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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 ACQUISITION OF PROPERTY INTEREST THROUGH ACQUIRING A TARGET COMPANY

On 8 November 2012, the Purchaser entered into the Agreement with the Vendor, an Independent Third Party, pursuant to which the Vendor agreed to sell the Share in the Target Company and assign the benefit of the Loan extended to the Target Company at a consideration of HK\$4,090,500. Completion of the Agreement took place on the same date.

In or around October 2012, the Target Company entered into the Property Agreements for the acquisition of the Properties erected on the Lot located at Wong Tai Sin, Kowloon, Hong Kong at a total consideration of HK\$334,231,000. The Target Company paid the initial deposits under the Property Agreements in the sum of HK\$4,077,000 with balance of HK\$330,154,000 being payable.

In line with the Group's development strategy, the Group intends to redevelop the Lot into residential and commercial properties upon acquisition of 100% ownership of the Lot.

As the Purchaser is a wholly-owned subsidiary of the Company and one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition (taking into account the balance of consideration of HK\$330,154,000 payable for the acquisition of the Properties) exceed 5% but are less than 25% for the Company, the Acquisition therefore constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 8 November 2012, the Purchaser entered into the Agreement with the Vendor, an Independent Third Party, pursuant to which the Vendor agreed to sell the Share in the Target Company and assign the benefit of the Loan extended to the Target Company at a consideration of HK\$4,090,500. Completion of the Agreement took place on the same date .

SUMMARY OF TERMS OF THE AGREEMENT

The key terms of the Agreement are as follows:

Date of agreement: 8 November 2012

Vendor: Fine Global Holdings Limited

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

Purchaser: Bravo Elite Limited, a wholly-owned subsidiary of the Company.

Target Company: All Greatness Limited

Consideration: Pursuant to the terms of the Agreement, the Purchaser will acquire the Share of the Target Company and the benefit of the Loan extended to the Target Company from the Vendor at a consideration of HK\$4,090,500.

The Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor having taken reference to consultations made with relevant professionals.

Payment: The Consideration shall be paid upon Completion by cashier order(s) or solicitor's cheque(s) to the Vendor or such other person(s) as may be directed by the Vendor in writing.

Other key terms: The Purchaser shall not be obliged to complete the purchase of the Share or the benefit of the Loan unless the sale to it of the Share and the benefit of the Loan are completed simultaneously.

REASONS FOR AND BENEFITS OF THE ACQUISITION

In or around October 2012, the Target Company entered into the Property Agreements for the acquisition of the Properties erected on the Lot located at Wong Tai Sin, Kowloon, Hong Kong at a total consideration of HK\$334,231,000. The Target Company paid the initial deposits under the Property Agreements in the sum of HK\$4,077,000 with balance of HK\$330,154,000 being payable. The Directors consider that the said consideration for acquisition of the Properties represents a fair price for the Properties taking into account the redevelopment potential of the Lot.

The Property Agreements provide that the completion of the sale and purchase of the Properties shall take place on or before 20 December 2012; and that the purchaser therein (i.e. the Target Company) has the right not to proceed with the transaction in the event that acquisition of 90% of ownership of the Lot is not completed concurrently on the completion date on or before 20 December 2012.

Subject to the completion of acquisition of the Properties which represents 90% of undivided shares of the Lot, the Directors consider that there is a reasonable prospect of acquiring full ownership of the Lot, either through further negotiations with the remaining minority owners of the Lot or by way of public auction under Land (Compulsory Sale For Redevelopment) Ordinance, Chapter 545, Laws of Hong Kong.

In line with the Group's development strategy, the Group intends to redevelop the Lot into residential and commercial properties upon acquisition of 100% ownership of the Lot.

The Board considers that the Acquisition is in the ordinary and usual course of business of the Group, on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Group and its shareholders as a whole.

GENERAL INFORMATION

The Purchaser is an investment holding company and a wholly-owned subsidiary of the Company. The principal activities of the Group comprise of property development and investment, hotel investment and operations and car park operations.

The Vendor is an Independent Third Party and its principal business activity comprises of property investment.

ACQUISITION COST AND BALANCE OF THE PURCHASE PRICE FOR THE PROPERTIES

The Consideration payable to the Vendor for the purchase of the Loan and Share together with the balance of the purchase price for the Properties amounting to HK\$334,244,500 will be fully settled in cash and financed by the Company's internal resources and bank financing.

LISTING RULES IMPLICATIONS

As the Purchaser is a wholly-owned subsidiary of the Company and one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition (taking into account the balance of consideration of HK\$330,154,000 payable for the acquisition of the Properties) exceed 5% but are less than 25% for the Company, the Acquisition therefore constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms have the following respective meanings:

“Acquisition”	acquisition of the Share and the benefit of the Loan extended to the Target Company by the Purchaser pursuant to the terms of the Agreement, and the acquisition of the rights and benefits of the Property Agreements;
“Agreement”	the sale and purchase agreement entered into on 8 November 2012 between the Purchaser and the Vendor in respect of the acquisition of the Share and the assignment of the benefit of the Loan;
“Board”	the board of Directors;
“Company”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of the Stock Exchange;
“Completion”	completion of the Acquisition, which took place on 8 November 2012;
“Consideration”	HK\$4,090,500;
“Directors”	the directors of the Company;

“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	party(ies) who is/are third party(ies) independent of the Company and connected persons (as defined in the Listing Rules) of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	100% of all amounts, including principal and interest (if any), due from or owing by the Target Company to the Vendor as at Completion;
“Lot”	New Kowloon Inland Lot No. 5035;
“Properties”	108 residential units, which constitute all those 108 equal undivided 120th parts or shares of and in the Lot, the details of which are set out in Part 1 of Schedule 2 to the Agreement;
“Property Agreements”	108 provisional sale and purchase agreements together with the supplemental agreement(s), if any, entered into by the Target Company as the purchaser for the sale and purchase of the Properties, the details of which are set out in Part 2 of Schedule 2 to the Agreement;
“Purchaser”	Bravo Elite Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company;
“Share”	1 Share, representing the entire issued share capital of the Target Company as at the date of the Agreement and at Completion;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	All Greatness Limited, a company incorporated in the British Virgin Islands; and

“Vendor”

Fine Global Holdings Limited, a company incorporated in the British Virgin Islands.

By order of the Board of
Far East Consortium International Limited
Boswell Wai Hung CHEUNG
Chief Financial Officer and Company Secretary

Hong Kong, 8 November 2012

As at the date of this announcement, the Board comprises five executive directors, namely, Tan Sri Dato’ David CHIU, Mr. Dennis CHIU, Mr. Craig Grenfell WILLIAMS, Mr. Cheong Thard HOONG and Mr. Chi Hing CHAN; one non-executive director, namely Mr. Daniel Tat Jung CHIU; and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM.