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HOME CONTROL INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1747)

ANNOUNCEMENT DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made by Home Control International Limited (the “**Company**”) pursuant to Rule 13.18 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that, to gradually diversify the Company’s lending relationships and to partially replace the existing loan facilities obtained prior to the listing of the Company’s shares on the Stock Exchange (“**Existing Loan Facilities**”) with new loan facilities that offer lower borrowing cost and more flexible terms for a listed company, on 8 July 2020, the Company as borrower entered into a new facility agreement (“**Facility Agreement**”) with a bank (the “**Bank**”) as lender in relation to term loan facilities of up to US\$6,000,000 (or its equivalent amount in other currencies) (the “**New Facility**”). The maturity date of the New Facility is 30 June 2021, which can be extended thereafter at the Bank’s discretion. The purpose of the New Facility is for general working capital purposes. The aggregate outstanding drawdown amount under the Existing Loan Facilities and the New Facility will in any event not exceed the current level of debt of the Company as at the date hereof, being approximately US\$35,000,000.

Pursuant to the Facility Agreement, the Company undertakes, among others, that NHPEA IV Home Control Netherlands B.V. (the “**Controlling Shareholder**”), the controlling shareholder of the Company, shall maintain not less than 70% ownership of the Company. A breach of such undertaking will constitute an event of default under the Facility Agreement and all amounts (including principal and interest accrued thereon) due and owing by the Company to the Bank under the Facility Agreement shall become immediately due and payable by the Company without further demand.

As at the date of this announcement, the Controlling Shareholder holds approximately 74.76% of the issued share capital of the Company.

The Company will continue to make disclosures in its subsequent interim and annual reports for so long as the above obligations relating to the Controlling Shareholder continue to exist pursuant to the requirements of Rule 13.21 of the Listing Rules.

On behalf of the Board
Home Control International Limited
Gao Yu
Chairman and Non-executive Director

Hong Kong, 8 July 2020

As of the date of this announcement, the Board comprises Mr. Alain Perrot as executive Director; Mr. Yu Gao and Mr. Kwok King Kingsley Chan as non-executive Directors; and Mr. Werner Peter Van Eck, Mr. Shou Kang Chen and Mr. Edmond Ming Siang Jauw as independent non-executive Directors.