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FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

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

(Stock Code: 35)

DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF FURTHER HOTEL INTERESTS

DISCLOSEABLE AND CONNECTED TRANSACTION:

The Purchaser, a wholly-owned subsidiary of the Company, has conditionally agreed to acquire from the Vendor the Sale Shares, being the two ordinary shares in Jade River, representing its entire issued share capital for an aggregate consideration of HK\$331,445,000. Upon Completion, the Vendor shall absolutely and unconditionally assign the benefits of the Loans to the Purchaser (or its nominee).

The principal assets of Jade River are its interests being acquired in May Tower Sale Parcels and Berkeley Court Sale Parcels, located in Kuala Lumpur and Johor Bahru, Malaysia respectively. These properties are being converted into boutique hotels with 179 rooms and 310 rooms respectively. The Group has recently emphasized hotels as one of its two main businesses. The Directors believe the Acquisition will further enhance the Group's hotel portfolio.

The Consideration is to be satisfied by the issue of the Convertible Bond in the principal amount HK\$331,445,000 to the Vendor or its nominee on Completion.

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. The Vendor is the Deputy Chairman and the Chief Executive Officer of the Company who also interested in approximately 23.39% of the entire issued share capital of the Company. Accordingly, the Acquisition also constitutes a connected transaction of the Company under the Listing Rules. The Agreement, including the issue of the Convertible Bond and the Conversion Shares, is subject to the approval of the Independent Shareholders in an extraordinary general meeting of the Company. The Vendor and his respective associates and any Shareholders who have material interests in the Acquisition are required to abstain from voting on the relevant resolution in relation to the Agreement, including the issue of the Convertible Bond and the Conversion Shares.

A circular containing, among other things, details of the Agreement, valuation letters and certificates on the Properties, a letter of recommendation from the independent board committee of the Company to the Independent Shareholders, a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Agreement, and the notice of the extraordinary general meeting will be despatched to the Shareholders (and the existing convertible bondholders for information only) as soon as possible.

INTRODUCTION

On 21 December 2006, the Purchaser entered into the Agreement with the Vendor to acquire the Sale Shares, being the entire issued share capital of Jade River for an aggregate consideration of HK\$331,445,000. Upon Completion, the Vendor shall absolutely and unconditionally assign the benefits of the Loans to the Purchaser (or its nominee). The Consideration will be satisfied by issue of the Convertible Bond to the Vendor or its nominee.

THE AGREEMENT

Date: 21 December 2006

Parties

- (i) Purchaser: Far East Consortium Limited, a wholly-owned subsidiary of the Company
- (ii) Vendor: Mr. Chiu

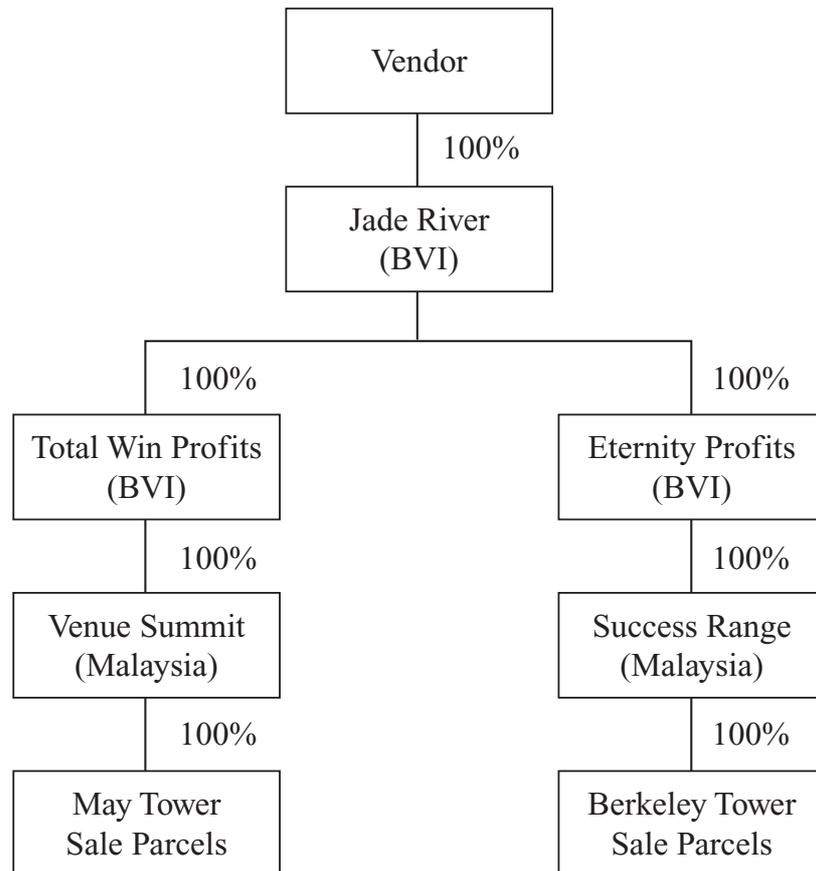
Assets to be acquired

The Purchaser has conditionally agreed to acquire from the Vendor the Sale Shares, being the entire issued share capital of Jade River. Upon Completion, the Vendor shall absolutely and unconditionally assign the benefits of the Loans to the Purchaser (or its nominee). .

Information on Jade River and the Properties

Jade River was incorporated on 16 February 2006. Jade River is an investment holding company which wholly owns Total Win Profits and Eternity Profits. Venue Summit and Success Range are the respective wholly owned subsidiary of Total Win Profits and Eternity Profits and their principal asset is its beneficial interest being acquired in May Tower Sale Parcels and Berkeley Court Sale Parcels respectively. According to the management accounts of Jade River Group, it recorded an audited net loss of approximately USD14,000 for the period from its incorporation to 30 September 2006. As at 30 September 2006, Jade River Group had total assets of approximately USD10.0 million, of which property, plant and equipment amounted to approximately USD9.9 million and bank balances amounted to approximately USD0.1 million. Total liabilities amounted to approximately USD9.8 million which included amount owing to director of approximately USD7.7 million. Such amount was unsecured, interest free and repayable on demand and was used to finance the acquisition of the Properties.

Set out below is a structure of Jade River Group:



May Tower and Berkeley Court were both originally designed as commercial blocks to be sold as serviced apartments. Both the May Tower and Berkeley Court are being constructed by developing companies beneficially owned by the Vendor, the construction works have started since 2002 and the structure is largely completed.

Development plans for the conversion of the Properties from serviced apartments to hotel/serviced apartments have been submitted to the relevant authorities in Malaysia for approval. It is expected that the Group would commence its hotel business in the Properties in about July 2007.

The lower floors of May Tower will remain serviced apartments, with majority of the units on the upper floors from 21st floor to 30th floor inclusive being converted to hotel rooms. It is expected that upon completion of conversion, May Tower will comprise 179 hotel rooms with a total gross floor area of approximately 56,000 square feet and serviced apartment areas of approximately 428,000 square feet. The proposed 179-room boutique hotel within the 33-storey May Tower is sited fronting Jalan Munshi Abdullah, a major road within Kuala Lumpur city centre which accommodates the city's prime commercial buildings and purpose-built offices.

Majority of the units on the 1st to 9th floor of the 10-storey Berkeley Court will be converted to hotel use. It is expected that upon completion of conversion, Berkeley Court will comprise 310 hotel rooms with a total gross floor area of approximately 95,000 square feet and serviced apartment areas of approximately 45,000 square feet. The proposed 310-room hotel within the 10-storey Berkeley Court is situated within a locality known as Plentong located approximately 12 kilometres to the north-east of Johor Bahru city centre.

The Vendor shall sell and the Purchaser shall acquire the entire issued share capital of Jade River whose principal assets are the Properties, on the basis that all the construction and conversion work on the Properties has been completed to the standard as set out in the approved building plan and the specification drawn up by the interior design firm employed by the Vendor. The Vendor will be responsible for all necessary financing and the Jade River Group will be free of third party liabilities, securities, guarantees, indemnities or contingent liabilities given by or binding on the Jade River Group at Completion except the Loans to be assigned to the Purchaser on Completion, or otherwise the Vendor shall indemnify the Purchaser

for the entire amount of such liabilities.

The May Tower Sale Parcels and Berkeley Court Sale Parcels have been valued by the Independent Valuer at RM75 million (approximately HK\$164.6 million) and RM76 million (approximately HK\$166.8 million) respectively as at 15 December 2006. The valuation reports are being finalized and the valuation letters and certificates will be included in the circular to be sent to the Shareholders in relation to the Acquisition.

Consideration

The Consideration of HK\$331,445,000 was agreed between the parties based on arm's length negotiation by reference to the provisional valuations mentioned above prepared by the Independent Valuer. As set out below, the Agreement is conditional on the receipt by the Purchaser of the formal valuations showing value of the Properties of not less than RM151 million. The Consideration will be satisfied in whole by the issue of the Convertible Bond by the Company to the Vendor or its nominee on Completion.

The principal terms of the Convertible Bond to be issued by the Company will be as follows:-

- Principal amount:* HK\$331,445,000
- Maturity date:* Unless previously converted or repaid, the outstanding principal amount of the Convertible Bond will be repaid by the Company on the day preceding the fifth anniversary of the date of issue of the Convertible Bond.
- Coupon:* Nil
- Conversion and redemption:* The whole or any part (in an amount or integral multiple of HK\$5,000,000 or if less, the entire outstanding amount of the Convertible Bond) of the outstanding principal amount of Convertible Bond is convertible from time to time and at any time over the term of the Convertible Bond at a conversion price of HK\$4.3 per Share (subject to adjustment).
The conversion price of the Convertible Bond is subject to adjustment provisions standard for convertible securities of similar type. Adjustment events will include changes in the share capital of the Company, such as consolidation or sub-division of shares, capitalisation of profits or reserves, capital distributions in cash or specie or subsequent issue of securities in the Company at a discount to market.
- Redemption:* To the extent not previously converted, the Company shall redeem the Convertible Bond in cash at 100% of the outstanding principal amount on the fifth anniversary of its issuance.
- Listing:* No application will be made for the listing of the Convertible Bond on any stock exchange. Application will be made for the listing of and permission to deal in the Conversion Shares on the Stock Exchange.
- Ranking of the Convertible Bond:* The Convertible Bond constitutes (subject to the terms and conditions of the Convertible Bond) unsecured obligations of the Company ranking pari passu with other unsecured obligation of the Company.
- Conversion Shares:* On the basis of the principal amount of HK\$331,445,000 and the initial conversion price of HK\$4.3 per Share, a total of 77,080,232 Conversion Shares will be issued upon full conversion of the Convertible Bond. The Conversion Shares shall upon issue rank pari passu in all respects with the then issued Shares.
- Transferability:* The Convertible Bond will not be assignable or transferable except with the prior written consent of the Company. Save as aforesaid, there is no other restriction applicable to the subsequent sale of the Convertible Bond and the Conversion Shares.

The initial conversion price of the Convertible Bond of HK\$4.3 per Share has been determined after arms' length negotiation between the Purchaser and the Vendor with reference to the recent market price of Shares and the terms and conditions of the Convertible Bond.

The initial conversion price of HK\$4.30 per Share represents:

- (i) a premium of approximately 14.97% over the closing price of HK\$3.74 per Share as quoted on the Stock Exchange on 21 December, 2006, being the last trading day prior to the release of this announcement;
- (ii) a premium of approximately 16.53% over the average closing price of HK\$3.69 per Share as quoted on the Stock Exchange over the last 10 trading days up to and including 21 December, 2006;
- (iii) a premium of approximately 74.80% over the audited net tangible assets of the Company of HK\$2.46 per Share as at 31 March 2006; and
- (iv) a premium of approximately 66.0% over the unaudited net tangible assets of the Company of HK\$2.59 per Share as at 30 September 2006.

The Consideration was agreed by the Board taking into account, among other things, that (i) no immediate cash outflow is required under the Acquisition; (ii) the Convertible Bond is zero coupon, has no premium on redemption, no put option, no re-set provision and has a conversion price (subject to adjustment) which reflects a premium over recent market prices of the Shares and latest net tangible asset value of the Group; and (iii) that there is no immediate dilution effect on the shareholding interests of the Independent Shareholders.

Conditions of the Agreement

The Agreement is subject to and conditional upon the fulfillment of, inter alia, the following conditions precedent on or before the Long Stop Date:

- (i) all approvals and consents of third parties (including Stock Exchange and relevant governmental or official authorities) which are necessary for the entering into and the implementation of the Agreement and all transactions contemplated under the Agreement having been obtained;
- (ii) the approval of the Agreement, including the issue of the Convertible Bond and the Conversion Shares to be issued thereunder, by the Independent Shareholders at the EGM by resolution passed in accordance with the Listing Rules;
- (iii) the listing of and permission to deal in the Conversion Shares to be issued pursuant to the conversion of the Convertible Bond having been granted by the Stock Exchange;
- (iv) the receipt by the Purchaser of valuation reports in respect of the Properties prepared by a firm of independent valuers acceptable to the Purchaser, and on normal assumptions and bases acceptable to the Purchaser, showing that the aggregate market value of the Properties as at 15 December 2006 is no less than RM151 million;
- (v) the Purchaser being satisfied with a due diligence review on Jade River Group as to the respective financial, legal, contractual, taxation and trading positions of each member of the Jade River Group; and the title of the Properties;
- (vi) the Vendor having performed all of the covenants and agreements required to be performed by it under the Agreement on or prior to Completion;
- (vii) the Vendor having provided evidence satisfactory to the Purchaser that the sale and purchase of the Properties have been completed and Venue Summit and Success Range have become the sole and beneficial owner of the relevant Properties and obtained exclusive vacant possession of the relevant Properties free of all encumbrances and in full compliance with the property requirements set out in the Agreement;
- (viii) the Vendor having provided evidence satisfactory to the Purchaser that the tenancy agreements of the Leased Properties have been duly executed and are valid and enforceable and Venue Summit and Success Range have obtained exclusive vacant possession of the relevant Leased Properties free of all encumbrances and in full compliance with the requirements set out in the Agreement;

- (ix) the receipt by the Purchaser of a legal opinion by a firm of qualified lawyers in Malaysia in form and substance satisfactory to the Purchaser in relation to the subject matter of the Agreement, including, without limitation, the due incorporation, good standing and valid existence of each of Venue Summit and Success Range, that Venue Summit and Success Range possess good and marketable beneficial interest to the Properties and that all the relevant legal requirements have been satisfied and there will be no legal impediment under Malaysian law for the Purchaser to acquire the Properties; and
- (x) during the period from the date of the Agreement to Completion, there not having occurred any material adverse effect on, or there not being in existence on Completion any material adverse change in, the financial position and operating performance of the Jade River Group as a whole.

The Purchaser may at its absolute discretion waive in writing the conditions mentioned above (other than conditions (i), (ii) and (iii) above). If any of the above conditions shall not have been fulfilled in full (or, where applicable, waived by the Purchaser in writing) on or before the Long Stop Date, then the Agreement shall be void and of no effect and no party shall have any rights or claims whether for loss or damages or other relief whatsoever against any of the other parties on any ground save for antecedent breaches. The Purchaser has no present intention to waive any of the conditions above.

Completion

Completion is to take place within five business days after fulfillment (or, where applicable, waived by the Purchaser in writing) of the conditions referred to above.

Effect on the Shareholding structure of the Company

The following is a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion upon full conversion of the Convertible Bond and the existing convertible bonds held by the bondholders (assuming no other changes in shareholding before then):

Shareholders	As at the date hereof		After issuance of Conversion Shares but before conversion of existing outstanding convertible bonds		After issuance of Conversion Shares and full conversion of existing outstanding convertible bonds	
	No. of Shares	Shareholding	No. of Shares	Shareholding	No. of Shares	Shareholding
The Vendor	340,143,949	23.39%	340,143,949	22.21%	340,143,949	19.12%
Conversion Shares	–	–	77,080,232	5.03%	77,080,232	4.33%
	<u>340,143,949</u>	<u>23.39%</u>	<u>417,224,181</u>	<u>27.24%</u>	<u>417,224,181</u>	<u>23.45%</u>
Other family members of the Vendor	139,339,880	9.58%	139,339,880	9.10%	139,339,880	7.83%
Chiu family	479,483,829	32.97%	556,564,061	36.34%	556,564,061	31.28%
Deutsche Bank Aktiengesellschaft	156,212,186	10.74%	156,212,186	10.20%	156,212,186	8.78%
Penta Investment Advisers Ltd.	252,066,576	17.33%	252,066,576	16.46%	252,066,576	14.16%
Public	566,648,818	38.96%	566,648,818	37.00%	566,648,818	31.84%
Existing convertible bondholders (Note)	–	–	–	–	248,019,910	13.94%
Total	<u>1,454,411,409</u>	<u>100.00%</u>	<u>1,531,491,641</u>	<u>100.00%</u>	<u>1,779,511,551</u>	<u>100.00%</u>

Note: As at the date hereof, the Company has outstanding convertible bonds of (i) principal amount of USD1,250,000 with a conversion price of HK\$2.09 which are convertible at any time up to 13 April 2009; and (ii) principal amount of HK\$754,400,000 at conversion price of HK\$3.10 convertible at any time up to 10 December 2009.

The total of 77,080,232 Conversion Shares to be issued upon full conversion of the Convertible Bond represents approximately 5.30% of the existing share capital of the Company, approximately 5.03% of the share capital of the Company as enlarged by the Conversion Shares and approximately 4.33% of the share capital of the Company as enlarged by the Conversion Shares and Shares to be issued upon full exercise of the conversion rights attaching to the convertible bonds of the Company that remain outstanding as at the date hereof.

As at the date hereof, the aggregate shareholding of the Vendor and its concert parties in the Group was approximately 32.97%. As a result, under the Takeovers Code, the Vendor and his concert parties would have an obligation to make a mandatory general offer to acquire all the Shares, other than those already owned or agreed to be acquired by them, upon the issue and allotment of Conversion Shares to the Vendor pursuant to a partial or full exercise of the conversion rights under the Convertible Bond, which would increase the aggregate shareholding of the Vendor and his concert parties by more than 2% from its lowest collective percentage shareholding in the then preceding twelve month period. The Convertible Bond has a five year term and the Vendor has stated he has no intention of exercising conversion rights such that a mandatory general offer would be triggered.

REASONS FOR THE ACQUISITION

The Group is principally engaged in property development and investment, hotel operations, loan financing for hotel operations and treasury management. In the last three years, the Group has emphasized development of its growing chain of 3 to 4 star hotels, in addition to affordable housing for the expanding middle class in China.

The Acquisition will provide an opportunity for the Company to increase its hotel interests in Malaysia in accordance with the Group's strategy to build up its recurring income base through expanding its hotel portfolio. The Group, in addition to seven hotels in Hong Kong, owns the Dorsett Regency Hotel in Kuala Lumpur, Malaysia and has recently acquired the Sheraton Subang Hotel in Kuala Lumpur, Malaysia. The Directors believe the Acquisition will further enhance the Group's hotel portfolio.

The executive Directors consider the terms of the Agreement to be fair and reasonable as far as the Shareholders are concerned and that the Agreement is in the interest of the Company and its Shareholders as a whole. The independent non-executive Directors and the non-executive Directors have reserved their position pending advice from an independent financial adviser to be appointed by the Company. Views of the non-executive Directors on the terms of the Acquisition will be set out in the circular to be sent to the Shareholders in relation to the Acquisition.

CONTINUING RELATIONSHIP WITH THE VENDOR GROUP

Members of the Jade River Group and two Malaysian companies wholly-owned by the Vendor have entered into two leasing agreements for the Leased Properties to be used in connection with or incidental to Jade River Group's hotel business to be carried out in May Tower and Berkeley Court. In addition to the leasing arrangements, the Vendor Group may continue to provide from time to time property and facilities management services to the Jade River Group. The Vendor Group is and will continue to be a connected person of the Company under the Listing Rules and the above arrangements will constitute continuing connected transactions for the Company after Completion. Based on the estimated size, the continuing connected transactions will fall under the de minimis level and exempt from the reporting, announcement and independent shareholders' approval requirements under Rule 14A.33 of the Listing Rules. The Company will comply with the relevant Listing Rules requirements as and when appropriate.

GENERAL

The Acquisition constitutes a discloseable and connected transaction for the Company under the Listing Rules and is subject to the disclosure and shareholders' approval requirements stipulated thereunder.

The EGM will be convened by the Company at which resolution will be proposed to seek approval of, among other things, the Agreement including the issue of the Convertible Bond and the Conversion Shares. At such meeting, the votes of the Independent Shareholders in relation to the Agreement including the issue of the Convertible Bond and the Conversion Shares will be taken by poll on which the Vendor and his associates will abstain from voting. An independent board committee will be constituted to advise the

Independent Shareholders relating to the Agreement. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders in this regard.

A circular containing, among others, details of the Agreement, valuation letters and certificates on the Properties, a letter of recommendation from the independent board committee of the Company to the Independent Shareholders, a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Agreement, and the notice of the EGM will be despatched to the Shareholders and the existing convertible bondholders for information only as soon as possible.

DEFINITIONS

The following terms are used in this announcement:

“Acquisition”	the proposed acquisition of the Sales Shares, being (i) the two shares in Jade River representing its entire issued share capital; and (ii) the benefits of the Loans
“Agreement”	the sale and purchase agreement dated 21 December 2006 entered into between the Vendor and the Purchaser in relation to the Acquisition
“associates”	has the meaning ascribed to it under the Listing Rules
“Berkeley Court”	a block of serviced apartments (certain of which will be converted to hotel rooms) developed on a piece of freehold land held under Master Title H.S. (D) 227751 P.T.D. No. 101375 in the Mukim of Plentong and Daerah of Johor Bahru in the State of Johor Darul Takzim in Malaysia
“Berkeley Court Sale Parcels”	47 sale parcels situated on the ground to 9th floors of Berkeley Court to be acquired by Success Range pursuant to the Berkeley Court Sale Agreement
“Berkeley Court Sale Agreement”	the master purchase agreement dated 20 June 2006 and entered into between Mayland Projects (Johor) Sdn. Bhd. and Success Range for the sale and purchase of the Berkeley Court Sale Parcels, such agreement being yet to be completed as at the date hereof
“Board”	board of Directors
“BVI”	British Virgin Islands
“Company”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Agreement
“Completion Date”	the date within five business days (or such later date as shall be agreed in writing between parties to the Agreement) after the fulfillment of all the conditions precedent to the Agreement
“Consideration”	HK\$331,445,000, the consideration for the Acquisition pursuant to the Agreement
“Conversion Shares”	77,080,232 new Shares which will be issued upon full conversion of the principal amount of the Convertible Bond at the conversion price of HK\$4.3 per Share (subject to adjustment)
“Convertible Bond”	zero coupon convertible bond in the principal amount of HK\$331,445,000 to be issued to the Vendor or its nominee entitling it to convert the outstanding principal amount into Conversion Shares at an exercise price of HK\$4.3 per Share (subject to adjustment) until its maturity date five years after the date of issue
“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated thereunder

“Eternity Profits”	Eternity Profits Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Jade River
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than the Vendor and his associates
“Independent Valuer”	Raine & Horne International, a firm of professional valuers independent from the Company and the Vendor and its associates
“Jade River”	Jade River Profits Limited, a company incorporated in the BVI that is wholly owned by the Vendor
“Jade River Group”	Jade River and its subsidiaries
“Leased Properties”	the portion of ground floor of May Tower and the portion of ground floor and seventh floor of Berkeley Court
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	all loans granted by the Vendor to Jade River Group that remain outstanding as at the Completion Date and all accrued interest thereon, if any, and all rights and benefits of the Vendor relating thereto
“Long Stop Date”	30 June 2007 or such later date as the parties to the Agreement may agree in writing
“May Tower”	a block of commercial/serviced apartments (certain of which will be converted to hotel rooms) developed on a piece of freehold land held under Geran 54118, Lot 301, Section 40 in the Bandar of Kuala Lumpur, District and State of Wilayah Persekutuan in Malaysia
“May Tower Sale Parcels”	120 sale parcels situated on 21st floor to 30th floor of May Tower to be acquired by Venue Summit pursuant to the May Tower Sale Agreement
“May Tower Sale Agreement”	the master purchase agreement dated 4 May 2006 and entered into between Mayland Boulevard Sdn. Bhd. and Success Range for the sale and purchase of the May Tower Sale Parcels, such agreement being yet to be completed as at the date hereof
“Mr. Chiu” or “Vendor”	Mr. David Chiu, the Deputy Chairman and Chief Executive Officer of the Company, who is interested in 340,143,949 Shares representing approximately 23.39% of the total issued share capital of the Company as the date hereof
“Properties”	the May Tower Sale Parcels and the Berkeley Court Sale Parcels
“Purchaser”	Far East Consortium Limited, a wholly-owned subsidiary of the Company
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Sale Shares”	the two ordinary shares of US\$1.0 each in the share capital of Jade River beneficially owned by the Vendor, representing the entire issued share capital of Jade River
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Range”	Success Range Sdn. Bhd., a company incorporated in Malaysia and a directly wholly-owned subsidiary of Eternity Profits
“Total Win Profits”	Total Win Profits Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Jade River

“USD” US Dollar, the lawful currency of the United States
“Venue Summit” Venue Summit Sdn. Bhd., a company incorporated in Malaysia and a directly wholly-owned subsidiary of Total Win Profits

On behalf of the Board
Far East Consortium International Limited
Bill Mok
*Chief Financial Officer
and Company Secretary*

Hong Kong, 21 December, 2006

For the purpose of this announcement, RM have been converted in Hong Kong dollars at an exchange rate of RM1=HK\$2.195

For the purpose of this announcement, USD have been converted in Hong Kong dollars at an exchange rate of USD1=HK\$7.8

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Deacon Te Ken Chiu, Tan Sri Dato' David Chiu, Mr. Dennis Chiu, Mr. Craig Grenfell Williams; three non-executive Directors, namely Madam Ching Lan Ju Chiu, Mr. Dick Tat Sang Chiu, Mr. Daniel Tat Jung Chiu; and three independent non executive Directors, namely Mr. David Kwok Kwei Lo, Mr. Jian Yin Jiang and Mr. Kwok Wai Chan.