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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 INVOLVING ACQUISITION OF PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 14 June 2013, the Purchaser, a wholly owned subsidiary of the Company, entered into the contract of sale of real property (“Contract”) with the Vendor, an Independent Third Party, pursuant to which, amongst other things, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at the consideration (“Consideration”) of AU\$75,000,000 (equivalent to approximately HK\$547,500,000). The Acquisition is expected to complete on Settlement Date which is 10 months after the date of the Contract.

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 exceed 5% but less than 25% for the Company, the entering into the Contract constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 14 June 2013, the Purchaser, a wholly owned subsidiary of the Company, entered into the Contract with the Vendor, an Independent Third Party, pursuant to which, amongst other things, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at the Consideration of AU\$75,000,000 (equivalent to approximately HK\$547,500,000). The Acquisition is expected to complete on Settlement Date which is 10 months after the date of the Contract.

SUMMARY OF TERMS OF THE CONTRACT

The key terms of the Contract are as follows:

Date of Contract:	14 June 2013
Purchaser:	May21 Pty Ltd ACN 163 938 074
Vendor:	ISPT No 3 (Spencer St) Pty Ltd ACN 114 999 914
Property:	The Land together with all improvements known as 244-276 Spencer Street, Melbourne VIC 3000 Australia.
Consideration:	AU\$75,000,000 (equivalent to approximately HK\$547,500,000) exclusive of GST.
Deposit:	AU\$30,000,000 (equivalent to approximately HK\$219,000,000) payable in the following manner: <ul style="list-style-type: none">i. AU\$800,000 (equivalent to approximately HK\$5,840,000) was paid on the date of Contract; andii. AU\$29,200,000 (equivalent to approximately HK\$213,160,000) payable within 2 Business Days after the Purchaser obtains approval from Foreign Investment Review Board (“FIRB Approval”).

Balance of Purchase Price: AU\$45,000,000 (equivalent to approximately HK\$328,500,000) subject to the usual adjustments to be made in accordance with Contract payable on Settlement Date.

Settlement Date: 10 months after the date of the Contract where vacant possession of the Property and goods (as defined in the Contract) must be provided by the Vendor to the Purchaser upon acceptance of title and payment of the Consideration.

Other key terms:

Release of Deposit to Vendor: Within 2 Business Days after the later of:

- a. the Purchaser obtaining FIRB Approval; and
- b. the Vendor providing to the Purchaser a statement in accordance with section 27(3) of the *Sale of Land Act 1962 (Vic)* and all other requirements under section 27 of that Act being fulfilled,

the Purchaser will provide to the Vendor written consent to the release of the Deposit to the Vendor.

Application of Deposit: The Deposit released will be applied towards the loan that is secured by the mortgage registered on the certificate of title for the Property.

No further borrowings: The Vendor shall not borrow any further funds secured against the Property.

INFORMATION ON THE VENDOR AND THE PURCHASER

The Purchaser is an investment holding company and a wholly-owned subsidiary of the Company. The principal business activities of the Company comprise property development and investment, hotel operation, car park operation and treasury management. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor is a wholly owned subsidiary of ISPT Pty Ltd as trustee for the ISPT Development and Opportunities Fund No 1 with principal business activity in property development, and the Vendor and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFIT OF THE ACQUISITION

The Group is acquiring the Property for redevelopment purpose. The Property is adjacent to the Group's major property development project Upper West Side in Melbourne, Australia. The site area of the Property is approximately 1.176 hectare (equivalent to 11,760 sq. m.) expecting to develop 3,000 residential apartments. Currently the planning permit of the site approves to build sellable area of approximately 2.2 million sq. ft.. The Group will review the plan and may apply to amend current planning permit with the objective of optimizing the financial return and strategic value of the investment. The Acquisition enlarges the development landbank of the Group by approximately 20%.

The Consideration of the Property was arrived at after arm's length negotiations between the Purchaser and the Vendor and by reference to market conditions and comparable opportunities considered by the Purchaser. The Acquisition will be funded through internal resources of the Group and/or bank financing, details of which will be further considered and decided by the Group.

The Directors are of the view that the terms of Acquisition in the Contract including the Consideration are in normal commercial terms, and are fair and reasonable and in the interests of the shareholders of the Group as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Acquisition”	the acquisition of the Property by the Purchaser
“AU\$”	Australian dollars, the lawful currency of Australia
“Board”	the board of directors of the Company
“Business Day”	any day that is not a Saturday, Sunday, gazetted public holiday or Bank holiday in the capital city of Australia and concludes at 5pm on that day
“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
“Directors”	the directors of the Company
“FIRB”	Foreign Investment Review Board
“Group”	the Company and its subsidiaries
“GST”	Goods and Services Tax
“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 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

“Land”	<p>The land described in certificates of titles:</p> <ul style="list-style-type: none"> – volume 8683 folio 095, being lot 1,2,3,4&5 shown on title plan TP448106W; – volume 3543 folio 465, being lots 1 shown on title plan TP617782N; – volume 3197 folio 345, being crown allotment 1 shown on title plan TP786695K; – volume 6659 folio 775, being lot 1 shown on title plan TP445694R; – volume 6659 folio 776, being lot 1 shown on title plan TP250546T; – volume 8715 folio 196, being lots 1,2&3 shown on title plan TP838001N; and – volume 10705 folio 970, being lot 1 shown on title plan TP822799A
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	The Land together with all improvements known as 244-276 Spencer Street, Melbourne VIC 3000 Australia
“Purchaser”	May21 Pty Ltd ACN 163 938 074
“sq. ft.”	square feet
“sq. m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	ISPT No 3 (Spencer St) Pty Ltd ACN 114 999 914
“%”	per cent.

Unless otherwise specified, amounts in this announcement denominated in AU\$ have been translated for the purpose of illustration only into Hong Kong dollars at the rate of AU\$1.00: HK\$7.30. 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.

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

Hong Kong, 14 June 2013

As at the date of this announcement, the Board comprises five executive directors, namely Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Mr. Chi Hing CHAN, Mr. Dennis CHIU and Mr. Craig Grenfell WILLIAMS; one non-executive director, 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.