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**ANNOUNCEMENT OF THE INVITATION BY
FEC FINANCE LIMITED**

*(Incorporated with limited liability in Hong Kong)
(the “Issuer”)*

**to eligible holders of its outstanding
U.S.\$360,000,000¹ Senior Guaranteed Perpetual Capital Notes²
(the “Notes”)**

(Stock Code: 5781)

unconditionally and irrevocably guaranteed by



FAR EAST CONSORTIUM INTERNATIONAL LIMITED

遠東發展有限公司*

*(Incorporated with limited liability in the Cayman Islands)
(the “Company”)*

Website: <http://www.fecil.com.hk>

(Stock Code: 35)

to consent to certain amendments relating to the Notes

Solicitation Agents

HSBC

UBS

* *For identification purposes only*

¹ Outstanding principal amount of the Notes as at the date of this announcement. Notes that are beneficially held by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding for the purpose of calculating the quorum required for, and the requisite majority of votes cast at, the Meeting to approve the Extraordinary Resolution. As at the date of this announcement, a subsidiary of the Guarantor held an aggregate principal amount of U.S.\$4,000,000 in Notes which have not been cancelled.

² Consisting of U.S.\$250,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 12 September 2019, U.S.\$50,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 16 September 2019 and U.S.\$60,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 24 February 2020 and forming a single series.

Reference is made to the announcements of the Company dated 12 September 2019, 16 September 2019 and 24 February 2020, respectively, in relation to the listing of the Notes issued by the Issuer and guaranteed by the Company under the Issuer's guaranteed medium term note programme unconditionally and irrevocably guaranteed by the Company.

Capitalised terms used in this announcement but not defined have the meanings given to them in the Consent Solicitation Memorandum or the Notice.

The Consent Solicitation

It is hereby announced that the Issuer is conducting a Consent Solicitation to invite the Eligible Noteholders of the Notes to consent to the Proposed Amendments relating to the Notes as set out in the Consent Solicitation Memorandum.

Subject to the restrictions described in the Notice and the Consent Solicitation Memorandum, an Eligible Noteholder may obtain, from the date of the Notice, a copy of the Consent Solicitation Memorandum from the Consent Website and the Information and Tabulation Agent, the contact details for which are set out below. In order to access a copy of the Consent Solicitation Memorandum, a Noteholder will be required to provide confirmation as to its status as an Eligible Noteholder.

The Consent Solicitation is made on the terms and subject to the conditions set out in the Consent Solicitation Memorandum. Eligible Noteholders are encouraged to read the Notice carefully in conjunction with the Consent Solicitation Memorandum.

An Eligible Noteholder may elect to vote in favour of or against the Extraordinary Resolution by submitting a Consent Instruction. No option to abstain in respect of the Extraordinary Resolution is available.

Each Consent Instruction must be submitted in respect of a principal amount of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. For the avoidance of doubt, an Eligible Noteholder may choose to submit a Consent Instruction in respect of all or some of the Notes held by it, provided that (a) each such Instruction must be submitted in respect of a principal amount of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof and (b) the aggregate principal amount of Notes that are the subject of such Instructions does not exceed the aggregate principal amount of Notes held by such Noteholder.

Background and Purpose of the Consent Solicitation

During FY2024, consolidated revenue of the Group reached approximately HK\$10.2 billion. Revenue from sales of property was the major contributor and amounted to approximately HK\$6.8 billion, representing a significant increase of 91.6 per cent. compared to FY2023. As at 31 March 2024, the Group achieved cumulative pre-sales of properties amounting to approximately HK\$11.5 billion, providing a solid foundation for sustainable growth and cash flow for the Group. In addition, several ongoing projects are reaching completion stage, including (i) Hyll on Holland in Singapore, (ii) Aspen at Consort Place in London, (iii) Victoria Riverside in the Manchester, (iv) Perth Hub in Perth and (v) Queen's Wharf Residences (Tower 4) in Brisbane. The Company believes that a visible cash flow related to these projects is set to contribute to debt reduction.

The Group's bank and cash balances were approximately HK\$3.2 billion and total investment securities were approximately HK\$1.7 billion, and total assets (including revaluation surplus on hotel assets) were approximately HK\$65.9 billion as at 31 March 2024. The net gearing ratio of the Group (representing net debts of HK\$22.8 billion as a percentage of total equity (adjusted for hotel revaluation surplus of HK\$18,682 million, which was not recognised on the balance sheet)) was 68.1 per cent. as at 31 March 2024, compared to 73.8 per cent. as at 31 March 2023. The ratio of net debts to total assets of the Group remained at a healthy level of 34.6 per cent. as at 31 March 2024, compared to 35.4 per cent. as at 31 March 2023. Such decreases in net gearing ratio and ratio of net debts to total assets were primarily due to a reduction in debt levels driven by various initiatives, including (i) repayment of approximately HK\$1,019 million of the Group's 4.5 per cent. USD Medium Term Notes 2023 in May 2023; (ii) repayment of approximately HK\$2,821 million of 5.1 per cent. USD Medium Term Notes 2024 in January 2024; (iii) the completion of the disposal for the equity interests in Sanon Limited and the assignment and transfer of the shareholder's loan for a consideration of HK\$3.38 billion, resulting in the reduction of debt level following receipt of the sale proceeds at completion along with the add-on costs; (iv) the completion of West Side Place (Towers 3 and 4) in Melbourne, with revenue of approximately HK\$3.5 billion being utilised to repay the construction loan; (v) completion on several projects in Hong Kong and the UK further contributed to debt reduction; and (vi) the divestment of the non-core assets such as Sheraton Grand Mirage Resort on the Gold Coast, Australia, in which the Group owns a 25 per cent stake, the remaining units of Dorsett Bukit Bintang in Malaysia and a car park in New Zealand, with proceeds in aggregate of approximately HK\$1.2 billion.

The Group will continue to adopt a prudent approach to capital management by maintaining its net gearing ratio at a healthy level. Accordingly, the Issuer and the Company are soliciting consent from the Noteholders to approve the Proposed Amendments relating to the Notes by way of an Extraordinary Resolution. The Notes, being perpetual capital instruments, continue to be classified as equity instruments in the consolidated financial statements of the Group and continue to provide a positive impact to the Group's net gearing ratio. Although the Terms and Conditions allow the Issuer to defer payments of principal and distributions indefinitely at the Issuer's sole discretion, the Issuer has continued to make scheduled distribution payments on the Notes since the initial issuance in September 2019, without deferral or delay. Although the Group continues to maintain a solid financial position and remains able to access different financing channels, including substantial undrawn banking facilities, the Group believes that it is in its best interests, and corporate benefit, that the Issuer allows the Notes to continue to remain outstanding and not optionally redeem the Notes on the First Call Date (i.e. 18 October 2024). The Group acknowledges that although, following the First Call Date, the Notes will accrue at a higher applicable Reset Distribution Rate for future subsequent Distribution Periods, the Proposed Amendments, if approved, will give the Issuer more flexibility in relation to the Notes by modifying the Terms and Conditions to allow the Issuer to have the option to partially redeem the Notes over multiple optional redemption dates and increase the frequency of the optional redemption dates to monthly intervals after the First Call Date, subject to certain minimum optional redemption conditions.

The Group will continue to selectively and prudently manage its capital structure to support its ongoing business and funding needs as well as remain focused on monetising non-core assets to provide the Group with additional capital to re-invest in attractive investment opportunities as well as refinance and/or repay existing financial obligations.

The Proposed Amendments

The Proposed Amendments are directed at, but not limited to, modifications to the Issuer optional redemption provisions in condition 6.2 (*Redemption, Purchase and Options*) of the Terms and Conditions to give the Issuer more flexibility in relation to the Notes. The modifications to condition 6.2 (*Redemption, Purchase and Options*) of the Terms and Conditions allow the Issuer to have the option to partially redeem the Notes over multiple optional redemption dates and increase the frequency of the optional redemption dates to monthly intervals after the First Call Date, subject to certain minimum optional redemption conditions.

Noteholders should refer to the Notice (including the Extraordinary Resolution and the form of the Amendment Documentation) for full details of the Proposed Amendments.

Meeting

The Meeting in respect of the Notes will be held at 3:00 p.m. (Hong Kong time) on 17 September 2024 at the offices of Linklaters, 11th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong in accordance with the Meeting Provisions.

Implementation of the Extraordinary Resolution

The implementation of the Extraordinary Resolution will be conditional on the approval of the Extraordinary Resolution and the satisfaction of the Eligibility Condition.

Notwithstanding any other provision of the Consent Solicitation Memorandum, no Consent Fee or Ineligible Noteholder Payment will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.

The Proposed Amendments will become effective upon the execution of the Amendment Documentation and the payment of the Consent Fee and any Ineligible Noteholder Payments on the Settlement Date.

The Issuer will announce as soon as reasonably practicable after the Meeting (i) the results of the Meeting, (ii) if the Extraordinary Resolution has been approved, the satisfaction of the Eligibility Condition, and (iii) if the Issuer decides to implement the Extraordinary Resolution, the date of the execution of the Amendment Documentation and the Settlement Date.

Consent Fee and Ineligible Noteholder Payment

Notwithstanding any other provision of the Consent Solicitation Memorandum, no Consent Fee or Ineligible Noteholder Payment will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.

A Noteholder who submits a valid Instruction in favour of the Extraordinary Resolution after the Voting Deadline will not be eligible to receive any Consent Fee or any Ineligible Noteholder Payment.

Early Consent Fee

Pursuant to the Consent Solicitation, an Eligible Noteholder who submits a valid Consent Instruction voting in favour of the Extraordinary Resolution (and not subsequently revoked in the limited circumstances in which revocation is permitted) which is received by the Information and Tabulation Agent at or before the Early Voting Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of U.S.\$2.50 in respect of each U.S.\$1,000 in principal amount of the Notes that are the subject of such Instruction, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Early Consent Fee will only be paid to an Eligible Noteholder who has voted in favour of the Extraordinary Resolution at or before the Early Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Eligible Noteholder who voted against the Extraordinary Resolution, attended the Meeting in person and/or has appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) to attend the Meeting will not be entitled to any Early Consent Fee.

Base Consent Fee

Pursuant to the Consent Solicitation, an Eligible Noteholder who submits a valid Consent Instruction voting in favour of the Extraordinary Resolution (and not subsequently revoked in the limited circumstances in which revocation is permitted) which is received by the Information and Tabulation Agent after the Early Voting Deadline but at or before the Voting Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of U.S.\$1.0 in respect of each U.S.\$1,000 in principal amount of the Notes that are the subject of such Instruction, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Base Consent Fee will only be paid to an Eligible Noteholder who has voted in favour of the Extraordinary Resolution after the Early Voting Deadline but at or before the Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Eligible Noteholder who voted against the Extraordinary Resolution, attended the Meeting in person and/or has appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) to attend the Meeting will not be entitled to any Base Consent Fee.

Early Ineligible Noteholder Payment

Pursuant to the Consent Solicitation, an Ineligible Noteholder who submits a valid Ineligible Noteholder Instruction voting in favour of the Extraordinary Resolution (and not subsequently revoked in the limited circumstances in which revocation is permitted) which is received by the Information and Tabulation Agent at or before the Early Voting Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of U.S.\$2.50 in respect of each U.S.\$1,000 in principal amount of the Notes that are the subject of such Instruction, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Early Ineligible Noteholder Payment will only be paid to an Ineligible Noteholder who has voted in favour of the Extraordinary Resolution at or before the Early Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Ineligible Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to any Early Ineligible Noteholder Payment.

Base Ineligible Noteholder Payment

Pursuant to the Consent Solicitation, an Ineligible Noteholder who submits a valid Ineligible Noteholder Instruction voting in favour of the Extraordinary Resolution (and not subsequently revoked in the limited circumstances in which revocation is permitted) which is received by the Information and Tabulation Agent after the Early Voting Deadline but at or before the Voting Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of U.S.\$1.0 in respect of each U.S.\$1,000 in principal amount of the Notes that are the subject of such Instruction, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Base Ineligible Noteholder Payment will only be paid to an Ineligible Noteholder who has voted in favour of the Extraordinary Resolution after the Early Voting Deadline but at or before the Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Ineligible Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to any Base Ineligible Noteholder Payment.

Indicative Timetable

Set out below is an indicative timetable showing one possible outcome for the timing of the Consent Solicitation, which will depend, among other things, on timely receipt (and non-revocation where revocation is permitted) of instructions, the rights of the Issuer (where applicable) to extend, re-open, waive any condition of, amend, modify and/or terminate the Consent Solicitation as described in the Consent Solicitation Memorandum and the approval of the Extraordinary Resolution at the Meeting. Accordingly, the actual timetable may differ significantly from the timetable below.

Events

Times and Dates (All times are Hong Kong time unless specified)

Announcement of the Consent Solicitation

Notice published on the website of the Hong Kong Stock Exchange and the Consent Website and delivered to the Clearing Systems for communication to Direct Participants.

26 August 2024

Consent Solicitation Memorandum and other documents relating to the Notes (including drafts of the Amendment Documentation) referred to under “*General*” in the Notice available on the Consent Website.

Early Voting Deadline

Deadline for receipt by the Information and Tabulation Agent of valid Instructions for Noteholders to be able to participate in the Consent Solicitation and to be eligible for the Early Consent Fee or Early Ineligible Noteholder Payment (as the case may be), subject to the conditions set out in the Consent Solicitation Memorandum.

4 p.m. (London time) on
6 September 2024

Voting Deadline

Deadline for receipt by the Information and Tabulation Agent of valid Instructions for Noteholders to be able to participate in the Consent Solicitation and to be eligible for the relevant Consent Fee or Ineligible Noteholder Payment (as the case may be) subject to the conditions set out herein.

4 p.m. (London time) on
12 September 2024

This will also be the deadline for Noteholders making any other arrangements to attend or be represented to vote at the Meeting. However, Noteholders making such other arrangements will not be eligible to receive any Consent Fee or Ineligible Noteholder Payment.

The Meeting

The Meeting to be held at the offices of Linklaters, 11th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong (or by audio or video conference call if the Issuer elects to hold any Virtual Meeting).

3:00 p.m. (Hong Kong time)
on 17 September 2024

It is important to note that while the Notes will be unblocked in the relevant Clearing System as soon as reasonably practicable after the Meeting, the Consent Fee and/or the Ineligible Noteholder Payment will only be paid on the Settlement Date.

Events

Times and Dates (All times are Hong Kong time unless specified)

Announcement of the Consent Solicitation Results

Announcement (to be published on the website of the Hong Kong Stock Exchange and the Consent Website and delivered to the Clearing Systems for communication to Direct Participants) of (i) the results of the Meeting, (ii) if the Extraordinary Resolution has been approved, the satisfaction of the Eligibility Condition, and (iii) if the Issuer decides to implement the Extraordinary Resolution, the date of the execution of the Amendment Documentation (upon which the Proposed Amendments will become effective) and the Settlement Date.

As soon as reasonably
practicable after the
Meeting

Settlement Date

(i) Payment of the Consent Fee and any Ineligible Noteholder Payment (subject to the right of the Issuer to extend, re-open, amend, modify and/or terminate the Consent Solicitation and announcing Meeting is not subject to any adjournment), (ii) the execution of the Amendment Documentation (upon which the Proposed Amendments will become effective), and (iii) announcement (to be published on the website of the Hong Kong Stock Exchange and the Consent Website and delivered to the Clearing Systems for communication to Direct Participants) of (a) the completion of the Consent Solicitation; and (b) the execution of Amendment Documentation.

Expected to be on
23 September 2024.

*If a quorum is not achieved at the Meeting, the Meeting shall be adjourned and the adjourned Meeting will be held at a date which will be notified to the Noteholders in the notice of the adjourned Meeting. All subsequent dates will be adjusted accordingly. **Noteholders should note that the Instructions given in respect of the Meeting shall remain valid for any adjourned Meeting unless validly revoked in the limited circumstances in which revocation is permitted.***

*The above times and dates are subject to the right of the Issuer to extend, re-open, amend, modify and/or terminate the Consent Solicitation (subject to applicable law and as provided in the Consent Solicitation Memorandum). Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in the Consent Solicitation before the deadlines specified in the Consent Solicitation Memorandum. **The deadlines set by any such intermediary and each Clearing System for the submission of Instructions may be earlier than the relevant deadlines specified above.** See “Procedures for Participating in the Consent Solicitation” in the Consent Solicitation Memorandum.*

Unless stated otherwise, announcements in connection with the Consent Solicitation will be made (i) by publication on the Hong Kong Stock Exchange and/or a Notifying News Service and (ii) by the delivery of notices to the Clearing Systems for communication to Direct Participants.

Noteholders who wish to attend and vote at the Meeting in person or to be represented or to otherwise vote at the Meeting other than by appointment of the Information and Tabulation Agent (or its representative) as its proxy must make the necessary arrangements at or before the Voting Deadline, and, in such case, no Consent Fee will be payable to such Eligible Noteholders and no Ineligible Noteholder Payment will be payable to such Ineligible Noteholders.

The receipt of such Consent Instruction for the Consent Solicitation by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the relevant Notes in the Noteholder's account at the relevant Clearing System so that no transfers may be effected in relation to such Notes.

Questions/further information

Noteholders who need assistance with respect to the procedures for participating in the Consent Solicitation should contact the following for further information:

The Solicitation Agents

The Hongkong and Shanghai Banking Corporation Limited

Level 17, HSBC Main Building
1 Queen's Road Central
Hong Kong

Telephone: +852 3941 0223 (Hong Kong)/
+44 20 7992 6237 (London)
Attention: Liability Management
Email: liability.management@hsbcib.com

UBS AG Hong Kong Branch

52/F Two International Finance Centre
8 Finance Street
Central, Hong Kong

Telephone: +852 2971 8518
Attention: Global Banking
Email: ol-liabilitymanagement-asia@ubs.com

The Information and Tabulation Agent

D.F. King Ltd.

In London

65 Gresham Street
London EC2V 7NQ
United Kingdom

Telephone: +44 20 7920 9700

In Hong Kong

Suite 1601, 16/F Central Tower
28 Queen's Road Central
Hong Kong

Telephone: +852 3953 7208

Email: FEC@dfkingltd.com

Consent Website: <https://clients.dfkingltd.com/fec>

DEFINITIONS

The following terms, as used in this announcement, shall have the meanings given below:

Agents The Hongkong and Shanghai Banking Corporation Limited as the issuing and paying agent, the paying agent, the transfer agent and the registrar of the Notes.

Amendment Documentation The documentation to be entered into in order to implement the Proposed Amendments, which will include the amended terms and conditions of the Notes (as set out in Schedule 1 (*Amended Terms and Conditions of the Notes*) in the Notice) and the Supplemental Trust Deed (the form of which is set out in Schedule 2 (*Form of Fourth Supplement Trust Deed*) in the Notice).

Base Consent Fee A cash payment to the relevant Eligible Noteholder of U.S.\$1.0 in respect of each U.S.\$1,000 principal amount of the Notes that are the subject of a Consent Instruction in favour of the Extraordinary Resolution, subject to the receipt of such Instruction by the Information and Tabulation Agent after the Early Voting Deadline but at or before the Voting Deadline and subject to the other conditions set out herein, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Base Consent Fee will only be paid to an Eligible Noteholder who has voted in favour of the Extraordinary Resolution after the Early Voting Deadline but at or before the Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. A Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to the Base Consent Fee.

Notwithstanding any other provision of the Consent Solicitation Memorandum, no Early Consent Fee will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.

Base Ineligible Noteholder Payment

A cash payment to the relevant Ineligible Noteholder of U.S.\$1.0 in respect of each U.S.\$1,000 principal amount of the Notes in respect of which an Instruction to vote in favour of the Extraordinary Resolution in respect of the Notes is received pursuant to an Ineligible Noteholder Instruction, subject to the receipt of such Instruction by the Information and Tabulation Agent after the Early Voting Deadline but at or before the Voting Deadline and subject to the other conditions set out herein, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Base Ineligible Noteholder Payment will only be paid to an Ineligible Noteholder who has voted in favour of the Extraordinary Resolution after the Early Voting Deadline but at or before the Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Ineligible Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to the Base Ineligible Noteholder Payment.

Notwithstanding any other provision of the Consent Solicitation Memorandum, no Base Ineligible Noteholder Payment will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.

Clearing System

Euroclear and/or Clearstream, as the case may be.

Clearstream

Clearstream Banking S.A.

Consent Fee

The Early Consent Fee and/or the Base Consent Fee.

Consent Instruction

The electronic instruction to be submitted by a Direct Participant to the Information and Tabulation Agent through Euroclear/Clearstream in order for Eligible Noteholders holding interests in the Notes through Euroclear/Clearstream to participate in the Meeting.

Consent Solicitation

The invitation by the Issuer to Eligible Noteholders to consider and, if thought fit, to approve the Extraordinary Resolution as described in the Consent Solicitation Memorandum.

Consent Solicitation Memorandum	The consent solicitation memorandum dated 26 August 2024.
Consent Website	https://clients.dfkingltd.com/fec , operated by the Information and Tabulation Agent for the purposes of hosting the documents relating to the Consent Solicitation.
Direct Participant	Each person who is shown in the records of the Clearing Systems as a holder of the Notes.
Distribution Periods	Has the meaning given to it in the Terms and Conditions.
Early Consent Fee	<p>A cash payment to the relevant Eligible Noteholder of U.S.\$2.50 in respect of each U.S.\$1,000 principal amount of the Notes that are the subject of a Consent Instruction in favour of the Extraordinary Resolution, subject to the receipt of such Instruction by the Information and Tabulation Agent at or before the Early Voting Deadline and subject to the other conditions set out herein, rounded to the nearest cent with half a cent rounded upwards.</p> <p>For the avoidance of doubt, the Early Consent Fee will only be paid to an Eligible Noteholder who has voted in favour of the Extraordinary Resolution at or before the Early Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. A Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to the Early Consent Fee.</p> <p>Notwithstanding any other provision of the Consent Solicitation Memorandum, no Early Consent Fee will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.</p>
Early Ineligible Noteholder Payment	A cash payment to the relevant Ineligible Noteholder of U.S.\$2.50 in respect of each U.S.\$1,000 principal amount of the Notes in respect of which an Instruction to vote in favour of the Extraordinary Resolution in respect of the Notes is received pursuant to an Ineligible Noteholder Instruction, subject to the receipt of such Instruction by the Information and Tabulation Agent at or before the Early Voting Deadline and subject to the other conditions set out herein, rounded to the nearest cent with half a cent rounded upwards.

For the avoidance of doubt, the Early Ineligible Noteholder Payment will only be paid to an Ineligible Noteholder who has voted in favour of the Extraordinary Resolution at or before the Early Voting Deadline and has instructed and authorised the Information and Tabulation Agent to appoint one of its representatives as its proxy to attend the Meeting. An Ineligible Noteholder who has voted against the Extraordinary Resolution or attended the Meeting in person or appointed one or more representatives (other than the Information and Tabulation Agent or its representatives) will not be entitled to the Early Ineligible Noteholder Payment.

Notwithstanding any other provision of the Consent Solicitation Memorandum, no Early Ineligible Noteholder Payment will be paid if the Extraordinary Resolution is not approved or if the Eligibility Condition is not satisfied.

Early Voting Deadline	4:00 p.m. (London time) on 6 September 2024 (subject to the right of the Issuer to extend, re-open, amend, modify and/or terminate the Consent Solicitation).
Eligibility Condition	The condition to the effectiveness of the Extraordinary Resolution, if passed, that the quorum required for, and the requisite majority of votes cast at, the Meeting are satisfied by Eligible Noteholders irrespective of any participation at the Meeting by Ineligible Noteholder (including the satisfaction of such condition at the adjourned Meeting as described in “ <i>Consent Solicitation – Meeting</i> ” in the Consent Solicitation Memorandum).
Eligible Noteholder	Each Noteholder who is (a) outside the United States and (b) otherwise a person to whom the Consent Solicitation can be lawfully made and that may lawfully participate in such Consent Solicitation.
Euroclear	Euroclear Bank SA/NV.
Extraordinary Resolution	The extraordinary resolution described under “ <i>Extraordinary Resolution</i> ” as set out in the Notice.
First Call Date	Has the meaning given to it in the Terms and Conditions.
Group	The Issuer, the Company and its subsidiaries taken as a whole.
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited.

Ineligible Noteholder	A Noteholder who is not a person to whom the Consent Solicitation is being made, on the basis that such Noteholder is either (i) located in the United States and/or (ii) a person to whom the Consent Solicitation cannot otherwise be lawfully made or who may not lawfully participate in the Consent Solicitation.
Ineligible Noteholder Instruction	The electronic instruction to be submitted by a Direct Participant to the Information and Tabulation Agent through Euroclear/Clearstream in order for Ineligible Noteholders holding interests in the Notes through Euroclear/Clearstream to participate in the Meeting.
Ineligible Noteholder Payment	The Early Ineligible Noteholder Payment and/or the Base Ineligible Noteholder Payment.
Information and Tabulation Agent	D.F. King Ltd.
Instruction	In respect of: <ul style="list-style-type: none"> (i) an Eligible Noteholder, a Consent Instruction; and (ii) an Ineligible Noteholder, an Ineligible Noteholder Instruction.
Meeting	The meeting of holders of the Notes convened by the Notice, to be held at the offices of Linklaters, 11th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong at 3:00 p.m. (Hong Kong time) on 17 September 2024 (unless the Issuer elects to hold a Virtual Meeting, then Meeting shall mean such Virtual Meeting), and to consider and, if thought fit, pass the Extraordinary Resolution. See “ <i>Annex 1 – Form of Notice of the Meeting</i> ”.
Meeting Provisions	The provisions set out in Schedule 3 (<i>Provisions for Meetings of Noteholders</i>) to the Trust Deed.
Notifying News Service	means such recognised news service or services (e.g. Reuters/Bloomberg) as selected by the Issuer and/or the Company.
Noteholder	A holder of the Notes (including as further defined in the Consent Solicitation Memorandum).

Notes	The U.S.\$360,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes (consisting of U.S.\$250,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 12 September 2019, U.S.\$50,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 16 September 2019 and U.S.\$60,000,000 7.375 per cent. Senior Guaranteed Perpetual Capital Notes issued on 24 February 2020 and forming a single series) issued by the Issuer and guaranteed by the Company (ISIN: XS2050584866; Common Code 205058486).
Notice	The notice dated 26 August 2024 convening the Meeting, as set out in “ <i>Annex 1 – Form of Notice of the Meeting</i> ” in the Consent Solicitation Memorandum.
Proposed Amendments	The proposed amendments to the terms and conditions of the Notes as set out in Schedule 1 (<i>Amended Terms and Conditions of the Notes</i>) in the Notice.
Reset Distribution Rate	Has the meaning given to it in the Terms and Conditions.
Sanctions Authority	Each of the United States government, United Nations, European Union (or any of its member states), the United Kingdom, any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions or the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the United States Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty’s Treasury.

Sanctions Restricted Person An individual or an entity (a “**Person**”):

- (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in:
 - (i) the most current “Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>);
 - (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>);
 - (iii) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <http://data.europa.eu/88u/dataset/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions>); or
- (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than:
 - (X) solely by virtue of their inclusion in:
 - (i) the most current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”);
 - (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 and Council Regulation (EU) No 1290/2014 and Council Regulation (EU) No 2015/1797 (the “**EU Annexes**”); or
 - (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes; or

- (Y) solely by virtue of (A) them being the subject of restrictions imposed by the U.S. Department of Commerce’s Bureau of Industry and Security (“**BIS**”) under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; or (B) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled “Addressing the Threat from Securities Investments that Finance Certain Companies of the People’s Republic of China” (known as the Non-SDN Chinese Military-Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled “Addressing the Threat from Securities Investments that Finance Chinese Military Companies”; or (C) them being subject to restrictions imposed on the operation of an online service, internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons.

Securities Act

The United States Securities Act of 1933, as amended.

Settlement Date

The date on which the payment of the Consent Fee and any Ineligible Noteholder Payment will be made and the Amendment Documentation will be executed and become effective, expected to be on or around 23 September 2024 (subject to the right of the Issuer to extend, re-open, amend, modify and/or terminate the Consent Solicitation and announcing Meeting is not subject to any adjournment).

Subsidiary

Has the meaning given to it in the Terms and Conditions.

Solicitation Agents

The Hongkong and Shanghai Banking Corporation Limited and UBS AG Hong Kong Branch.

Supplemental Trust Deed

The fourth supplemental trust deed (the form of which is set out in Schedule 2 (*Form of Fourth Supplemental Trust Deed*) in the Notice) expressed to supplement the Trust Deed in relation to the Notes and to be entered into by the Issuer, the Company and the Trustee to give effect to the Proposed Amendments in the event that Extraordinary Resolution is passed and the Eligibility Condition and other conditions (including payment of the Consent Fee and any Ineligible Noteholder Payment) specified in the Consent Solicitation Memorandum are satisfied.

Terms and Conditions	The terms and conditions of the Notes as set out in Schedule 2 to the Trust Deed and as modified by the relevant Global Certificate (as defined in the relevant Trust Deed).
Trust Deed	The first amended and restated trust deed dated 28 August 2019 as supplemented by the relevant drawdown supplemental trust deeds dated 12 September 2019, 16 September 2019 and 24 February 2020, respectively, in connection with the Notes, in each case, between the Issuer, the Company and the Trustee.
Trustee	The Hongkong and Shanghai Banking Corporation Limited as the trustee of the Notes.
Virtual Meeting	Has the meaning set out in “ <i>Meeting</i> ” of the Consent Solicitation Memorandum.
Voting Deadline	4:00 p.m. (London time) on 12 September 2024 (subject to the right of the Issuer to extend, re-open, amend, modify and/or terminate the Consent Solicitation).

Hong Kong, 26 August 2024

As at the date of this announcement, the board of directors of FEC Finance Limited comprises three directors, namely Tan Sri Dato’ David CHIU, Ms. Wing Kwan Winnie CHIU and Mr. Wai Hung Boswell CHEUNG.

As at the date of this announcement, the board of directors of Far East Consortium International Limited comprises six executive directors, namely Tan Sri Dato’ David CHIU, Mr. Cheong Thard HOONG, Mr. Dennis CHIU, Mr. Craig Grenfell WILLIAMS, Ms. Wing Kwan Winnie CHIU and Ms. Jennifer Wendy CHIU; and three independent non-executive directors, namely Mr. Kwong Siu LAM, Mr. Wai Hon Ambrose LAM and Mr. Lai Him Abraham SHEK.

DISCLAIMER

This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Noteholder is in any doubt as to the content of the Consent Solicitation Memorandum or the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitation or otherwise participate at the Meetings (including any adjourned Meeting). None of the Issuer, the Company, the Solicitation Agents, the Trustee, the Agents or the Information and Tabulation Agent or any person who controls, or any director, officer, employee, adviser, representative, agent or affiliate of, any such person expresses any opinion about the terms of the Consent Solicitation, the Proposed Amendments or the Extraordinary Resolutions or makes any recommendation whether Noteholders should participate in the Consent Solicitation or otherwise participate at the Meetings.

SOLICITATION AND DISTRIBUTION RESTRICTIONS

United States

The Consent Solicitation Memorandum is not an offer of securities for sale in the United States. Notes may not be offered or sold in the United States absent registration or an exemption from registration. The Notes have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, unless an exemption from the registration requirements of the Securities Act is available.

Each Noteholder participating in the Consent Solicitation will represent that it is not located in the United States.

For the purpose of the Consent Solicitation Memorandum, “**United States**” means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

General

Nothing in the Consent Solicitation Memorandum constitutes or contemplates an offer of, an offer to purchase or the solicitation of an offer to sell any security in any jurisdiction and participation in any Consent Solicitation by a Noteholder in any circumstances in which such participation is unlawful will not be accepted.

Each of the Issuer, the Company, the Solicitation Agents and the Information and Tabulation Agent reserves the right, in its absolute discretion, to investigate, in relation to any submission of Instructions, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such Instruction will not count towards quorum.

Notwithstanding anything else contained in the Consent Solicitation Memorandum or any other document in connection hereto, the Information and Tabulation Agent may refrain without liability from doing anything that would or might in its opinion be contrary to any law (including any economic or financial sanctions law (and including sanctions enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury), the United Nations Note Council, the European Union, HM Treasury, or other relevant sanctions authority (collectively “**Sanctions**”))) or may result in the Information and Tabulation Agent becoming a Sanctions Restricted Person and may without liability do anything which is, in its opinion, necessary to comply with Sanctions or to avoid becoming a Sanctions Restricted Person.