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)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
INVOLVING THE RITZ CARLTON HOTEL IN PERTH, AUSTRALIA

References are made to the announcements of Far East Consortium International Limited dated 8 December 2025 and 29 May 2026 (the "**Announcements**") in relation to Transaction. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements. The Company would like to provide the following further information on the Transaction.

Basis of the Consideration

The Consideration was determined with reference to, among others, 50% of the agreed value of A$280 million of the Hotel (the "**Agreed Value of the Hotel**") and 50% of the related bank loan of A$80 million. The Consideration represents the aggregate sum payable by the Purchaser for both the Sale Shares and the Sale Loan. Due to the Internal Restructuring and the day-to-day operations of the Hotel, there were certain changes to the amount of the shareholder's loans and other assets and liabilities of the Target Group, respectively during the period from the date of the SPA up to the Completion Date. Hence, the amount of the Sale Loan and other assets and liabilities of the Target Group could not be determined as at the date of the SPA. Pursuant to the terms of the SPA, the Target Group shall prepare a completion account within 3 calendar months after the Completion Date for the determination of the NAV as at Completion. As the completion account of the Target Group is not yet available, the amount of the Consideration (after taking into account any adjustment based on the Target Group's NAV as at Completion) (the "**Adjusted Consideration**") has not been finalised and the amount of the Adjusted Consideration will be set out in the upcoming interim results announcement and interim report of the Company.

* *for identification purposes only*

The Transaction was completed on 29 May 2026. The amount of Sale Loan as at Completion was approximately A$17 million, which was taken into account in determining the shareholder loan adjustments in the NAV determination as at Completion for adjusting the Consideration.

The Consideration for the Transaction was determined after arm's length negotiation between the Purchaser and the Vendors taking into account the annualised yield of the Hotel of approximately 2.5% (the "**Hotel Yield**") for the six months period ended 30 September 2025 based on the Agreed Value of the Hotel as at 30 September 2025 of approximately A$280 million as compared with the cost of funding of the Group of approximately 5.03% per annum and other factors set out in the Announcements. The net proceeds from the Transaction enables the Group to reduce finance costs and the Company considered that the Transaction was beneficial to the Company and Shareholders as a whole.

The Company has considered all the relevant factors in determining the Consideration (for the Sale Share and the Sale Loan). The Agreed Value of the Hotel forms the most important factor in the determination of the Consideration for the Transaction. Furthermore, the amount of the Sale Loan will be taken into account in determining the shareholder loan adjustments in the NAV determination for adjusting the Consideration at Completion.

Taking into account, among others, that (i) the Hotel Yield was lower than the cost of funding of the Group; (ii) the location of the Hotel which is located at a prime location in Perth, Australia; (iii) 50% of the amount of the Existing Financing of A$40 million; (iv) the commercial and business condition in Australia; and (v) the opportunity for the Group to realise the value of its assets and generating a gain from the Transaction which is consistent with the Group's strategy of unlocking development profits from its hotel portfolio, as well as divesting non-core assets, the Board considered that the Agreed Value of the Hotel is fair and reasonable.

NAV adjustments

As disclosed in the Announcements, the Consideration is subject to adjustment based on the Target Group's NAV as at Completion. Such NAV represents the consolidated net asset value of the Target Group less the carrying value of the property, plant and equipment and adding the Agreed Value of the Hotel, the shareholder loan adjustments and deferred tax. The shareholder loan adjustment will be made to the NAV of the Target Group as at Completion to take into account the amount of the Sale Loan to be assumed by the Purchaser. Deferred tax is excluded as it is non-cash item and arises from timing differences between accounting and tax treatments. All assets and liabilities (which are taken into account in the NAV determination) were accounted for in the determination of the Consideration.

Financial information of the Residential Property

The financial information of the Property Co (including the Residential Property) for the two financial years ended 31 March 2024 and 31 March 2025 and the unaudited financial information of the Property Co for the six months ended 30 September 2025 was set out in the Announcements. Set out below is the unaudited financial information of the Residential Property for the two financial years ended 31 March 2024 and 31 March 2025 and for the six months ended 30 September 2025:

	For the year ended 31 March 2024 (unaudited) *A$('000)*	**For the year ended 31 March 2025 (unaudited)** *A$('000)*	**For the six months ended 30 September 2025 (unaudited)** *A$('000)*
Net loss before taxation	(10,105)	(5,905)	(1,026)
Net loss after taxation	(3,459)	(5,155)	(8)
	As at 31 March 2024 (unaudited) *A$('000)*	**As at 31 March 2025 (unaudited)** *A$('000)*	**As at 30 September 2025 (unaudited)** *A$('000)*
Net liabilities	(62,554)	(45,049)	(44,909)
Total assets	102,560	93,966	92,819

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

Hong Kong, 6 July 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.