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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 TRANSACTION
IN RELATION TO
INVESTMENT IN CHINA EVERGRANDE NOTES**

THE INVESTMENT

On 10 February 2021, the Investor, via the Hedge Transaction arranged by UBS, invested in the 6.8% China Evergrande Notes at an aggregate consideration (including unpaid interests accrued) of approximately RMB18.4 million (equivalent to approximately HK\$22.3 million).

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios in respect of the Investment, when aggregated with the Previous Acquisitions and any other previous subscriptions and/or acquisitions of the China Evergrande Notes over the past 12 months by AO Group and ASI Group (as the case may be and on a non-consolidated and standalone basis), would still be classified as a major transaction for each of AO and ASI under Chapter 14 of the Listing Rules, and since each of AO and ASI had already complied with the major transaction requirements in respect of the Major Acquisition, details of which are set out in the 26 March 2020 Announcement and the 22 May 2020 Circulars, each of AO and ASI is not required to reclassify the Investment and the Previous Acquisitions by aggregating them with any other previous subscriptions and/or acquisitions of the China Evergrande Notes over the past 12 months by AO Group and ASI Group (as the case may be and on a non-consolidated and standalone basis) and the implications of the applicable percentage ratios in respect of the Investment when aggregated with the Previous Acquisitions are determined on a standalone basis.

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

THE INVESTMENT

On 10 February 2021, the Investor, via the Hedge Transaction arranged by UBS, invested in the 6.8% China Evergrande Notes in an aggregate notional amount of RMB20.0 million (equivalent to HK\$24.2 million) at an aggregate consideration (including unpaid interests accrued) of approximately RMB18.4 million (equivalent to approximately HK\$22.3 million).

INFORMATION ON THE 6.8% CHINA EVERGRANDE NOTES AND DETAILS OF THE HEDGE TRANSACTION

The 6.8% China Evergrande Notes were issued by Evergrande Real Estate, a subsidiary of China Evergrande, 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 6 May 2024, and are listed and quoted on the Shanghai Stock Exchange.

China Evergrande was founded in 1996 in Guangzhou City, Guangdong Province, the PRC and together with its subsidiaries, has established an overall industry layout leveraging in real estate development as its foundation, developing cultural tourism and health and wellbeing management industries as complementary pillars, and focusing in new energy vehicles as a lead growth driver. It is ranked 138th in the Fortune Global 500 in 2019.

Given that the 6.8% China Evergrande Notes are the underlying reference notes of the Hedge Transaction, the Investor will not have actual ownership interest or any proprietary rights in such notes. Instead, the Investor will hold the notes issued by UBS settled in United States Dollars, the interest, interest payment date and maturity date of which are linked to that of the 6.8% China Evergrande Notes. UBS shall, on the second business day following the relevant date on which it actually receives the interest accrued on the 6.8% China Evergrande Notes under the Hedge Transaction, pay interest (after converting into United States Dollars and any withholdings or deductions for taxes, duties, assessments or other government charges and any associated costs) to the Investor.

Pursuant to the terms and conditions of the notes issued by UBS in respect of the Hedge Transaction, the Investor shall not offer the notes issued by UBS for resale in any jurisdiction in circumstances which would result in UBS being obliged to register any further documentation relating to such notes issued by it in such jurisdiction.

Beside, given that the Investor will not have actual ownership interest or any proprietary rights in the 6.8% China Evergrande Notes, the Investor has no direct claim to those notes or Evergrande Real Estate but may only claim against UBS. Nevertheless, taking into account that UBS is a wholly-owned subsidiary of UBS Group AG which is a public company whose shares are listed on the SIX Swiss Exchange and the New York Stock Exchange, and a multinational and universal bank, listed in the 2020 Global 500, AO Directors and ASI Directors are of the view that the credit risk with UBS arising from the Investment via the Hedge Transaction is not high.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The Investment forms part of the investing activities of AO Group and ASI Group, which was conducted 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 adjustments to them (with regard to the types and/or amounts of the securities held) from time to time. ASI Group intends to fund the Investment by its internal cash resources.

Given that the 6.8% China Evergrande Notes were issued and are listed in the PRC, they are only available for purchase by qualified foreign institutional investors approved by the China Securities Regulatory Commission. Therefore, the Investor acquired interest in such notes through the institutions which have the quotas.

Having considered the terms of the Investment (including the consideration (which includes unpaid interests accrued on the 6.8% China Evergrande Notes), interest rate and maturity date, etc.), AO Directors and ASI Directors are of the view that such terms are fair and reasonable and the Investment is in the interests of AO, ASI and their respective shareholders as a whole.

INFORMATION ON AO, ASI AND THE 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 and securities investments. Through ASH, ASI Group is also involved in hotel operations.

The 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 investments.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios in respect of the Investment, when aggregated with the Previous Acquisitions and any other previous subscriptions and/or acquisitions of the China Evergrande Notes over the past 12 months by AO Group and ASI Group (as the case may be and on a non-consolidated and standalone basis), would still be classified as a major transaction for each of AO and ASI under Chapter 14 of the Listing Rules, and since each of AO and ASI had already complied with the major transaction requirements in respect of the Major Acquisition, details of which are set out in the 26 March 2020 Announcement and the 22 May 2020 Circulars, each of AO and ASI is not required to reclassify the Investment and the Previous Acquisitions by aggregating them with any other previous subscriptions and/or acquisitions of the China Evergrande Notes over the past 12 months by AO Group and ASI Group (as the case may be and on a non-consolidated and standalone basis) and the implications of the applicable percentage ratios in respect of the Investment when aggregated with the Previous Acquisitions are determined on a standalone basis.

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

DEFINITIONS

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

“6.8% China Evergrande Notes Due 2024”	the 6.8% notes due 2024 in the aggregate notional amount of RMB5,000.0 million issued by Evergrande Real Estate on 30 April 2019 with a maturity date of 6 May 2024
“26 March 2020 Announcement”	the joint announcement of AO, ASI and ASH dated 26 March 2020 in relation to the Major Acquisition
“22 May 2020 Circulars”	the circulars dated 22 May 2020 issued by each of AO, ASI and ASH in relation to the Major Acquisition
“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 Directors”	the directors of AO, including independent non-executive directors
“AO Group”	AO and its subsidiaries, including ASI Group and ASH 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
“ASH Group”	ASH and its subsidiaries
“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 Directors”	the directors of ASI, including independent non-executive directors
“ASI Group”	ASI and its subsidiaries, including ASH Group
“China Evergrande”	China Evergrande Group (Stock Code: 3333), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board
“China Evergrande Notes”	the notes issued by China Evergrande and/or its subsidiaries, including but not limited to the 6.8% China Evergrande Notes

“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Evergrande Real Estate”	Evergrande Real Estate Group Limited* (恒大地產集團有限公司), a company incorporated in the PRC with limited liability and a subsidiary of China Evergrande principally engaged in property development, and to the best of the knowledge, information and belief of AO Directors and ASI Directors having made all reasonable enquiries (based on the information available to AO and ASI), which and the ultimate beneficial owners of which are Independent Third Parties
“Hedge Transaction”	the hedging transactions entered into by UBS arranged for the Investor in relation to the 6.8% China Evergrande Notes, including holding a notional amount of RMB20.0 million of the 6.8% China Evergrande Notes
“HK\$”	Hong Kong Dollars
“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 their respective connected person(s)
“Investment”	the investment in the 6.8% China Evergrande Notes by the Investor via the Hedge Transaction arranged by UBS, details of which please refer to the paragraph headed “THE INVESTMENT” of this joint announcement
“Investor”	Techfull Properties Corp., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Major Acquisition”	the previous acquisitions between 24 and 25 March 2020 of the China Evergrande Notes by ASI Group and ASH Group (as the case may be and on a non-consolidated and standalone basis), details of which are disclosed in the 26 March 2020 Announcement and the 22 May 2020 Circulars
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China

“Previous Acquisitions”	the previous acquisitions of the China Evergrande Notes by AO Group and/or ASI Group between 25 September and 14 October 2020 (referred as “Acquisitions” and “Previous Acquisitions” as defined in the joint announcement of AO, ASI and ASH dated 6 October 2020 and the announcement of AO dated 16 October 2020)
“RMB”	Renminbi
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UBS”	UBS AG, acting through its London Branch, the issuer of the notes linked to the 6.8% China Evergrande Notes and the counterparty to the Hedge Transaction, principally engaged in universal banking as well as provision of financial products and services, and to the best of the knowledge, information and belief of AO Directors and ASI Directors having made all reasonable enquiries (based on the information available to AO and ASI), which and the ultimate beneficial owners of which are Independent Third Parties
“%”	per cent

In this joint announcement, amounts denominated in RMB are converted into HK\$ at the rate of RMB1.00 = HK\$1.21. Such conversion rate is 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, 18 February 2021

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. Leung Wai Keung 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*