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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)



Kosmopolito Hotels International Limited

麗悦酒店集團有限公司

*(Incorporated in the Cayman Islands with
limited liability)*
Website: <http://www.kosmohotels.com>
(Stock Code: 2266)

JOINT ANNOUNCEMENT

DISCLOSEABLE AND CONNECTED TRANSACTION

PROPOSED ESTABLISHMENT OF JOINT VENTURE

PROPOSED ESTABLISHMENT OF JOINT VENTURE

On 11 October 2011, Subang Jaya entered into the Joint Venture Agreement with Mayland Valiant whereby Subang Jaya and Mayland Valiant will, amongst other things, jointly develop the Project.

Under the Joint Venture, Subang Jaya as the proprietor will provide the Development Land, whilst Mayland Valiant as the developer shall, amongst other things, pay the Development Costs. Subang Jaya and Mayland Valiant shall each be entitled to 50% of the Development Profit.

IMPLICATIONS UNDER THE LISTING RULES

Mayland Valiant is wholly-owned by Mayland Properties, which in turn is wholly-owned by Prestige Aspect, a company owned by Tan Sri Dato' David Chiu as to approximately 63.57%. Tan Sri Dato' David Chiu is an executive FEC Director, the chairman, chief executive officer and controlling shareholder of FEC, a non-executive KHI Director and the chairman of KHI. Mayland Valiant is therefore a connected person of both FEC and KHI under Rule 14A.11(4) of the Listing Rules. Further, as one or more of the applicable percentage ratios (as defined in the Listing Rules) of transactions contemplated under the Joint Venture Agreement exceed 5% but are less than 25% for both FEC and KHI, the entering into of the Joint Venture Agreement constitutes a discloseable and connected transaction of both FEC and KHI under Chapter 14 and Chapter 14A of the Listing Rules.

The Joint Venture Agreement is subject to the reporting and announcement requirements of the Listing Rules.

The Joint Venture Agreement is also subject to the approval of the Independent FEC Shareholders and the Independent KHI Shareholders by way of poll at the FEC EGM and at the KHI EGM, respectively. As at the date of this announcement, (i) Tan Sri Dato' David Chiu is interested in approximately 34.96% of the issued share capital of FEC and is therefore a controlling shareholder of FEC; and (ii) FEC is interested in approximately 73.1% of the issued share capital of KHI. By virtue of the interests of Tan Sri Dato' David Chiu in the issued share capital of FEC and KHI, and his directorships and other offices held in FEC and KHI, Tan Sri Dato' David Chiu, being a connected person of both FEC and KHI with a material interest in the Joint Venture Agreement, and his associates, will abstain from voting on resolutions in respect of the Joint Venture Agreement at the FEC EGM and KHI EGM, respectively.

As FEC is an associate of Tan Sri Dato' David Chiu, companies of FEC Group which directly hold KHI Shares will also abstain from voting at the KHI EGM.

GENERAL

A joint circular of FEC and KHI containing, amongst other things, further particulars of the Joint Venture Agreement, together with (i) a letter of recommendation from the Independent FEC Board Committee; (ii) a letter of recommendation from the Independent KHI Board Committee; (iii) a letter of advice from the Independent Financial Adviser to the Independent FEC Board Committee, the Independent FEC Shareholders, the Independent KHI Board Committee and the Independent KHI Shareholders; (iv) a notice convening the FEC EGM; and (v) a notice convening the KHI EGM will be dispatched to the FEC Shareholders and the KHI Shareholders on or about 14 October 2011.

PROPOSED ESTABLISHMENT OF JOINT VENTURE

On 11 October 2011, Subang Jaya, a wholly-owned subsidiary of KHI, entered into the Joint Venture Agreement with Mayland Valiant whereby Subang Jaya and Mayland Valiant will, amongst other things, jointly develop the Project. FEC indirectly holds approximately 73.1% of the issued share capital of KHI, KHI is therefore a subsidiary of FEC and Subang Jaya is an indirect non wholly-owned subsidiary of FEC.

SUMMARY OF TERMS OF THE JOINT VENTURE AGREEMENT

The key terms of the Joint Venture Agreement are as follows:

Date of agreement: 11 October 2011

Parties:

- (i) Mayland Valiant is a company wholly-owned by Mayland Properties, which in turn is wholly-owned by Prestige Aspect, a company owned by Tan Sri Dato' David Chiu as to approximately 63.57%. Tan Sri Dato' David Chiu is an executive FEC Director, the chairman, chief executive officer and controlling shareholder of FEC, a non-executive KHI Director and the chairman of KHI. Mayland Valiant is therefore a connected person of both FEC and KHI under Rule 14A.11(4) of the Listing Rules. As far as the FEC Directors and KHI Directors are aware after having made all reasonable enquiries, the principal activities of Mayland Valiant and its parent company, Mayland Properties, are the development of properties in Malaysia; and
- (ii) Subang Jaya, a wholly-owned subsidiary of KHI and an indirect non wholly-owned subsidiary of FEC.

Formation and Purpose of the Joint Venture

Pursuant to the Joint Venture Agreement, Subang Jaya and Mayland Valiant have agreed to, amongst other things, jointly develop the Project.

Subang Jaya as the proprietor will, under the Joint Venture, provide the Development Land on which the Project will be situated. The parties have attributed a value of RM65,000,000 (equivalent to approximately HK\$162,500,000) to the Development Land, based on a valuation report on the Development Land dated 24 August 2011.

Mayland Valiant as the developer shall, under the Joint Venture, amongst other things, pay for all premiums, contributions and other payments incurred on the Development Land, together with direct costs incurred for the development of the Project and all costs now or hereafter chargeable or imposed by the relevant authorities of Malaysia in respect of the development of the Project, conditional on the satisfaction of the Conditions and approval of the building plans by such relevant authorities. All such payments shall be capitalised as Development Costs. Although the legal ownership of the Development Land will not be transferred to Mayland Valiant, Mayland Valiant, holding a power of attorney issued by Subang Jaya, shall also be responsible for obtaining all necessary approvals from the relevant authorities in respect of the Project. As at the date of this announcement, Mayland Valiant, on behalf of Subang Jaya, has already obtained the development order from the local

council. Mayland Valiant, on behalf of Subang Jaya, has also submitted a building plan for the development of the Development Land and the approval from the local council is expected to be obtained by December 2011. Mayland Valiant and Subang Jaya do not foresee any obstacles in obtaining approval of the building plan.

If the above approval cannot be obtained, Subang Jaya and Mayland Valiant have agreed that the Project will not proceed, and Subang Jaya will take responsibility for all the preliminary expenses incurred until the date both parties confirm the termination of the Project in the above circumstances.

The performance of the obligations of the parties to the Joint Venture Agreement is conditional on the satisfaction of the following Conditions:-

- (i) Subang Jaya, FEC and KHI having obtained the approval of the contents and execution of the Joint Venture Agreement by Subang Jaya, from their respective boards of directors, and the approval of the shareholders of Subang Jaya, the Independent FEC Shareholders and the Independent KHI Shareholders (as applicable), together with the approval of any relevant regulatory body that Subang Jaya may be subject to; and
- (ii) Mayland Valiant having obtained the approval from its shareholders and board of directors of the contents and execution of the Joint Venture Agreement.

If the approvals set out in the Conditions are not obtained within three months from the date of the Joint Venture Agreement, or such other time as may be mutually agreed upon by Subang Jaya and Mayland Valiant, either party shall be entitled to terminate the Joint Venture Agreement by giving 30 days' prior written notice, upon expiry of which Subang Jaya will refund all money paid by Mayland Valiant under or arising from the Joint Venture Agreement (if any), including any preliminary costs incurred in connection with the Project, in exchange for which Mayland Valiant shall, amongst other things, hand over the Development Land, free from encumbrances attributable to Mayland Valiant. As at the date of this announcement, the total amount of preliminary expenses, including all fees paid to the relevant consultants (architect, engineers and quantity surveyor), incurred in relation to the Project was approximately RM1,500,000 (equivalent to approximately HK\$3,750,000).

Within 14 days of the fulfillment of the Conditions or delivery of vacant possession of the Development Land by Subang Jaya to Mayland Valiant, whichever is the later, Mayland Valiant will pay Subang Jaya the Advance Payment, which will form part of the Subang Jaya Entitlement.

The Project

The current proposal is to develop the Project into approximately 1,989 units of hotel suite apartments in two 17-storey high apartment blocks, with a car park providing approximately 1,329 parking spaces. The total net floor area for the Project is approximately 91,000 square metres.

The expected completion time for the Project will be five years (unless mutually extended by Subang Jaya and Mayland Valiant) from the Development Commencement Date.

Project Management for the Development

The development of the Project is to be conducted on a joint venture basis as between Subang Jaya and Mayland Valiant where no management fees are payable to Mayland Valiant by Subang Jaya, and for this purpose Subang Jaya has been granted a right under the Joint Venture Agreement to appoint no less than half of the members of the board of directors of Mayland Valiant with one of such appointees being the chairman of the board, with a casting vote. All directors of Mayland Valiant appointed by Subang Jaya shall retire upon termination of the Joint Venture Agreement.

Profit Sharing

Under the Joint Venture Agreement, Subang Jaya provides the Development Land for the development while Mayland Valiant provides the technical, commercial, financial management and property marketing and sales expertise and bears the Development Costs, and Subang Jaya and Mayland Valiant are each entitled to 50% of the Development Profit (the Subang Jaya Entitlement and the Mayland Valiant Entitlement, respectively), being the audited profit before tax derived from the audited accounts of Mayland Valiant, prepared in accordance with accepted and legal accounting standards and conventions applicable at the relevant time in Malaysia having taken into account, amongst other things, all Development Costs for the completion of the Project and development of the Development Land and the value attributable to the Development Land.

The Development Profit shall be distributable to Subang Jaya and Mayland Valiant following the receipt of the certificate of compliance and completion for each phase of the Project and within one month after the relevant approvals have been obtained from the Minister of Housing and the relevant authorities of Malaysia, where the sale of the Project may not be completed.

Under the Joint Venture Agreement, Subang Jaya and Mayland Valiant will also bear 50% of the losses each. All costs, stamp fees and other charges in connection with the Joint Venture Agreement shall be borne equally by Mayland Valiant and Subang Jaya in equal shares.

REASONS FOR AND BENEFITS OF THE JOINT VENTURE

The Land, of which the Development Land forms part, is currently occupied by Grand Dorsett Subang Hotel, a hotel which is owned and operated by the KHI Group. Part of the Development Land is occupied by the swimming pool and parking facilities of the Grand Dorsett Subang Hotel (both of which will be relocated and such relocation costs will be included as part of the Development Costs), with the remainder of the Development Land being left as an open area. Considering the relocation of existing facilities including the swimming pool and the parking facilities and that the development site is on the outskirts of the Grand Dorsett Subang Hotel, KHI considers that the Project will not affect the existing operation of the Grand Dorsett Subang Hotel. The Joint Venture provides a good opportunity for the development of the Development Land without the need for the KHI Group to contribute any further capital towards its development. As set out in the 2011 annual report of KHI, the KHI Group is actively seeking investment as well as other asset-light and cost effective business opportunities with a view to grow its brand distribution and revenues to create value for the KHI Shareholders. KHI Directors believe that the two-prong growth engine will help grow KHI's brand distribution and revenues without requiring substantial capital expenditures or incurring significant costs. The arrangements under the Joint Venture Agreement are consistent with this approach.

As disclosed in the prospectus dated 28 September 2010 in relation to the listing of KHI Shares on the Stock Exchange, KHI has been in the process of formulating plans for some of the vacant land located on the site of the Grand Dorsett Subang Hotel that has not previously been used. The KHI Directors are of the view that the development of such vacant land into hotel suite apartments for sale to the public can create the highest value and return for the KHI Shareholders. However, in the absence of local development experience, the KHI Directors believe that it is necessary to collaborate with a developer with proven track record of property development in Malaysia in order to maximise the return and to minimise the development risks. By reason of the extensive experience and market reputation of Mayland Properties (a company founded in 1995 that has since completed and delivered over 20,000 units of residential and commercial properties) in developing innovative and quality residential and commercial properties in Malaysia, the KHI Directors believe that Mayland Valiant, a wholly-owned subsidiary of Mayland Properties, is a suitable partner in this development.

The value of contribution of Subang Jaya to the Joint Venture in the form of the Development Land was arrived at after arms' length negotiations between Subang Jaya and Mayland Valiant, taking into account the attributed value of the Development Land of RM65,000,000 (equivalent to approximately HK\$162,500,000) and the estimated total costs of development of the Project of approximately RM297,000,000 (equivalent to approximately HK\$742,500,000). The estimated total

costs of development of the Project was estimated by a consultant quantity surveyor, independent from Subang Jaya and Mayland Valiant, based on the input and detailed studies by the management of Mayland Valiant on the development of the Development Land.

An Independent FEC Board Committee (comprising all the independent non-executive FEC Directors) has been formed to make recommendations to the Independent FEC Shareholders on the fairness and reasonableness of the terms of the Joint Venture Agreement and the transactions contemplated thereunder.

An Independent KHI Board Committee (comprising all the independent non-executive KHI Directors) has been formed to make recommendations to the Independent KHI Shareholders on the fairness and reasonableness of the terms of the Joint Venture Agreement and the transactions contemplated thereunder.

Investec has been appointed as the independent financial adviser to advise the Independent FEC Board Committee, the Independent KHI Board Committee, the Independent FEC Shareholders and the Independent KHI Shareholders with regards to the terms of the Joint Venture Agreement.

The terms of the Joint Venture Agreement were negotiated between the parties at arm's length. The FEC Directors (including the Independent FEC Directors whose views have been given after taking into account the advice from the Independent Financial Adviser) consider that the terms of the Joint Venture Agreement are on normal commercial terms and are fair and reasonable and in the interests of FEC and the Independent FEC Shareholders as a whole.

The KHI Directors (including the Independent KHI Directors whose views have been given after taking into account the advice from the Independent Financial Adviser) consider that the terms of the Joint Venture Agreement are on normal commercial terms and are fair and reasonable and in the interests of KHI and the Independent KHI Shareholders as a whole.

A joint circular of FEC and KHI containing, amongst other things, further particulars of the Joint Venture Agreement, together with (i) a letter of recommendation from the Independent FEC Board Committee; (ii) a letter of recommendation from the Independent KHI Board Committee; (iii) a letter of advice from the Independent Financial Adviser to the Independent FEC Board Committee, the Independent FEC Shareholders, the Independent KHI Board Committee and the Independent KHI Shareholders; (iv) a notice convening the FEC EGM; and (v) a notice convening the KHI EGM will be dispatched to the FEC Shareholders and the KHI Shareholders on or about 14 October 2011.

IMPLICATIONS UNDER THE LISTING RULES

Mayland Valiant is wholly-owned by Mayland Properties, which in turn is wholly-owned by Prestige Aspect, a company owned by Tan Sri Dato' David Chiu as to approximately 63.57%. Tan Sri Dato' David Chiu is an executive FEC Director, the chairman, chief executive officer and controlling shareholder of FEC, a non-executive KHI Director and the chairman of KHI. Mayland Valiant is therefore a connected person of both FEC and KHI under Rule 14A.11(4) of the Listing Rules. Further, as one or more of the applicable percentage ratios (as defined in the Listing Rules) of transactions contemplated under the Joint Venture Agreement exceed 5% but are less than 25% for both FEC and KHI, the entering into of the Joint Venture Agreement constitutes a discloseable and connected transaction of both FEC and KHI under Chapter 14 and Chapter 14A of the Listing Rules.

The Joint Venture Agreement is subject to the reporting and announcement requirements of the Listing Rules.

The Joint Venture Agreement is also subject to the approval of the Independent FEC Shareholders and the Independent KHI Shareholders by way of poll at the FEC EGM and at the KHI EGM, respectively. As at the date of this announcement, (i) Tan Sri Dato' David Chiu is interested in approximately 34.96% of the issued share capital of FEC and is therefore a controlling shareholder of FEC; and (ii) FEC is interested in approximately 73.1% of the issued share capital of KHI. By virtue of the interests of Tan Sri Dato' David Chiu in the issued share capital of FEC and KHI, and his directorships and other offices held in FEC and KHI, Tan Sri Dato' David Chiu, being a connected person of both FEC and KHI with a material interest in the Joint Venture Agreement, and his associates, will abstain from voting on resolutions in respect of the Joint Venture Agreement at the FEC EGM and the KHI EGM, respectively.

As FEC is an associate of Tan Sri Dato' David Chiu, companies of FEC Group which directly hold KHI Shares will also abstain from voting at the KHI EGM.

Further, Tan Sri Dato' David Chiu, being a FEC Director and a KHI Director, has not voted on and will abstain from voting on the relevant board resolutions of FEC and KHI, respectively.

Miss Winnie Chiu Wing Kwan, a KHI Director and a director of Mayland Properties, has not voted on and will also abstain from voting on the relevant board resolutions of KHI.

GENERAL

FEC is an investment holding company. The principal activities of the FEC Group comprise property development and investment, hotel operation, car park operation and treasury management.

KHI is an investment holding company. The principal activities of the KHI Group comprise developing, owning and operating value, mid-scale, upscale and boutique hotels, and property investment, development and trading.

Mayland Valiant is wholly-owned by Mayland Properties, which in turn is wholly-owned by Prestige Aspect, a company owned by Tan Sri Dato' David Chiu as to approximately 63.57%. As far as the FEC Directors and the KHI Directors are aware after having made all reasonable enquiries, Mayland Properties is a property development company founded in 1995 by Tan Sri Dato' David Chiu and is one of the largest property developers in Malaysia, and the leading developer in terms of condominiums and serviced apartments alone. Mayland Properties has significant development in prime areas in Malaysia such as Kuala Lumpur, Selangor, Johor and Putrajaya.

DEFINITIONS

In this announcement, the following terms have the same meanings as set out below:-

“Advance Payment”	the sum of RM100,000 (equivalent to approximately HK\$250,000) payable by Mayland Valiant to Subang Jaya within fourteen days of the fulfilment of the Conditions or delivery of vacant possession of the Development Land by Subang Jaya, whichever is the later;
“associates”	has the meaning ascribed thereto in the Listing Rules;
“Conditions”	the conditions precedent to the performance of the obligations of Mayland Valiant and Subang Jaya under the Joint Venture Agreement;
“connected person”	has the meaning ascribed thereto in the Listing Rules;
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules;
“Development Commencement Date”	the date of commencement of development work in respect of the Project and development of the Development Land by Mayland Valiant;

“Development Costs”	the costs and expenses to be incurred in the planning, supervision, management, implementation, marketing, legal, building construction, infrastructures, roads and drains, mechanical and engineering works and generally all costs in the completion of the buildings in the Project and development of the Development Land including the costs to be incurred in the relocation of the swimming pool and parking facilities of Grand Dorsett Subang Hotel;
“Development Land”	the portion of the Land excluding the part of the Land utilised by Grand Dorsett Subang Hotel, a hotel owned and operated by the KHI Group;
“Development Profit”	the audited profit before tax derived from audited accounts of Mayland Valiant prepared in accordance with accepted and legal accounting standards and conventions applicable at the relevant time in Malaysia having taken into account, amongst other things, all Development Costs for the completion of the Project and development of the Development Land and value attributable to the Development Land;
“FEC”	Far East Consortium International Limited, a company incorporated in the Cayman Islands, and the shares of which are listed on the main board of the Stock Exchange, which holds approximately 73.1% of KHI Shares and is therefore a controlling shareholder of KHI;
“FEC Director(s)”	the director(s) of FEC;
“FEC EGM”	the extraordinary general meeting of FEC at which resolutions will be proposed to consider and, if thought fit, to approve, amongst other things, the Joint Venture Agreement;
“FEC Group”	FEC and its subsidiaries;
“FEC Shareholder(s)”	holder(s) of FEC Shares;
“FEC Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of FEC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Independent FEC Board Committee”	a committee of the FEC Directors, comprising all of the Independent FEC Directors, constituted to make recommendations to the Independent FEC Shareholders on the fairness and reasonableness of the terms of the Joint Venture Agreement and the transactions contemplated thereunder;
“Independent FEC Directors”	the independent non-executive FEC Directors, namely Mr. Chan Kwok Wai, Mr. Wong Man Kong Peter and Mr. Lam Kwong Siu;
“Independent FEC Shareholders”	FEC Shareholders other than Tan Sri Dato’ David Chiu and his associates;
“Independent KHI Board Committee”	a committee of the KHI Directors, comprising all of the Independent KHI Directors, constituted to make recommendations to the Independent KHI Shareholders on the fairness and reasonableness of the terms of the Joint Venture Agreement and the transactions contemplated thereunder;
“Independent KHI Directors”	the independent non-executive KHI Directors, namely Mr. Shek Lai Him Abraham, Mr. To Peter and Dr. Liu Ngai Wing;
“Independent KHI Shareholders”	KHI Shareholders other than Tan Sri Dato’ David Chiu and his associates;
“Investec” or “Independent Financial Adviser”	Investec Capital Asia Limited, a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, the independent financial adviser to the Independent FEC Board Committee, the Independent FEC Shareholders, the Independent KHI Board Committee and the Independent KHI Shareholders;
“Joint Venture”	the joint development of the Project by Subang Jaya and Mayland Valiant pursuant to the terms of the Joint Venture Agreement;
“Joint Venture Agreement”	the joint venture agreement dated 11 October 2011 entered into between Subang Jaya as the proprietor and Mayland Valiant as the developer in connection with the Joint Venture;

“KHI”	Kosmopolito Hotels International Limited, a company incorporated in the Cayman Islands, and the shares of which are listed on the main board of the Stock Exchange, which is held indirectly as to approximately 73.1% by FEC and is therefore a subsidiary of FEC;
“KHI Director(s)”	the director(s) of KHI;
“KHI EGM”	the extraordinary general meeting of KHI at which resolutions will be proposed to consider and, if thought fit, to approve, amongst other things, the Joint Venture Agreement;
“KHI Group”	KHI and its subsidiaries;
“KHI Shareholder(s)”	holder(s) of KHI Shares;
“KHI Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of KHI;
“Land”	the parcels of freehold land held under firstly, No. Hakmilik: 38842 No. Lot 4244 Mukim Damansara, Daerah Petaling, Negeri Selangor, Malaysia, measuring approximately 19,474 meters square, and secondly No. Hakmilik 38843, No. Lot 4245, Mukim Damansara, Daerah Petaling, Negeri Selangor, Malaysia, measuring approximately 18,308 meters square;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mayland Properties”	Malaysia Land Properties Sdn Bhd, a company incorporated in Malaysia, which is wholly-owned by Prestige Aspect;
“Mayland Valiant”	Mayland Valiant Sdn Bhd, a company incorporated in Malaysia and wholly-owned by Mayland Properties and a connected person of both FEC and KHI under Rule 14A.11(4) of the Listing Rules;
“Mayland Valiant Entitlement”	50% of the Development Profit;

“Prestige Aspect”	Prestige Aspect Sdn Bhd, a company incorporated in Malaysia, which is owned by Tan Sri Dato’ David Chiu as to approximately 63.57%, owned by Ms. Chiu Ng Nancy, the spouse of Tan Sri Dato’ David Chiu, as to approximately 31.22%, owned by Mr. Kock Kim Fah as to approximately 3.12%, and owned by Mr. Woo Thin Fook as to approximately 2.09%. Both Mr. Kock Kim Fah and Mr. Woo Thin Fook are independent third parties;
“Project”	the proposed development of properties on the Development Land, for sale to the public, and such other subsequent variations therefrom or amendments thereto proposed from time to time by Mayland Valiant and which has been accepted and approved by Subang Jaya;
“RM”	Ringgit, the lawful currency of Malaysia;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subang Jaya”	Subang Jaya Hotel Development Sdn Bhd, a company incorporated in Malaysia, a wholly-owned subsidiary of KHI and a non wholly-owned subsidiary of FEC;
“Subang Jaya Entitlement”	50% of the Development Profit;
“Tan Sri Dato’ David Chiu”	Tan Sri Dato’ David Chiu, an executive FEC Director, the chairman, chief executive officer and controlling shareholder of FEC, a non-executive KHI Director, chairman of KHI, a director of Subang Jaya and the chief executive officer of Mayland Properties; and
“%”	per cent.

Unless otherwise specified, amounts in this announcement denominated in RM have been translated for the purpose of illustration only into Hong Kong dollars at the rate of RM1.00 : HK\$2.50. No representation is made that any amounts can be or could have been converted at the relevant dates at the above rate or any other rates at all.

<p>By order of the Board of Far East Consortium International Limited Cheung, Wai Hung Boswell <i>Chief Financial Officer and Company Secretary</i></p>	<p>By order of the Board of Kosmopolito Hotels International Limited Mok, Kwai Pui Bill <i>President and Executive Director</i></p>
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Hong Kong, 11 October 2011

As at the date of this announcement, the executive directors of FEC are Tan Sri Dato' CHIU David, Mr. CHIU Dennis and Mr. Craig Grenfell WILLIAMS; the non-executive director of FEC is Mr. CHIU Tat Jung Daniel; the independent non-executive directors of FEC are Mr. CHAN Kwok Wai, Mr. WONG Man Kong Peter and Mr. LAM Kwong Siu.

As at the date of this announcement, the executive directors of KHI are Mr. MOK Kwai Pui Bill, Mr. CHU Chee Seng, Mr. LAI Wai Keung and Ms. CHIU Wing Kwan Winnie; the non-executive directors of KHI are Tan Sri Dato' CHIU David, Mr. HOONG Cheong Thard and Mr. CHAN Chi Hing; the independent non-executive directors of KHI are Mr. SHEK Lai Him Abraham, Mr. TO Peter and Dr. LIU Ngai Wing.

This announcement was originally prepared in English and was subsequently translated into Chinese. In the event of any inconsistency between the English text and Chinese text, the English text shall prevail.