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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)

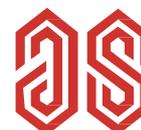
**MAJOR  
TRANSACTION**



**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  
TRANSACTION**



**ASIA STANDARD HOTEL  
GROUP LIMITED**

泛海酒店集團有限公司\*  
(Incorporated in Bermuda  
with limited liability)  
(Stock Code: 292)

**DISCLOSEABLE  
TRANSACTION**

**IN RELATION TO  
INVESTMENT IN THE GUANGZHOU R&F NOTES**

**THE INVESTMENT**

On 21 December 2020, AO Investor, ASI Investor and ASH Investor entered into the TRS Arrangements arranged by Morgan Stanley in relation to the investments in the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes at an aggregate consideration approximately RMB378.3 million (equivalent to approximately HK\$449.4 million), approximately RMB310.3 million (equivalent to approximately HK\$368.6 million) and approximately RMB280.6 million (equivalent to approximately HK\$333.4 million) respectively.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Investment, after aggregation with the Previous Investments, exceeds 25% but is or are less than 100% for AO, the Investment constitutes a major transaction for AO, and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Given that none of the AO Shareholders have a material interest in the Investment, none of them would be required to abstain from voting if a general meeting of AO were to be convened to approve the Investment. Pursuant to Rule 14.44 of the Listing Rules, AO had obtained a written approval from the AO Closely Allied Group (which together hold approximately 51.05% of the issued share capital of AO as at the date of this joint announcement) to approve the Investment. Therefore, no general meeting of AO will be convened to approve the Investment.

As one or more of the applicable percentage ratios in respect of the Investment, after aggregation with the Previous Investments, exceeds 5% but is or are less than 25% for each of ASI and ASH, the Investment constitutes a discloseable transaction for each of ASI and ASH, and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DESPATCH OF CIRCULAR

A circular containing further information on the Investment will be despatched to the AO Shareholders as soon as possible, which is expected to be on or before 15 January 2021.

## THE INVESTMENT

On 21 December 2020, AO Investor, ASI Investor and ASH Investor entered into the TRS Arrangements arranged by Morgan Stanley in relation to the investments in the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes by way of the total return swap arrangements, details of which are as follows:-

- In respect of the 6.8% Guangzhou R&F Notes*

	<u>AO Investor</u>	<u>ASI Investor</u>	<u>ASH Investor</u>
Notional amount	RMB266.0 million (equivalent to approximately HK\$316.0 million)	RMB218.0 million (equivalent to approximately HK\$259.0 million)	RMB197.0 million (equivalent to approximately HK\$234.0 million)
Consideration (includes unpaid interests accrued)	approximately RMB232.3 million (equivalent to approximately HK\$276.0 million)	approximately RMB190.4 million (equivalent to approximately HK\$226.2 million)	approximately RMB172.1 million (equivalent to approximately HK\$204.5 million)

- In respect of the 7.4% Guangzhou R&F Notes*

	<u>AO Investor</u>	<u>ASI Investor</u>	<u>ASH Investor</u>
Notional amount	RMB179.0 million (equivalent to approximately HK\$212.7 million)	RMB147.0 million (equivalent to approximately HK\$174.6 million)	RMB133.0 million (equivalent to approximately HK\$158.0 million)
Consideration (includes unpaid interests accrued)	approximately RMB146.0 million (equivalent to approximately HK\$173.4 million)	approximately RMB119.9 million (equivalent to approximately HK\$142.4 million)	approximately RMB108.5 million (equivalent to approximately HK\$128.9 million)

## **INFORMATION ON THE GUANGZHOU R&F NOTES UNDER THE TRS ARRANGEMENTS**

The 6.8% Guangzhou R&F Notes bear interest at a rate of 6.8% per annum, payable in arrears on each anniversary of the issue date until the maturity date of 16 May 2022, and are listed and quoted on the Shanghai Stock Exchange.

The 7.4% Guangzhou R&F Notes bear interest at a rate of 7.4% per annum, payable in arrears on each anniversary of the issue date until the maturity date of 19 October 2022, and are listed and quoted on the Shenzhen Stock Exchange.

Guangzhou R&F and its subsidiaries are principally engaged in the development and sale of properties, property investment, hotel operations and other property development related services in the PRC.

Given that the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes are the underlying reference notes of the TRS Arrangements, AO Group, ASI Group and ASH Group will not have actual ownership interest or any proprietary rights in such notes. Instead, AO Group, ASI Group and ASH Group will hold the notes issued by Emerald Bay under the TRS Arrangements which are linked to the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes and structured based on the total return swap arrangements between Emerald Bay and Morgan Stanley.

## **REASONS FOR AND BENEFITS OF THE INVESTMENT**

The Investment forms part of the investing activities of AO Group, ASI Group and ASH Group, which are conducted in their ordinary and usual course of business. As part of their principal business, AO Group, ASI Group and ASH Group monitor the performance of their respective securities portfolios and make adjustments to them (with regard to the types and/or amounts of the securities held) from time to time. AO Group, ASI Group and ASH Group intend to fund the Investment by their respective internal cash resources.

Having considered the terms of the Investment (including the consideration (which includes unpaid interests accrued on the relevant Guangzhou R&F Notes), interest rate and maturity date of the relevant Guangzhou R&F Notes, etc.), AO Directors, ASI Directors and ASH Directors respectively are of the view that such terms are fair and reasonable and the Investment is in the interests of AO, ASI, ASH and their respective shareholders as a whole.

## **INFORMATION ON AO, ASI, ASH, AO INVESTOR, ASI INVESTOR AND ASH INVESTOR**

AO is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. AO Group is 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 Group is 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.

ASH is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. The principal activity of ASH is investment holding. The principal activities of the subsidiaries of ASH consist of holding and operating hotels, property development and securities investments.

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

ASI Investor 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.

ASH Investor is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASH. 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 the Investment, after aggregation with the Previous Investments, exceeds 25% but is or are less than 100% for AO, the Investment constitutes a major transaction for AO, and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Given that none of the AO Shareholders have a material interest in the Investment, none of them would be required to abstain from voting if a general meeting of AO were to be convened to approve the Investment. Pursuant to Rule 14.44 of the Listing Rules, AO had obtained a written approval from the AO Closely Allied Group (which together hold approximately 51.05% of the issued share capital of AO as at the date of this joint announcement) to approve the Investment. Therefore, no general meeting of AO will be convened to approve the Investment. The AO Closely Allied Group comprises the following AO Shareholders:-

Name of AO Shareholders	Number of AO Shares held	Approximate shareholding percentage in AO <i>(Note 3)</i>
Heston Holdings Limited <i>(Note 1)</i>	50,429,573	5.99%
Teddington Holdings Limited <i>(Note 1)</i>	60,624,439	7.20%
Full Speed Investments Limited <i>(Note 1)</i>	34,159,888	4.06%
Mr. Poon Jing	273,607,688	32.53%
Mr. Poon Hai <i>(Note 2)</i>	10,444,319	1.24%
<b>Total</b>	<b>429,265,907</b>	<b>51.05%</b>

Notes:-

1. *Each of these companies is directly or indirectly wholly-owned by Mr. Poon Jing. He is an executive director of each of AO, ASI and ASH.*
2. *Mr. Poon Hai is the son of Mr. Poon Jing. He is an executive director of each of AO, ASI and ASH.*
3. *Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.*

As one or more of the applicable percentage ratios in respect of the Investment, after aggregation with the Previous Investments, exceeds 5% but is or are less than 25% for each of ASI and ASH, the Investment constitutes a discloseable transaction for each of ASI and ASH, and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DESPATCH OF CIRCULAR

A circular containing further information on the Investment will be despatched to the AO Shareholders as soon as possible, which is expected to be on or before 15 January 2021.

## DEFINITIONS

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

“6.8% Guangzhou R&F Notes” the 6.8% notes due 2022 in the aggregate notional amount of RMB4,600.0 million issued by Guangzhou R&F on 16 May 2016 with a maturity date of 16 May 2022

“7.4% Guangzhou R&F Notes” the 7.4% notes due 2022 in the aggregate notional amount of RMB5,700.0 million issued by Guangzhou R&F on 19 October 2016 with a maturity date of 19 October 2022

“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 Closely Allied Group”	a closely allied group of AO Shareholders, comprising Mr. Poon Jing and his associates who together hold 429,265,907 AO Shares (representing approximately 51.05% of the issued share capital of AO as at the date of this joint announcement)
“AO Director(s)”	the director(s) of AO, including the independent non-executive director(s)
“AO Group”	AO and its subsidiaries, including ASI Group and ASH Group
“AO Investor ”	Sunrich Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of AO
“AO Share(s)”	share(s) of HK\$0.10 each in the issued share capital of AO
“AO Shareholder(s)”	holder(s) of AO Share(s)
“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
“ASH Director(s)”	the director(s) of ASH, including the independent non-executive director(s)
“ASH Group”	ASH and its subsidiaries
“ASH Investor”	Greatime Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASH
“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, including ASH Group

“ASI Investor”	Techfull Properties Corp., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Emerald Bay”	Emerald Bay S.A., the issuer under the TRS Arrangements, which according to the base prospectus is a public limited liability company incorporated under the laws of the Grand Duchy of Luxembourg, a special purpose vehicle incorporated for the purpose of issuing asset backed securities and held by Stitching Emerald Bay, a foundation not owned or controlled by any person, and to the best of the knowledge, information and belief of AO Directors, ASI Directors and ASH Directors having made all reasonable enquiries, both of which are Independent Third Parties of AO, ASI and ASH
“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, ASI and/or ASH (as the case may be) and their respective connected persons
“Investment”	the investments in the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes by AO Investor, ASI Investor and ASH Investor under the respective TRS Arrangements, details of which please refer to the paragraph headed “THE INVESTMENT” of this joint announcement
“Guangzhou R&F”	Guangzhou R&F Properties Co., Ltd.* (廣州富力地產股份有限公司) (Stock Code: 2777), a joint stock limited company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board
“Guangzhou R&F Notes”	the notes issued by Guangzhou R&F and/or its subsidiaries, including but not limited to the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Main Board”	the main board of the Stock Exchange
“Morgan Stanley”	Morgan Stanley & Co. International plc, the arranger, dealer and swap counterparty under the TRS Arrangements, which according to the base prospectus is a public limited company incorporated in England and Wales, and together with its subsidiaries and associated undertakings are principally engaged in the provision of financial services, and to the best of the knowledge, information and belief of AO Directors, ASI Directors and ASH Directors having made all reasonable enquiries, which and the ultimate beneficial owners of which are Independent Third Parties of AO, ASI and ASH
“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
“Previous Investments”	on a non-consolidated and standalone basis, (i) the acquisition of the Guangzhou R&F Notes in the notional amount of US\$5.0 million (equivalent to HK\$39.0 million) by AO Group in September 2020 on open market, (ii) the investments in the Guangzhou R&F Notes in the aggregate notional amounts of RMB55.0 million (equivalent to approximately HK\$65.3 million) and RMB80.0 million (equivalent to approximately HK\$95.0 million) by AO Group and ASH Group respectively in November 2020 by way of another total return swap arrangements with Morgan Stanley, and (iii) the investment in the Guangzhou R&F Notes in the aggregate notional amount of RMB29.7 million (equivalent to approximately HK\$35.3 million) by ASI Group between 30 November and 21 December 2020 by way of total return swap arrangements with another dealer, all the applicable percentage ratios in respect of which are below 5% for each of AO, ASI and ASH
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“TRS Arrangements”	the total return swap arrangements arranged by Morgan Stanley for AO Investor, ASI Investor and ASH Investor respectively on 21 December 2020 in relation to the investments in the 6.8% Guangzhou R&F Notes and the 7.4% Guangzhou R&F Notes, details of which please refer to the paragraph headed “THE INVESTMENT” of this joint announcement
“US\$”	United States Dollars, the lawful currency of the United States of America
“%”	per cent

*In this joint announcement, amounts denominated in US\$ and RMB are converted into HK\$ at the rates of US\$1.00 = HK\$7.80 and RMB1.00 = HK\$1.188 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*

By Order of the Board of  
**Asia Standard Hotel  
Group Limited**  
**Lim Yin Cheng**  
*Deputy Chairman and  
Chief Executive*

Hong Kong, 23 December 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;*
- (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; and*
- (c) *the executive directors of ASH are Mr. Poon Jing, Dr. Lim Yin Cheng, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Fung Siu To, Clement and Mr. Woo Wei Chun, Joseph and the independent non-executive directors of ASH are Mr. Ip Chi Wai, Mr. Leung Wai Keung and Mr. Hung Yat Ming.*

\* *For identification purpose only*