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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 THE ACQUISITION OF PROPERTY

On 7 September 2010, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor, a wholly-owned subsidiary of Soundwill Holdings, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Property at the Purchase Price of HK\$325,000,000.

As one of the relevant percentage ratios in respect of the Agreement exceeds 5% but all those percentage ratios are less than 25%, the Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

THE AGREEMENT

Date

7 September 2010

Parties

Purchaser: Tantix Limited, a wholly-owned subsidiary of the Company

Vendor: Keyway Properties Limited, a wholly-owned subsidiary of Soundwill Holdings

To the best of the knowledge, information and belief of the Board and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner, Soundwill Holdings, are third parties independent of the Company and its connected persons.

Assets to be acquired

The Property, comprising the pieces and parcels of land, namely Kowloon Inland Lots Nos. 7488, 7489, 7490, 7491, 7492, 7493 and 7494, all located at San Wai Street, Hunghom, Kowloon, Hong Kong, and the messuages erections and buildings thereon including (if any) the fixtures, fittings, installations and furniture therein and thereto.

Consideration

The Purchase Price is HK\$325,000,000, which has been/shall be satisfied in cash in the following manner:

- (i) HK\$32,500,000, being the first deposit and part payment by the Purchaser to the Vendor, has already been paid upon the signing of the Agreement;
- (ii) HK\$32,500,000, being the second deposit and part payment by the Purchaser to the Vendor, shall be paid on or before 22 November 2010; and
- (iii) HK\$260,000,000, being the balance of the Purchase Price, shall be paid by the Purchaser to the Vendor on or before Completion.

The Purchase Price has been determined by the parties at arm's length negotiations with reference to the prices of comparable properties located in the same area.

Completion

Completion shall take place on or before 31 March 2011. The Vendor shall have the option to bring forward the date of Completion at any time after 6 November 2010 by giving the Purchaser at least 16 days' prior notice in writing.

If the Purchase fails (other than at the default of the Vendor) to complete the purchase of the Property in accordance with the terms and conditions of the Agreement, the Vendor shall have the right to forthwith determine or rescind the Agreement, and shall thereupon be entitled to re-enter the Property and repossesses the same. The Vendor shall also be entitled to forfeit the Deposits for up to 10% of the Purchase Price, whereas the balance of the Deposits shall be refunded to the Purchaser.

If the Vendor fails (other than at the default of the Purchaser) to complete the sale of the Property in accordance with the terms and conditions of the Agreement, the Deposits and all monies paid by the Purchaser to the Vendor pursuant to the Agreement shall be returned forthwith to the Purchaser. The Purchaser shall also be entitled to receiver from the Vendor damages which it may sustain by reason for such failure.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Property comprises residential and non-residential properties. The Board expects to redevelop the Property into residential and commercial properties, with an aggregate gross floor area of over 65,000 square feet, which is in-line with one of the principal activities of the Group.

The Board considers that the Agreement 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 the its shareholders as a whole.

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

As far as the Directors are aware, the Vendor is a wholly-owned subsidiary of Soundwill Holdings. Soundwill Holdings is an investment holding company with its subsidiaries principally engaged in various lines of business including property assembly, property leasing, property development, property management and building management services, and urban infrastructure development business in China.

GENERAL

As one of the relevant percentage ratios in respect of the Agreement exceeds 5% but all those percentage ratios are less than 25%, the Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Property pursuant to the terms and conditions of the Agreement
“Board”	the board of Directors
“Company”	Far East Consortium International Limited, an exempted 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 Acquisition in accordance with the terms and conditions of the Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Deposits”	the first deposit and second deposit payable by the Purchase as part of the Purchase Price, which are more particularly set out in the paragraph headed “Consideration” in this announcement
“Directors”	director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Property”	the pieces and parcels of land, namely Kowloon Inland Lots Nos. 7488, 7489, 7490, 7491, 7492, 7493 and 7494, all located at San Wai Street, Hunghom, Kowloon, Hong Kong, and the messuages erections and buildings thereon including (if any) the fixtures, fittings, installations and furniture therein and thereto
“Purchase Price”	HK\$325,000,000, being the total purchase price for the Property
“Purchaser”	Tantix Limited, a company incorporated under the laws of Hong Kong with limited liability, and a wholly-owned subsidiary of the Company
“Soundwill Holdings”	Soundwill Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Keyway Properties Limited, a company incorporated under the laws of Hong Kong with limited liability, and a wholly-owned subsidiary of Soundwill Holdings
“%”	per cent.

Yours faithfully,
For and on behalf of
Far East Consortium International Limited
Mok Kwai Pui Bill
Chief Financial Officer and Company Secretary

Hong Kong, 8 September 2010

As at the date of this announcement, the executive directors of the Company are Mr. Deacon Te Ken Chiu, Tan Sri Dato’ David Chiu, Mr. Dennis Chiu and Mr. Craig Grenfell Williams, the non-executive directors are Madam Ching Lan Ju Chiu, Mr. Daniel Tat Jung Chiu; the independent non-executive directors are Mr. Jian Yin Jiang, Mr. Kwok Wai Chan and Mr. Peter Man Kong Wong.