FAR EAST HOTELS AND ENTERTAINMENT LIMITED
遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00037)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

KINGSTON SECURITIES

The Board is pleased to announce that all conditions to the Placing Agreement have been fulfilled and completion of the Placing took place on 22 March 2021. An aggregate of 122,142,135 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK$0.106 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

Reference is made to the announcement of Far East Hotels and Entertainment Limited (the "**Company**") dated 1 March 2021 in relation to the Placing (the "**Announcement**"). Unless otherwise defined, the capitalised terms used herein shall have the same meanings as defined in the Announcement.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions to the Placing Agreement have been fulfilled and completion of the Placing took place on 22 March 2021. An aggregate of 122,142,135 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK$0.106 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing (i) 20.00% of the issued share capital of the Company immediately before the Placing; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon completion of the Placing. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Placees and their respective ultimate beneficial owner(s), as applicable, are professional, institutional or other investors who are parties independent of the Company and its connected persons.

The gross proceeds from the Placing amounted to approximately HK$12.9 million and the net proceeds amounted to approximately HK$12.7 million (after deducting the placing commission and other related expenses and professional fees). The Company will apply the net proceeds from the Placing for general working capital of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PLACING

The shareholding structure of the Company immediately before and after completion of the Placing is as follows:

Shareholders	**Immediately before completion of the Placing**		**Immediately after completion of the Placing**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Mr. Derek Chiu	131,195,875 *(Note 1)*	21.48	131,195,875	17.90
Mr. Deacon Te Ken Chiu *(deceased)*	113,726,476 *(Note 2)*	18.62	113,726,476	15.52
Madam Chiu Ju Ching Lan	188,000	0.03	188,000	0.03
Mr. Choy Wai Shek Raymond	3,000,000	0.49	3,000,000	0.41
Placees	–	0.00	122,142,135	16.67
Other public shareholders	362,600,324	59.38	362,600,324	49.47
Total	**610,710,675**	**100.00**	**732,852,810**	**100.00**

Notes:

1. As at the date of this announcement, Mr. Derek Chiu, an executive Director who is also the managing director and the chief executive of the Company, beneficially owned 52,765,576 Shares. The remaining 78,430,299 Shares were held by Energy Overseas Ltd., a company wholly owned by Mr. Derek Chiu.

2. The late Mr. Deacon Te Ken Chiu beneficially owned 12,491,424 Shares. Of the remaining 101,235,052 Shares, (i) 100,939,842 Shares were held by various private companies wholly owned by the late Mr. Deacon Te Ken Chiu of which 72,182,400 Shares were held by Achiemax Limited; and (ii) 295,210 Shares were held by Far East Consortium Limited, a wholly-owned subsidiary of Far East Consortium International Limited. The late Mr. Deacon Te Ken Chiu was a controlling shareholder of these companies and a director of Achiemax Limited.

By Order of the Board
Far East Hotels and Entertainment Limited
Derek Chiu
Executive Director, Managing Director and Chief Executive

Hong Kong, 22 March 2021

As at the date of this announcement, the executive Directors are Mr. Derek Chiu (Managing Director and Chief Executive) and Ms. Amanda Chiu; the non-executive Directors are Madam Chiu Ju Ching Lan and Mr. Alex Chiu; and the independent non-executive Directors are Mr. Ip Shing Hing, Mr. Ng Wing Hang Patrick and Mr. Choy Wai Shek Raymond.