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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 TRANSACTION IN RELATION TO ACQUISITION OF A BUILDING PROJECT IN THE PRC

On 22 April 2007, the Purchaser and the Vendor, through a public bidding entered into the Agreement, pursuant to which, the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agree to sell the Building Project at the Consideration of RMB279,000,000 (equivalent to approximately HK\$281,818,182 million) payable in cash. The Building Project mainly consists of (i) the land use right of a plot of land located in No. 124 to 177, 成都市玉龍西街 (Cheng Du Yu Long West Street) with a site area of 5,738.81 s.q.m.; and (ii) the immoveable property, which is known as 成都銀座大廈 (Cheng Du Ginza Building), situated on such plot of land.

The Group intends to develop the Building Project into a hotel and retail shops complex. The Board considers that the Acquisition represents a good opportunity for the Group to strengthen its existing hotel portfolio and provides a platform to the Group to capture the future growth of tourism business in the PRC. The Board considers that the terms of the Acquisition are on normal commercial terms, after arm's length negotiations and that the terms thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing further information on the Acquisition will be despatched to the Shareholders in accordance with the requirements of the Listing Rules.

THE AGREEMENT

Date: 22 April 2007

Parties:

Auction Agent: 北京東方偉龍國際拍賣有限公司 (Beijing Oriental Great Long International Auction Co., LTD)

Purchaser: 遠東帝豪酒店管理(成都)有限公司 (Far East Dorsett Hotel Management (Cheng Du) Company Limited), a wholly-owned subsidiary of the Company

The Vendor disposes the Building Project to the Purchaser through the Auction Agent. The Vendor is 中國工商銀行四川分行 (Sichuan branch of Industrial and Commercial Bank of China Limited). As far as the Directors are aware, the Vendor is principally engaged in provision of banking services and Beijing Oriental Great Long International Auction Co., LTD is principally engaged in the auction agency services in the PRC. To the best of the knowledge, information and belief of the Board and having made all reasonable enquiries, (i) the Vendor and the Auction Agent and the ultimate beneficial owners of the Auction Agent are third parties independent of the Group and its connected persons; and (ii) none of the connected person of the Group holds more than 10% of the issued share capital of ICBC.

Assets to be acquired:

The Building Project mainly consists of (i) the land use right of a plot of land (the "Land") located in No. 124 to 177, 成都市玉龍西街 (Cheng Du Yu Long West Street) with a site area of 5,738.81 s.q.m.; and (ii) the immovable property, which is known as 成都銀座大廈 (Cheng Du Ginza Building), situated on the Land.

Consideration:

The Consideration of RMB279,000,000 (equivalent to approximately HK\$281,818,182 million) payable in cash in the following manner:

- (i) as to RMB30,000,000 (equivalent to approximately HK\$30,303,030) payable on or before 27 April 2007; and
- (ii) as to the balance of RMB249,000,000 (equivalent to approximately HK\$251,515,152 million) payable on or before 22 July 2007.

In addition to the Consideration, the Company also incurred an agency fee of RMB5,580,000 (equivalent to approximately HK\$5,636,364) payable to the Auction Agent, determined as to 2% of the Consideration. The agency fee is payable by the Purchaser to the Auction Agent on or before 25 April 2007 and has not yet been paid by the Purchaser as at the date of this announcement. Save as disclosed above, as at the date of this announcement, the Group has no further commitment in relation to the Acquisition.

The Consideration is determined after a public bidding process and the Directors consider that the Consideration is fair and reasonable having taking into accounts the expected cost-to-completion of the Building Project and the location and development potential of the Building Project.

The Consideration and the related costs will be financed by the internal resources of the Group and/or bank financing.

Conditions precedent:

Completion is conditional upon the following conditions being satisfied:

- (i) the transfer of the land use right of the Land from the Vendor to the Purchaser; and
- (ii) the entire Consideration is paid by the Purchaser to the Vendor.

In the event that any of the above conditions have not been satisfied within three months from the date of the Agreement then either the Purchaser or the Vendor shall be entitled to terminate the Agreement. None of the above conditions can be waived by parties to the Agreement.

In case the Vendor fails to transfer the land use right of the Land to the Purchaser within three months after the date of the Agreement, the Auction Agent shall refund the amount paid by the Purchaser in relation to the Agreement in full within five business days and the Auction Agent guarantees that the Purchaser be compensated with the loss of interest in relation thereto.

In case the Purchaser fails to pay the Consideration and other related costs according to the payment schedule as above, the Auction Agent is entitled to terminate the Agreement and the amount paid by the Purchaser in relation to the Agreement is not refundable.

Completion:

Completion will take place within five business days after the Agreement has become unconditional.

INFORMATION ON THE BUILDING PROJECT

The Building Project is located at Cheng Du, Sichuan Province, the PRC and mainly consists of (i) the land use right of the Land located in No. 124 to 177 Cheng Du Yu Long West Street with a site area of 5,738.81 s.q.m.; and (ii) the immovable property, which is known as 成都銀座大廈 (Cheng Du Ginza Building), situated on the Land. Cheng Du Ginza Building currently has a gross floor area of 67,616.94 s.q.m. and the construction work of which has not yet completed as at the date of this announcement. The land use right of the Building Project will expire on 22 September 2047.

As the Building Project was not completed in previous years, therefore, there was no revenue or profits attributable to the Building Project for the previous years.

REASONS FOR THE ACQUISITION

The principal activities of the Group are property development and investment, hotel operations, securities investment and trading, and loan financing for hotel operations. As at the date of this announcement, the Group has 7 hotels in Hong Kong and 2 hotels in Malaysia. The Group is actively seeking investment opportunities in the hospitality industry, both in Hong Kong and overseas.

The Group intends to develop the Building Project into a hotel and retail shops complex. The Board considers that the Acquisition represents a good opportunity for the Group to strengthen its existing hotel portfolio and provides a platform to the Group to capture the future growth of tourism business in the PRC. The Board considers that the terms of the Acquisition are on normal commercial terms, after arm's length negotiations and that the terms thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further information on the Acquisition will be sent to the Shareholders as soon as practicable in accordance with the Listing Rules.

DEFINITIONS

“Acquisition”	the acquisition by the Purchaser from the Vendor through the Auction Agent for the entire interest in the Building Project pursuant to the Agreement
“Agreement”	the confirmation letter entered into between the Purchaser and the Auction Agent on 22 April 2007 and the auction agreement entered into between the Purchaser and the Auction Agent on 20 April 2007

“Auction Agent”	北京東方偉龍國際拍賣有限公司 (Beijing Oriental Great Long International Auction Co., LTD), a company formed in the PRC with limited liability
“Board”	the board of Directors
“Building Project”	collectively, (i) the land use right of a plot of land located in No. 124 to 177, 成都市玉龍西街 (Cheng Du Yu Long West Street) with a site area of 5,738.81 s.q.m.; and (ii) the immoveable property, which is known as 成都銀座大廈 (Cheng Du Ginza Building), situated on such plot of land
“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
“connected persons”	has the meaning as defined in the Listing Rules
“Consideration”	the consideration of RMB279,000,000 (equivalent to approximately HK\$281,818,182 million) payable for the Acquisition under the Agreement
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong Special Administrative Region of the PRC
“ICBC”	Industrial Commercial Bank of China Limited (stock code: 1398), a joint stock limited company incorporated in the PRC and the H Shares and A Shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange, respectively
“PRC”	the People’s Republic of China
“Purchaser”	遠東帝豪酒店管理(成都)有限公司 (Far East Dorsett Hotel Management (Cheng Du) Company Limited), a wholly foreign owned enterprise established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency in the PRC
“Shareholders”	holders of the ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“s.q.m.”	square metre(s)

“Vendor”

中國工商銀行四川分行 (Sichuan branch of Industrial and Commercial Bank of China Limited), the branch office of ICBC

By Order of the Board

FAR EAST CONSORTIUM INTERNATIONAL LIMITED

David Chiu

Deputy Chairman and Chief Executive Officer

Hong Kong, 24 April 2007

For illustration purposes, an exchange rate of RMB1.00 = HK\$0.99 has been adopted.

If there is any inconsistency between the Chinese names of PRC entities or locations mentioned in this announcement and their English translations, the Chinese version shall prevail.

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 and 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.

Please also refer to the published version of this announcement in South China Morning Post, and Hong Kong Economic Times.