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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)

SUPPLEMENTAL ANNOUNCEMENT

DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF SHARES IN BC INVESTMENT GROUP HOLDINGS LIMITED

Reference is made to the announcement of Far East Consortium International Limited dated 28 February 2025 (the “**Announcement**”) in relation to a discloseable transaction in respect of the Disposal. This announcement is to provide further information in relation to the Disposal.

BASIS IN DETERMINING THE PER SHARE EARN-OUT PAYMENT

As outlined in the Announcement, the Per Share Earn-Out Payment is a component of the Purchase Price, and could represent up to approximately 4.7% of the Purchase Price. The concept of this contingent consideration payment was a result of commercial negotiations with the Purchaser, and allows the Seller and the Company to potentially realise additional value as part of the Disposal subject to the performance of the Target Group following Completion (explained in further detail below).

The Per Share Earn-Out Payment is a function of the Maximum Per Share Payment Amount, the Actual Uplift Percentage and the Adjustment Amount.

* For identification purposes only

The Actual Uplift Percentage is a function of the Actual Uplift Amount and the budgeted uplift amount.

- The Actual Uplift Amount is calculated with reference to the Actual Gross Margin and budgeted gross margin. The budgeted gross margin is a fixed amount to be derived from the schedules to the SSD upon confirmation of the Completion month (being the month in which Completion occurs), which amount represents a function of (i) the forecasted assets under management of the Australian Group Entities and (ii) the forecasted average Actual NIM Percentage at Completion (calculated on a consistent basis with the Actual Gross Margin).
- The budgeted uplift amount is a fixed amount to be derived from the schedules to the SSD upon confirmation of the Completion Anniversary Month, which amount represents the forecasted increase in gross margin from Completion (otherwise referred to as the budgeted gross margin) to the Completion Anniversary Month.

The calculation provides the Seller with a linear payment profile of the Maximum Per Share Payment Amount from the point at which the Target Company achieves a gross margin which is higher than the budgeted gross margin. To the extent the Target Company achieves or exceeds a gross margin which is higher than the budgeted gross margin plus the budgeted uplift amount (which in other words, reflects the forecast gross margin position 12 months after Completion), and the Per Share Earn-Out Payment is capped at the Maximum Per Share Payment Amount (A\$0.43 per Sale Share).

NATURE AND THE BASIS OF OTHER CONSIDERATION

As disclosed in the Announcement, in addition to the Purchase Price, the Purchaser shall at Completion pay on behalf of the Target Company to the Seller an amount equal to approximately A\$1,769,071 in full and final satisfaction of the Target Company's obligation(s) to pay the Seller under certain agreement(s).

This payment refers to payment of an underwriting fee which was a charge levied by the Seller against BC Securities Pty Ltd (a wholly-owned subsidiary of the Target Company) during the period of 2018 to 2019 for the provision of a funding facility pursuant to the Underwriting Agreement. The Underwriting Agreement was terminated in February 2019 pursuant to the Deed of Termination and Payment of Fees and the required repayment amount under the Underwriting Agreement shall be payable subject to the terms of the Deed of Termination and Payment of Fees.

As part of the Disposal, the Purchaser agreed to, on behalf of the Target Company, repay the Seller the amount owed under the Underwriting Agreement and the Deed of Termination and Payment of Fees at Completion.

DEFINITIONS

Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement, while the following expressions shall have the following meanings:

“Underwriting Agreement”	the underwriting agreement dated on or about July 2018 between BC Securities Pty Ltd, the Seller and Substancia Capital Pty Ltd (as amended and confirmed by the deed of confirmation dated on or about October 2018 between, amongst others, BC Securities Pty Ltd and the Seller)
“Deed of Termination and Payment of Fees”	the deed of termination and payment of deed dated on or about February 2019 between, amongst others, BC Group Holdings Limited, BC Securities Pty Ltd, the Seller and the Purchaser

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

Hong Kong, 2 May 2025

As at the date of this announcement, the Board 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.