in, among others, digital solutions and media and entertainment. The ADS of AMTD Digital could be traded on open market where proceeds could be used for general working capital need and repayment of corporate debt.

Furthermore, the revised transaction remains consistent with the Board's stated strategy of divesting non-core assets to realize investment value, increase liquidity, and reduce the Group's net gearing. The new structure achieves these aims more effectively by providing greater upfront liquidity, enabling the Group to immediately utilize majority of the proceeds from the Transactions.

Completion

The transfer of the Town Hall PropCo Share and the Hotel PropCo Share were completed on the date of the Deed of Variation.

The completion of the Office PropCo Share is scheduled to take place on the 45th day from the date of the Deed of Variation.

Security arrangement

The Purchaser has agreed to procure the Hotel PropCo to charge the Hotel Property in favour of CEL, the Hotel Seller, the Town Hall Seller, the Head Lease Owner and the Office Seller to secure outstanding obligations including payments and issue of the AMTD Shares (where applicable) under the Hotel SPA, the Office SPA and Town Hall Asset SPA.

On the date of the Deed of Variation, the Purchaser, the Town Hall PropCo, Town Hall OpCo, Hotel PropCo, and Hotel OpCo have provided a guarantee in favour of CEL, Hotel Seller, the Head Lease Owner, the Town Hall Seller and the Office Seller in respect of the outstanding payment, intra-group loan and issue of AMTD Shares (where applicable) under the respective SPAs.

The Purchaser has agreed to procure the Office PropCo to charge the Office and enter into guarantee in respect of certain liabilities and obligations of the parties with details to be further agreed on or prior to the Office Completion.

Profit guarantee

CEL has agreed to provide a profit guarantee in respect of the Hotel Business to the Purchaser for a period of 2 years from the date of the Deed of Variation.

If the Hotel Business Profit for an Operating Year is less than the Agreed Profit Amount (i.e. for the period commencing from the date of Deed of Variation and ending on the date that the consent to assign in respect of the Town Hall Property to the Town Hall PropCo is completed, an amount equals to 6% of the Hotel Consideration per annum; and for the period commencing from the date of the completion of the aforementioned consent to assign, an amount equals to 5% of the Hotel Consideration per annum), CEL shall pay to the Purchaser an amount equal to the difference between the Hotel Business Profit and the Agreed Profit Amount, provided that if the Hotel Business is making a loss, the amount paid by CEL shall include the amount of such loss. Any payment by CEL will be made within 20 Business Days of agreement or determination of amounts payable by CEL.

If, on the date of any payment is due from CEL to the Purchaser, any amount is due under the SPAs and the Deed of Variation (if any) but has not been paid by the Purchaser, the Head Lease Owner, the Hotel PropCo Seller and/or the TownHall PropCo Seller, CEL shall be entitled to retain the amount payable by it to set off the amount payable by the Purchaser, the Head Lease Owner, the Hotel PropCo Seller and/or the TownHall PropCo Seller.

FINANCIAL INFORMATION OF THE OFFICE PROPCO, THE HOTEL TARGET GROUP AND THE TOWN HALL TARGET GROUP

The Office PropCo

The Office PropCo is a limited liability company incorporated in England and Wales, which is the sole legal and beneficial owner of the Office. Save for the Office, it has no other property assets. The following are extracted from the audited financial information of Office PropCo as at and for the financial year ended 31 March 2024 and the unaudited management accounts of Office PropCo as at and for the financial year ended 31 March 2025 and the six months ended 30 September 2025:

	For the year ended 31 March 2024	For the year ended 31 March 2025	For the six months ended 30 September 2025
	<i>£ (audited)</i>	<i>£ (unaudited)</i>	<i>£ (unaudited)</i>
Loss before tax	(320,405)	(1,123,124)	(733,592)
Loss after tax	(250,343)	(1,123,124)	(733,592)
	As at 31 March 2024	As at 31 March 2025	As at 30 September 2025
	<i>£ (audited)</i>	<i>£ (unaudited)</i>	<i>£ (unaudited)</i>
Net liabilities	(250,342)	(1,373,466)	(2,493,738)
Total assets	6,042,713	5,579,350	5,511,831

As at 30 September 2025, the carrying value of the Office was approximately £5.000 million (equivalent to approximately HK\$52.650 million). For the information of the Office, please refer to the March Announcement.

The Hotel Target Group

Prior to completion of the transfer of the Hotel PropCo Share, the Hotel PropCo is an indirect wholly-owned subsidiary of the Company and is a property holding company. It is the current title holder of the Hotel Property. Hotel OpCo is a wholly-owned subsidiary of the Hotel PropCo and carries on the business of hotel operations. Hotel OpCo operates the Hotel Property.

The following are the financial information of Hotel PropCo as at and for the two financial years ended 31 March 2024 and 2025 and the six months ended 30 September 2025, and are extracted from the unaudited management accounts of Hotel PropCo:

	For the year ended 31 March 2024 approximate £ (unaudited)	For the year ended 31 March 2025 approximate £ (unaudited)	For the six months ended 30 September 2025 approximate £ (unaudited)
Net loss before taxation	–	(34)	–
Net loss after taxation	–	(34)	–
	As at 31 March 2024 approximate £ (unaudited)	As at 31 March 2025 approximate £ (unaudited)	As at 30 September 2025 approximate £ (unaudited)
Net assets (liabilities)	1	(33)	(33)
Total assets	1	13,900,001	13,900,001

The following are the financial information of Hotel OpCo as at and for the two financial years ended 31 March 2024 and 31 March 2025 and the six months ended 30 September 2025, and are extracted from the unaudited management accounts of Hotel OpCo:

	For the year ended 31 March 2024 approximate £ (unaudited)	For the year ended 31 March 2025 approximate £ (unaudited)	For the six months ended 30 September 2025 approximate £ (unaudited)
Net loss before taxation	(330,090)	(385,471)	(109,192)
Net loss after taxation	(330,090)	(385,471)	(109,192)

	As at 31 March 2024 approximate £ (unaudited)	As at 31 March 2025 approximate £ (unaudited)	As at 30 September 2025 approximate £ (unaudited)
Net liabilities	(402,808)	(788,278)	(897,470)
Total assets	686,461	815,224	1,072,043

Based on the unaudited management accounts of the Group, the book value of the Hotel Property as at 30 September 2025 is £13,900,000.

The Town Hall Target Group

Prior to the completion of the transfer of the Town Hall PropCo Share, the Town Hall PropCo is an indirect wholly-owned subsidiary of the Company and is a property holding company. It will be the title holder of the Town Hall Property after completion of the Town Hall Asset SPA. Town Hall OpCo is a wholly-owned subsidiary of the Town Hall PropCo and carries on the business of townhall operations. Town Hall OpCo is expected to operate the Town Hall Property when the Town Hall Property is ready for business operation.

The following are the financial information of Town Hall PropCo as at and for the financial year ended 31 March 2025 and the six months ended 30 September 2025, and are extracted from the unaudited management accounts of Town Hall PropCo:

	For the year ended 31 March 2025 approximate £ (unaudited)	For the six months ended 30 September 2025 approximate £ (unaudited)
Net profit before taxation	–	–
Net profit after taxation	–	–

	As at 31 March 2025 approximate £ (unaudited)	As at 30 September 2025 approximate £ (unaudited)
Net assets	1	1
Total assets	1	1

The following are the financial information of Town Hall OpCo as at and for the financial year ended 31 March 2025 and the six months ended 30 September 2025, and are extracted from the unaudited management accounts of Town Hall OpCo:

	For the year ended 31 March 2025 approximate £ (unaudited)	For the six months ended 30 September 2025 approximate £ (unaudited)
Net profit before taxation	–	–
Net profit after taxation	–	–

	As at 31 March 2025 approximate £ (unaudited)	As at 30 September 2025 approximate £ (unaudited)
Net assets	1	1
Total assets	1	1

As the Town Hall Target Group were incorporated on 13 November 2024, the Town Hall Target Group do not have any financial information as of and for the financial year ended 31 March 2024.

Based on the unaudited management accounts of the Group, the book value of the Town Hall Property as at 30 September 2025 is £11,269,294.

FINANCIAL EFFECT OF THE TRANSACTIONS

It is envisaged that the Group will record a gain on the Transactions of approximately £25.721 million (equivalent to approximately HK\$270.842 million), being the aggregate sum of the consideration for the target shares and the amount of the Hotel Loan and the Office Loan being repaid less the aggregate of the estimated book carrying value of the Office PropCo, the Hotel Target Group and the Town Hall Target Group (including the Town Hall Property) and the estimated expenses in relation to the Transactions.

The actual gain or loss from the Transactions may be different from the estimated amount, subject to review and confirmation by the auditors.

Upon completion of the Transactions, the Office PropCo, the Hotel Target Group and the Town Hall Target Group will cease to be subsidiaries of the Company and their financial statements will no longer be consolidated into the Group's financial statements.

It is estimated that the net cash proceeds (after deduction of the estimated relevant expenses) from the Transactions would be approximately £51.390 million (equivalent to approximately HK\$541.137 million). Such cash proceeds and any proceeds from transfer of ADS of the AMTD Digital will be utilised as general working capital for the operation of the Group and repayment of corporate debt.

INFORMATION OF THE GROUP, THE OFFICE SELLER, THE HOTEL SELLER, THE TOWN HALL SELLER, THE HEAD LEASE OWNER AND CEL

The Company is an investment holding company and the principal activities of the Group are property development, property investment, hotel operations and management, car park operations and facilities management, gaming and related operations and securities and financial product investments.

The Office Seller is an indirect wholly-owned subsidiary of the Company and engaged in investment holding.

The Hotel Seller is an indirect wholly-owned subsidiary of the Company and engaged in investment holding. It is the owner of Hotel PropCo.

The Town Hall Seller is an indirect wholly-owned subsidiary of the Company and engaged in investment holding. It is the owner of Town Hall PropCo.

The Head Lease Owner is an indirect wholly-owned subsidiary of the Company and is the owner of the head lease of the Hotel Property and the Town Hall Property.

CEL is an indirect wholly-owned subsidiary of the Company and is the developer of other parts of the wider town hall estate.

INFORMATION OF THE PURCHASER

AMTD IDEA Group (NYSE: AMTD; SGX: HKB) is a dual-New York and Singapore listed company. AMTD IDEA Group is a conglomerate with core business portfolio spanning across global media and entertainment, digital investment and innovations, premium assets and hospitality areas.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner(s) of the Purchaser are independent third parties independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the Transactions will, amongst others, (i) realise the value of the Office, the Town Hall Property and the Hotel Property; (ii) allow the gain from the Transactions to be crystallised and the capital to be recycled; and (iii) increase liquidity and reduce net gearing of the Group.

The Transactions are consistent with the Group's strategy of divesting non-core assets (including the Hotel Property, the Town Hall Property and the Office).

The Directors are of the view that the terms of the SPAs and the Deed of Variation are fair and reasonable, and the Transactions are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Office Disposal is required to be aggregated with the Hornsey Transactions as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

Considering that all applicable Percentage Ratios other than the consideration ratio are well below 25%, the Company believes that the current market capitalization does not reflect the true value of the Company or the materiality of the Transactions to the Company, an application has been made to the Stock Exchange for the adoption of an alternative size test in respect of the Transactions based on the total equity of the Company as at 30 September 2025.

If the alternative size test is approved by the Stock Exchange, as one or more applicable Percentage Ratios in respect of the Transactions exceeds 5% but all of the applicable Percentage Ratios are less than 25%, the Transactions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to announcement requirement but is exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

If the alternative size test is not approved by the Stock Exchange, as the highest applicable Percentage Ratios of the Transactions exceeds 25% but all of the applicable Percentage Ratios are less than 75%, the Transactions constitutes a major transaction of the Company under Chapter 14 of Listing Rules, and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the Transactions. As such, no Shareholder is required to abstain from voting if a general meeting were to be convened for the approval of the Transactions. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders' approval may be accepted in lieu of a general meeting.

As at the date of this announcement, Tan Sri Dato' David CHIU, Sumptuous Assets Limited and Modest Secretarial Services Limited (both are companies controlled by Tan Sri Dato' David CHIU) held 31,860,055 Shares, 1,667,816,745 Shares and 18,724 Shares, respectively. Written shareholders' approval for the Transactions has been obtained from Tan Sri Dato' David CHIU, Sumptuous Assets Limited and Modest Secretarial Services Limited (being a closely allied group of Shareholders holding 1,699,695,524 Shares in aggregate representing approximately 55.56% of the issued share capital of the Company as at the date of this announcement). Accordingly, no general meeting of the Company will be convened for the purpose of approving the Transactions in the event that the Transactions constitute a major transaction to the Company.

In the event that the Transactions constitute a major transaction of the Company, pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Transactions; and (ii) other information as required under the Listing Rules, is required to be despatched to the Shareholders within 15 business days (as defined under the Listing Rules) after the publication of this announcement, which shall be on or before 24 June 2026. To allow for more time to prepare the information for inclusion in the circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, and will publish further announcement(s) in compliance with the requirement under the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“ADS”	American Depository Shares
“Agreed Profit Amount”	for the period commencing from the date of Deed of Variation and ending on the date that the consent to assign in respect of Town Hall Property is completed, an amount equals to 6% of the Hotel Consideration per annum; and for the period commencing from the date of the completion of the aforementioned consent to assign, an amount equals to 5% of the Hotel Consideration per annum, where the Agreed Profit Amount for the first Operating Year will be undertaken on a pro-rata basis
“AMTD Digital”	AMTD Digital Inc., a company incorporated in the Cayman Islands and the shares of which are listed on New York Stock Exchange (NYSE: HKD)
“AMTD Shares”	the ordinary A shares in AMTD Digital with its ADS listed on the New York Stock Exchange
“Announcements”	the announcements of the Company dated 25 February 2025, 9 May 2025 and 6 March 2026 in relation to the Transactions

“Board”	the board of Directors
“Business Day”	any day that is not a Saturday, Sunday or public or bank holiday in England and Wales, the British Virgin Islands, Cayman Islands and/or Hong Kong
“CEL”	Crouch End (FEC) Limited, a company incorporated in England and Wales with limited liability and is an indirect wholly-owned subsidiary of the Company
“Company”	Far East Consortium International Limited (遠東發展有限公司*), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 35)
“Deed of Variation”	the deed of variation to the SPAs dated 2 June 2026 entered into between CEL, the Town Hall Seller, the Hotel Seller, the Head Lease Owner, the Purchaser and the Office Seller to amend certain terms of the SPAs, details of which are set out in this announcement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Head Lease Owner”	Hornsey TH (FEC) Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hornsey Transactions”	the Hotel Transaction and the Town Hall Transaction
“Hotel Business”	the business of operating the hotel located on the Hotel Property and operated by Hotel OpCo
“Hotel Business Profit”	the actual profit of the Hotel Business for each Operating Year
“Hotel Consideration”	£22.656 million (equivalent to approximately HK\$238.568 million)
“Hotel Loan”	a loan granted by FEC Development Management Limited (a subsidiary of the Company) to the Hotel PropCo

“Hotel OpCo”	Green Boutique Hotel Limited, a company incorporated in England and Wales with limited liability and is a wholly-owned subsidiary of Hotel PropCo
“Hotel Payment Date”	45 days from the date of the Deed of Variation
“Hotel PropCo”	Quality Hornsey Propco Limited, a company incorporated in England and Wales with limited liability and is a wholly-owned subsidiary of Hotel Seller
“Hotel PropCo Share”	one ordinary share, representing the entire issued share capital of Hotel PropCo
“Hotel Property”	all those premises demised in the underlease of Part Lower Ground, Ground, First and Second Floor premises at Hornsey Town Hall, The Broadway, London N8 dated 15 November 2024 made between the Head Lease Owner, the Hotel PropCo and Crouch End Management Limited
“Hotel Seller”	Quality Drive Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Company
“Hotel SPA”	the sale and purchase agreement dated 25 February 2025 entered into between CEL, the Head Lease Owner, the Hotel Seller and the Purchaser in respect of the Hotel Transaction (as amended and supplemented by the Deed of Variation)
“Hotel Target Group”	Hotel PropCo and Hotel OpCo
“Hotel Transaction”	the sale of the Hotel PropCo Share by the Hotel Seller to the Purchaser pursuant to the Hotel SPA
“independent third party(ies)”	person(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“March Announcement”	the announcement of the Company dated 6 March 2026 in relation to the Term Sheet
“Office”	an office building located at 40, Furnival Street, London, EC4A 1JQ

“Office Completion”	the completion of the Office Disposal
“Office Completion Date”	45 days after the date of the Office SPA (or such other date as the parties may agree in writing)
“Office Disposal”	the sale of the entire issued share capital of Office PropCo by the Office Seller to the Purchaser pursuant to the Office SPA
“Office Loan”	a loan granted by FEC Development Management Limited (a subsidiary of the Company) to the Office PropCo
“Office PropCo”	FEC Property Holdings (UK) Limited, a company incorporated in England and Wales with limited liability and is a wholly-owned subsidiary of the Office Seller
“Office PropCo Share”	one ordinary share, representing the entire issued share capital of Office PropCo
“Office Seller”	Shevlock Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Company
“Office SPA”	the sale and purchase agreement dated 2 June 2026 entered into between the Purchaser and the Office Seller in respect of the Office Disposal (as amended and supplemented by the Deed of Variation)
“Operating Year”	each of (a) the date of the Deed of Variation to and including 31 March 2027; (b) 1 April 2027 to and including 31 March 2028; and 1 April 2028 and terminating on (but including) the day immediately prior to the second anniversary of the Deed of Variation
“Percentage Ratios”	have the meaning ascribed to such term in Rule 14.07 of the Listing Rules
“PropCo Sellers”	the Hotel Seller and the Office Seller
“Purchaser”	AMTD IDEA Group, a company incorporated in the Cayman Islands, the shares of which are dually listed on the New York Stock Exchange (NYSE: AMTD) and Singapore Exchange (SGX: HKB)
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“SPAs”	the Town Hall SPA, the Hotel SPA and the Office SPA
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term Sheet”	the term sheet dated 6 March 2026 entered into among the Purchaser, Office PropCo and FEC Finance Limited
“Town Hall Asset SPA”	the sale and purchase agreement dated 2 June 2026 entered into between the Head Lease Owner and the Town Hall PropCo in respect of the transfer of the Town Hall Property to the Town Hall PropCo
“Town Hall OpCo”	Hornsey TH Opco Limited, a company incorporated in England and Wales with limited liability and is a wholly-owned subsidiary of Town Hall PropCo
“Town Hall PropCo”	Hornsey TH Propco Limited, a company incorporated in England and Wales with limited liability and is a wholly-owned subsidiary of Town Hall Seller
“Town Hall PropCo Share”	one ordinary share, representing the entire issued share capital of Town Hall PropCo
“Town Hall Property”	each and every part of the premises demised by the head lease dated 2 May 2018 of the land and buildings known as Hornsey Town Hall Square and Annexe, The Broadway between the Head Lease Owner, the Company and the local authority, excluding the Hotel Property and the area covered by the food and beverage unit lease
“Town Hall Seller”	Hornsey TH Holdco Limited, a company incorporated in England and Wales with limited liability and is an indirect wholly-owned subsidiary of the Company
“Town Hall SPA”	the sale and purchase agreement dated 25 February 2025 entered into between CEL, the Head Lease Owner, the Town Hall Seller and the Purchaser in respect of the Town Hall Transaction (as amended and supplemented by the Deed of Variation)
“Town Hall Target Group”	Town Hall PropCo and Town Hall OpCo
“Town Hall Transaction”	the sale of the Town Hall PropCo Share by the Town Hall Seller to the Purchaser pursuant to the Town Hall SPA and the sale of the Town Hall Property by the Head Lease Owner to the Town Hall PropCo pursuant to the Town Hall Asset SPA
“Transactions”	the Hornsey Transactions and the Office Disposal

“US\$”	United States Dollars, the lawful currency of the United States
“%”	per cent.
“£”	Great British Pound, the lawful currency of the United Kingdom

For the purpose of this announcement and for illustration purpose only, conversion of £ to HK\$, US\$ to £ and US\$ to HK\$ is based on the exchange rate of £ to HK\$10.53, US\$ to £0.74 and US\$ to HK\$7.82. No representation is made that any amounts in £, US\$ and HK\$ have been or could be converted at the above rate or any other rates.

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

Hong Kong, 2 June 2026

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