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## **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)**

### **PROPOSED ISSUE OF U.S.\$150,000,000 4.5 PER CENT. NOTES DUE 2023**

**BY FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

**UNDER THE**

**U.S.\$1,000,000,000 MEDIUM TERM NOTE PROGRAMME**

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and the provisions under Part XIVA of the SFO.

The Board announces that on 6 November 2017, the Issuer entered into the Subscription Agreement with the Joint Lead Managers, whereby the Issuer agreed to issue, and each of the Joint Lead Managers severally agreed to subscribe or procure subscribers to subscribe and pay for, the Notes in an aggregate nominal amount of U.S.\$150,000,000. The Notes will be offered and issued pursuant to a drawdown under the Medium Term Note Programme and are expected to be issued on or about 13 November 2017.

\* For identification purposes only

The estimated net proceeds from the issue of the Notes, after deduction of commission and administrative expenses, will approximately be U.S.\$148,500,000 (approximately HK\$1,158,300,000). The Issuer intends to apply the net proceeds from the issue of the Notes for the Group's general corporate purposes.

Application will be made to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issues to Professional Investors only.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein.**

**As the Subscription Agreement may or may not complete and the issuance of the Notes may or may not proceed, potential investors and shareholders of the Issuer are urged to exercise caution when dealing in the securities of the Issuer.**

The Board announces that on 6 November 2017, the Issuer entered into the Subscription Agreement with the Joint Lead Managers in relation to the issue of the Notes, the principal terms of which are as follows:

## **SUBSCRIPTION AGREEMENT**

**Date:** 6 November 2017

**Parties:** The Issuer (as issuer of the Notes)  
Credit Suisse  
DBS Bank Ltd.  
Deutsche Bank  
HSBC  
OCBC Bank  
UBS (collectively, as joint lead managers in relation to the issue of the Notes)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Credit Suisse, DBS Bank Ltd., Deutsche Bank, HSBC, OCBC Bank and UBS are independent third parties not connected with (i) the Issuer and (ii) connected persons of the Issuer.

Subject to the fulfilment of certain conditions precedent under the Subscription Agreement, the Issuer has agreed to issue, and each of the Joint Lead Managers has severally agreed to subscribe or procure subscribers to subscribe for, the Notes in an aggregate nominal amount of U.S.\$150,000,000.

The Notes will be offered and sold pursuant to a drawdown under the Medium Term Note Programme outside the United States in reliance upon Regulation S of the US Securities Act. None of the Notes will be offered to the public in Hong Kong or elsewhere, and none of the Notes will be placed with any connected persons of the Issuer.

## **Undertaking**

The Issuer has, among other things, undertaken with the Joint Lead Managers that neither it nor any member of the Group nor any person acting on its behalf will issue, sell, offer or agree to sell, grant any option for the sale of, or otherwise dispose of, (i) any other debt securities of the Issuer or (ii) securities of the Issuer that are convertible into, or exchangeable for, the Notes or such other debt securities, in any such case without the prior consent of the Joint Lead Managers during the period commencing on the date of the Subscription Agreement and ending on the date falling 30 days after the Closing Date.

## **Closing**

Subject to the fulfilment of certain conditions precedent under the Subscription Agreement, the Subscription Agreement is expected to be completed and the Notes to be issued on or about 13 November 2017.

## **PRINCIPAL TERMS OF THE NOTES**

### **Notes offered**

U.S.\$150,000,000 aggregate nominal amount of the Notes to be issued under the Medium Term Note Programme.

### **Issue Price**

100 per cent. of the aggregate nominal amount of the Notes.

### **Interest**

The Notes will bear interest from and including the date of issue at the rate of 4.5 per cent. per annum payable semi-annually in arrear on 13 May and 13 November in each year.

### **Maturity Date**

13 May 2023

### **Redemption for Taxation Reasons**

At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with the terms and conditions of the Notes (which notice shall be irrevocable) redeem all, and not some only, of the Notes at 100 per cent. of their nominal amount together with interest accrued to the date fixed for redemption on the redemption date as a result of any change in, or amendment to, the applicable tax laws or regulations of the Cayman Islands or Hong Kong.

## **Redemption for Change of Control**

When a Change of Control occurs with respect to the Issuer, the Noteholder will have the right at such Noteholder's option, to require the Issuer to redeem all or some only of that Noteholder's Notes at 100 per cent. of their nominal amount together with interest accrued to the date fixed for redemption.

## **Form of the Notes and Denomination**

The Notes will be in registered form and in denominations of U.S.\$200,000 each and higher integral multiples of U.S.\$1,000 in excess thereof.

## **Ranking of the Notes**

The Notes (when issued) will constitute direct, unconditional, unsubordinated and (subject to the terms and conditions of the Notes) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Notes will, save for certain exceptions, at all time rank at least equally with all other present and future unsecured and unsubordinated indebtedness of the Issuer.

## **LISTING**

The Issuer intends to seek a listing of the Notes on the Stock Exchange. Application will be made to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issues to Professional Investors only.

The Notes are expected to be listed on the Stock Exchange on or about 14 November 2017.

## **PROPOSED USE OF PROCEEDS**

The estimated net proceeds from the issue of the Notes, after deduction of commission and administrative expenses, will be approximately U.S.\$148,500,000 (approximately HK\$1,158,300,000). The Issuer intends to apply the net proceeds from the issue of the Notes for the Group's general corporate purposes.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein.**

**As the Subscription Agreement may or may not complete and the issuance of the Notes may or may not proceed, potential investors and shareholders of the Issuer are advised to exercise caution when dealing in the securities of the Issuer.**

## TERMS USED IN THIS ANNOUNCEMENT

“Board”	the board of Directors
“Change of Control”	occurs when, <ul style="list-style-type: none"><li>(i) any Person or Persons (as defined in the terms and conditions of the Notes) acting together acquires Control of the Issuer if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Issuer on the Closing Date other than, David Chiu and/or the estate of Deacon Te Ken Chiu, companies directly or indirectly controlled by either or both of them, or trusts of which either or both of them or their family members or relatives are beneficiaries, acting individually or together;</li><li>(ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or the successor entity; or</li><li>(iii) one or more Persons (other than any Person referred to in the proviso to sub-paragraph (i) above) acquires the legal or beneficial ownership of all or substantially all of the Issuer’s issued share capital</li></ul>
“Closing Date”	the date (expected to be on or about 13 November 2017 or such other date as the Issuer and the Joint Lead Managers may agree) on which the Notes are issued
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Control”	the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Issuer or the right to appoint and/or remove all or the majority of the members of the Board or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch
“Director(s)”	director(s) of the Issuer

“Group”	the Issuer and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China (excluding Hong Kong, Macau and Taiwan)
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Issuer”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Joint Bookrunners and Joint Lead Managers”	Deutsche Bank, HSBC and OCBC Bank
“Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers”	Credit Suisse, DBS Bank Ltd. and UBS
“Joint Lead Managers”	(1) the Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers and (2) the Joint Bookrunners and Joint Lead Managers
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Medium Term Note Programme”	the U.S.\$1,000,000,000 medium term note programme of the Issuer
“Noteholder(s)”	holder(s) of the Notes from time to time
“Notes”	the 4.5 per cent. Notes due 2023 in an aggregate nominal amount of U.S.\$150,000,000 proposed to be issued by the Issuer pursuant to a drawdown under the Medium Term Note Programme
“OCBC Bank”	Oversea-Chinese Banking Corporation Limited
“Professional Investors”	has the meaning ascribed to it in Chapter 37 of the Listing Rules and in the SFO
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	a conditional subscription agreement entered into between, the Issuer and the Joint Lead Managers on 6 November 2017 in connection with the issue by the Issuer of the Notes
“UBS”	UBS AG Hong Kong Branch
“United States” or “US”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“U.S. Securities Act”	United States Securities Act of 1933, as amended from time to time

*Note:* Unless otherwise specified and for illustration purpose only, the conversion of U.S.\$ into HK\$ adopted in this announcement is based on the exchange rate U.S.\$1.00 = HK\$7.80. Such conversion should not be construed as a representation that the U.S.\$ amounts could actually be converted to HK\$ at that rate or at all.

By order of the Board of  
**Far East Consortium International Limited**  
**Ka Pong CHAN**  
*Company Secretary*

Hong Kong  
7 November 2017

*As at the date of this announcement, the Board comprises four executive directors, namely Tan Sri Dato’ David CHIU, Mr. Cheong Thard HOONG, Mr. Dennis CHIU and Mr. Craig Grenfell WILLIAMS; one non-executive director, namely Mr. Chi Hing CHAN; and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM.*