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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)

ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made by Far East Consortium International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

THE FACILITY AGREEMENT

The board of directors (the “**Board**”) of the Company announces that on 25 March 2021, the Company and Dorsett Hospitality International Limited, a wholly-owned subsidiary of the Company, both as guarantors, and City Sight Limited (“**City Sight**”), a wholly-owned subsidiary of the Company, as borrower, entered into a facility agreement (the “**Facility Agreement**”) with a group of banks (the “**Lenders**”) which are all third parties independent of the Company and its connected persons. Pursuant to the Facility Agreement, an unsecured term loan facility of HK\$1,500 million (the “**Loan Facility**”) was granted to City Sight. The final maturity date is 36 months after the date of the Facility Agreement.

All amounts borrowed by City Sight will be used for refinancing the outstanding principal amount of a HK\$1,500 million unsecured term loan facility under the facility agreement dated 19 September 2018 as described in the announcement of the Company dated 19 September 2018 and financing for the general corporate purposes of the Group, except for directly or indirectly financing any gaming related business.

** For identification purposes only*

SPECIFIC PERFORMANCE COVENANTS

Pursuant to the Facility Agreement, the following specific performance covenants (the “**Covenants**”) were imposed on the controlling shareholder of the Company:

- (a) Sumptuous Assets Limited shall own, directly or indirectly, at least 40% of the beneficial interest in each of the Company and City Sight, carrying at least 40% of the voting right in each of them.
- (b) Chiu Family (as defined in the Facility Agreement) shall own and control, directly or indirectly, more than 51% of the beneficial interest in Sumptuous Assets Limited, carrying more than 51% of the voting right, free from any security.

A breach of the Covenants will constitute an event of default under the Facility Agreement, pursuant to which the Lenders may, inter alia, cancel the Loan Facility and declare that all sums accrued or outstanding (including accrued interest) under the Facility Agreement shall become immediately due and payable.

As at the date of this announcement, Sumptuous Assets Limited directly owns approximately 49.53% of the total issued share capital of the Company, and Sumptuous Assets Limited is wholly-owned by Tan Sri Dato’ David CHIU.

The Company will make continuing disclosure in its subsequent interim and annual reports pursuant to the requirements of Rule 13.21 of the Listing Rules so long as the abovementioned obligations continue to exist.

By Order of the Board
Far East Consortium International Limited
Wai Hung Boswell CHEUNG
Company Secretary

Hong Kong, 25 March 2021

As at the date of this announcement, the Board comprises five executive directors, namely Tan Sri Dato’ David CHIU, Cheong Thard HOONG, Dennis CHIU, Craig Grenfell WILLIAMS and Wing Kwan Winnie CHIU; and three independent non-executive directors, namely Kwok Wai CHAN, Kwong Siu LAM and Lai Him Abraham SHEK.