

ASX : DNA

asx release



15 August 2017

Refinancing of Mega Bank Loan

Donaco International Limited (**Donaco**) is pleased to announce that it has signed binding agreements with Mega International Commercial Bank Co., Limited (**Mega Bank**), to refinance its current term loan facility with Mega Bank.

The current facility was originally for the principal amount of USD100 million, drawn down in July 2015. An additional USD20 million was drawn down in July 2016, to repay a separate working capital facility. Donaco has repaid a total of USD63.4 million in the past two years, with the remaining principal amount of the current facility standing at USD56.6 million.

The current facility had a three year term, with the remaining USD56.6 million being repayable within the next 12 months. This consists of USD20.8 million repayable in January 2018, and the remaining USD35.8 million repayable in July 2018.

The new facility will be for an amount of USD57 million. The term has been extended to three years from the date of drawdown, expected to be in late August 2017, following the completion of the conditions precedent, which primarily relate to the perfection of security.

Under the new loan, 15% of the principal amount is repayable every six months. This means that the next principal repayment has been reduced to approximately USD8.6 million, due in February 2018.

The interest rate on the loan has also been reduced slightly, from a margin of 6.75% over the six month LIBOR rate, to a margin of 6.0%.

In addition, a number of covenants controlling capital management (dividends and buybacks) have been relaxed, but there are still some restrictions in place until the remaining principal falls below USD50 million, which is expected to occur following the next repayment in February 2018.

For further information:

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ABOUT DONACO INTERNATIONAL LIMITED (ASX: DNA)

Donaco International Limited operates leisure and entertainment businesses across the Asia Pacific region.

Our major business is the Star Vegas Resort and Club, a successful casino and hotel complex in Poipet, Cambodia, on the border with Thailand. Star Vegas was established in 1999, and is the largest and highest quality of the Poipet casino hotels. The property has more than 100 gaming tables, more than 1400 slot machines, and 385 hotel rooms.

Our flagship business is the Aristo International Hotel, a successful boutique casino in northern Vietnam, located on the border with Yunnan Province, China. Established in 2002, the property has recently been expanded to a brand new five star resort complex with 400 hotel rooms. Donaco is a pioneer casino operator in Vietnam, and owns a 95% interest in the business, in a joint venture with the Government of Vietnam.

To learn more about Donaco visit www.donacointernational.com
