



*(Incorporated in the Cayman Islands with limited liability)*  
Website: <http://www.fecil.com.hk>  
(Stock code : 35.HK)

### **FEC to Sell Silka West Kowloon Hotel**

(3 March, 2017 - Hong Kong) Far East Consortium International Limited (“FEC” or the “Group”; SEHK: 35) is pleased to announce that on 3 March 2017 (after trading hours), Dorsett Hospitality International Limited (“Dorsett Hospitality”), a wholly owned subsidiary of the Group, entered into a Sale and Purchase Agreement with Golden Wheel Jasper Company Limited (“Golden Wheel Jasper”), a subsidiary of Golden Wheel Tiandi Holdings Company Limited (SEHK: 1232), whereby Dorsett Hospitality agreed to sell Silka West Kowloon (the “Hotel”), which is located at 48 Anchor Street, Kowloon, Hong Kong, to Golden Wheel Jasper at an aggregate consideration of HK\$450 million, through the disposal of its equity interest in and shareholder’s loan to its wholly owned subsidiary, Double Advance Group Limited (“DAGL”) (the “Sale”). Upon completion, the Group is expected to record a gain from the Sale of approximately HK\$316 million.

On completion, Dorsett Hospitality International Services Limited (the “Manager”), a wholly owned subsidiary of the Group, will enter into a hotel management agreement (the “Hotel Management Agreement”) with DAGL, pursuant to which the Manager shall provide services in relation to the management and operation of the Hotel.

The Sale and the Hotel Management Agreement provides a good opportunity for the Group to realise the value created in the development of the Hotel, whilst remaining as the Manager to manage the Hotel under the brand “Silka” and “絲麗” and to continue its expansion into the hotel management business. The net proceeds from the Sale will be retained as capital for the Group’s business development and general corporate purposes.

The Group is optimistic about the long term prospects of the hotel business and will continue to develop new hotels in different countries. As at 30 September 2016, the Group operated 20 owned hotels in Hong Kong, Mainland China, Singapore, Malaysia and the United Kingdom with more than 6,000 rooms and had 13 hotels in the development pipeline. When all the hotels in the pipeline become operational by the year ending 31 March 2022, the Group will have 33 owned hotels operating more than 9,300 rooms.

For further details regarding the Sale, please refer to FEC’s Hong Kong Stock Exchange announcement published on 3 March 2017.

**Mr. Chris Hoong, Managing Director of FEC,** said: “The Sale is yet another example of our proven track record in successful monetization of hotel assets, and is consistent with the Group’s strategy of disposing smaller and non-core hotel properties. It enables the Group to release hidden value in our hotel portfolio accumulated over the years. With an increasingly diversified development portfolio, the Group enjoys a high degree of flexibility in deploying capital across various business divisions, allowing us to generate higher return on capital employed in the long run.”

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### **About Far East Consortium International Limited**

Far East Consortium International Limited was listed on the Hong Kong Stock Exchange in 1972 (SEHK: 35). The Group is mainly engaged in property development and investment, hotel operation and management, as well as car park and facilities management. The Group adopts diversified regional strategy and the “Chinese Wallet” strategy with business covering Hong Kong, Mainland China, Australia, Malaysia, Singapore, the United Kingdom and New Zealand.

#### **FEC official website:**

[www.fecil.com.hk](http://www.fecil.com.hk)

#### **FEC WeChat and Weibo:**

<http://www.weibo.com/u/5703712831>



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