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**ASIA ORIENT HOLDINGS
LIMITED**

滙漢控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 214)



**ASIA STANDARD INTERNATIONAL
GROUP LIMITED**

泛海國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 129)

**DISCLOSEABLE TRANSACTIONS
IN RELATION TO
DISPOSALS OF THE LLOYDS SECURITIES AND THE RBS SECURITIES**

THE DISPOSALS

On 22, 23 and 24 January 2020, the Seller, an indirect wholly-owned subsidiary of ASI, on open market, disposed of (i) the Lloyds Securities at a total consideration of approximately HK\$123.37 million and (ii) the RBS Securities at a total consideration of approximately HK\$109.15 million.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of each of the Lloyds Disposal and RBS Disposal exceeds 5% but less than 25% for each of AO and ASI, each of the Lloyds Disposal and RBS Disposal constitutes a discloseable transaction for each of AO and ASI under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

THE DISPOSALS

On 22, 23 and 24 January 2020, the Seller, an indirect wholly-owned subsidiary of ASI, on open market, disposed of (i) the Lloyds Securities at a total consideration of approximately HK\$123.37 million and (ii) the RBS Securities at a total consideration of approximately HK\$109.15 million, details of which are set out below:

The Lloyds Disposal

Date	Number of Lloyds Securities disposed	Consideration
22 January 2020	15,000,000 shares	GBP8.68 million
23 January 2020	4,357,101 shares	GBP2.53 million
24 January 2020	1,642,899 shares	GBP0.95 million
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Total	21,000,000 shares	GBP12.16 million

The RBS Disposal

Date	Number of RBS Securities disposed	Consideration
22 January 2020	3,000,000 shares	GBP6.65 million
23 January 2020	1,152,676 shares	GBP2.55 million
24 January 2020	576,050 shares and 62,500 ADS	GBP1.28 million and US\$0.36 million (Note)
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Total	4,728,726 shares and 62,500 ADS	GBP10.48 million and US\$0.36 million

Note: It represents an estimated consideration based on the latest available quotation price on NYSE.

In view of the Disposals being conducted through open market, AO and ASI are not aware of the identities of the purchasers of the Lloyds Securities and the RBS Securities. To the best of the knowledge, information and belief of the AO Directors and the ASI Directors having made all reasonable enquiries, the purchasers of the Lloyds Securities and the RBS Securities and their respective ultimate beneficial owners are Independent Third Parties of AO and ASI.

INFORMATION OF THE LLOYDS SECURITIES

The Lloyds Securities consisted of 21 million shares in Lloyds. The issued shares of Lloyds are listed on LSE. As at the date hereof, Lloyds is principally engaged in financial services.

As at 30 September 2019, the carrying values of the Lloyds Securities, according to the unaudited management accounts of AO and ASI for the six months ended 30 September 2019, were HK\$109.62 million and HK\$109.62 million respectively.

The net profits/(loss) (both before and after taxation) attributable to the Lloyds Securities for the financial years ended 31 March 2018 and 2019 were HK\$20.83 million and HK\$(9.62) million respectively.

INFORMATION OF THE RBS SECURITIES

The RBS Securities consisted of 4.73 million shares in RBS listed on LSE and 62,500 ADS of RBS listed on NYSE. As at the date hereof, RBS is principally engaged in financial services.

As at 30 September 2019, the carrying values of the RBS Securities, according to the unaudited management accounts of AO and ASI for the six months ended 30 September 2019, were as follows:

	AO	ASI
4.73 million shares in RBS	HK\$94.68 million	HK\$94.68 million
62,500 ADS of RBS	<u>HK\$2.50 million</u>	<u>HK\$2.50 million</u>
Total	<u><u>HK\$97.18 million</u></u>	<u><u>HK\$97.18 million</u></u>

The net profits/(loss) (both before and after taxation) attributable to the RBS Securities for the financial years ended 31 March 2018 and 2019 are as follows:

	Financial year ended 31 March	
	2018	2019
4.73 million shares in RBS	HK\$23.38 million	HK\$(14.64) million
62,500 ADS of RBS	<u>HK\$0.68 million</u>	<u>HK\$(0.40) million</u>
Total	<u><u>HK\$24.06 million</u></u>	<u><u>HK\$(15.04) million</u></u>

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Disposals form part of the investing activities of AO Group and ASI Group, which are in their ordinary and usual course of business. As part of their principal business, AO Group and ASI Group monitor the performance of their respective securities portfolios and make adjustment to them (with regards to the types and/or amounts of the securities) from time to time.

The AO Directors and the ASI Directors consider that the Disposals provide ASI Group (and hence AO Group) with an opportunity to realise the investment in the Lloyds Securities and the RBS Securities at fair market value, and free up some cash so that ASI Group may re-allocate resources for other reinvestment opportunities when they arise.

In view of the Disposals being conducted through open market, the AO Directors and the ASI Directors respectively believe that the terms of the Disposals are fair and reasonable and the Disposals are in the interests of AO and ASI and their respective shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSALS AND USE OF PROCEEDS

The Lloyds Disposal

As a result of the Lloyds Disposal and subject to audit, it is expected that AO Group will record loss of HK\$5.14 million and ASI Group will record loss of HK\$9.93 million in the current financial year. The losses represent the difference between the selling price for and the carrying value of the Lloyds Securities as at 31 March 2019, exclusive of the transaction costs.

The RBS Disposal

As a result of the RBS Disposal and subject to audit, it is expected that AO Group will record loss of approximately HK\$6.92 million (of which approximately HK\$6.72 million from the disposal of the shares in RBS and approximately HK\$0.20 million from disposal of the ADS in RBS), and ASI Group will record loss of approximately HK\$13.35 million (of which approximately HK\$12.96 million from the disposal of the shares in RBS and approximately HK\$0.39 million from disposal of the ADS in RBS), in the current financial year. The losses represent the difference between the selling price for and the carrying value of the RBS Securities as at 31 March 2019, exclusive of the transaction costs.

Use of proceeds

It is expected that ASI Group (and hence AO Group) will receive a net proceeds of approximately HK\$123.37 million from the Lloyds Disposal, and to receive a net proceeds of approximately HK\$109.15 million from the RBS Disposal. The ASI Directors intend to use the proceeds from the Disposals for general working capital.

INFORMATION ON AO, ASI AND THE SELLER

AO is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. AO and its subsidiaries are principally engaged in property management, development and investment, hotel operations and securities investments.

ASI is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. ASI and its subsidiaries are principally engaged in investment and development of commercial, retail and residential properties in Hong Kong and the PRC and securities investments. Through ASH, ASI is also involved in hotel operations.

The Seller is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI. As at the date hereof, it is principally engaged in securities investment.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of each of the Lloyds Disposal and RBS Disposal exceeds 5% but less than 25% for each of AO and ASI, each of the Lloyds Disposal and RBS Disposal constitutes a discloseable transaction for each of AO and ASI under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms have the following meanings in this joint announcement:

“ADS”	American Depositary Shares
“AO”	Asia Orient Holdings Limited (stock code: 214), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“AO Director(s)”	the director(s) of AO, including the independent non-executive director(s)
“AO Group”	AO and its subsidiaries, including ASI Group
“ASH”	Asia Standard Hotel Group Limited (stock code: 292), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASI”	Asia Standard International Group Limited (stock code: 129), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASI Director(s)”	the director(s) of ASI, including the independent non-executive director(s)
“ASI Group”	ASI and its subsidiaries
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Disposals”	the Lloyds Disposal and the RBS Disposal
“GBP”	Great British Pound, the lawful currency of the United Kingdom
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of AO and/or ASI (as the case may be) and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lloyds”	Lloyds Banking Group plc (stock code: LLOY), incorporated as a public limited company and registered in Scotland, which shares are listed on LSE
“Lloyds Disposal”	the disposal of Lloyds Securities on 22, 23 and 24 January 2020 by the Seller through open market
“Lloyds Securities”	21 million shares in Lloyds

“LSE”	The London Stock Exchange
“Main Board”	the main board of Stock Exchange
“NYSE”	the New York Stock Exchange
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, and for the purpose of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RBS”	Royal Bank of Scotland Group plc (stock code: RBS), a company incorporated in the United Kingdom and registered in Scotland, which shares are listed on LSE and which ADS are listed on NYSE
“RBS Disposal”	the disposal of RBS Securities on 22, 23 and 24 January 2020 by the Seller through open market
“RBS Securities”	4.73 million shares in RBS listed on LSE and 62,500 ADS of RBS listed on NYSE
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Seller”	Techfull Properties Corp., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI
“US\$”	United States dollars, the lawful currency of United States of America
“%”	per cent

In this joint announcement, amounts denominated in GBP and US\$ are converted into HK\$ at the rates of GBP1.00 = HK\$10.15 and US\$1.00 = HK\$7.75 respectively. Such conversion rates are for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

By Order of the Board of
Asia Orient Holdings Limited
Fung Siu To, Clement
Chairman

By Order of the Board of
Asia Standard International Group Limited
Fung Siu To, Clement
Chairman

Hong Kong, 24 January 2020

As at the date of this joint announcement,

- (a) *the executive directors of AO are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas and the independent non-executive directors of AO are Mr. Cheung Kwok Wah, Mr. Hung Yat Ming and Mr. Wong Chi Keung; and*
- (b) *the executive directors of ASI are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas and the independent non-executive directors of ASI are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung and Mr. Wong Chi Keung.*

* *for identification purpose only*