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
CONNECTED TRANSACTION
INVOLVING THE RITZ CARLTON HOTEL IN MELBOURNE, AUSTRALIA

Reference is made to the announcement of Far East Consortium International Limited dated 1 April 2026 (the "**Announcement**") in relation to the Transaction. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement. 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, the agreed value of the Hotel of A$233,200,000 (the "**Agreed Value of Hotel**") net of the estimated amount of outstanding bank loan of the Target Group as at Completion i.e. A$116,600,000, and then multiply such figure by 49.9%. The Consideration represents the aggregate sum payable by the Purchaser for both the Sale Shares and the Sale Loan. As at the date of the SPA, the estimated amount of shareholder's loan was approximately A$106,375,000. Due to the Internal Restructuring and the day-to-day operations of the Hotel, there will be 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 Transaction has not been completed and 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 is expected to be set out in the upcoming interim results announcement and interim report of the Company.

* *for identification purposes only*

The estimated amount of Sale Loan as at Completion will be approximately A$53,081,000. The amount of the Sale Loan as at Completion will be taken into account in determining the shareholder loan adjustments in the NAV determination as at Completion for adjusting the Consideration.

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendors taking into account (i) the Agreed Value of Hotel of A$233,200,000, which is at a premium over the Market Value of Hotel of A$233,000,000; (ii) the amount of Sale Loan and all other assets and liabilities of the Target Group as at Completion in the NAV determination for adjusting the Consideration; (iii) the location of the Hotel which is located at a prime location in Melbourne, Australia; (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. In view of the above, the Board considers that the Consideration is fair and reasonable and on normal commercial terms or better, and the Transaction is in the interests of the Company and its Shareholders as a whole.

As set out in the Announcement, it was stated, among others, that the Consideration of A$58,183,400 was determined by the parties taking into account, the Agreed Value of Hotel of A$233,200,000 at a premium over the Market Value of Hotel of A$233,000,000 net of the estimated amount of outstanding bank loan of the Target Group as at Completion i.e. A$116,600,000, and then multiply such figure by 49.9%. As such, the premium represents the difference between the Agreed Value of Hotel of A$233,200,000 over the Market Value of Hotel of A$233,000,000.

NAV adjustments

As disclosed in the Announcement, 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 Hotel, the shareholder loan adjustments and deferred tax. The shareholder loan adjustment would need to 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 effect of the Transaction

Upon Completion, the Group is expected to record a gain from the Transaction of approximately A$18.3 million, being the Consideration plus estimated fair value of 50.1% interest retained in the Target Group less the book carrying value of the Target Group as at 30 September 2025 and the estimated expenses in relation to the Transaction.

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

Hong Kong, 20 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.