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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Far East Consortium International Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser(s) or transferee(s).

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## **FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

**遠東發展有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.fecil.com.hk>*

**(Stock Code: 35)**

**PROPOSALS FOR  
RE-ELECTION OF DIRECTORS,  
GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND ISSUE SHARES,  
USE OF THE COMPANY'S OWN WEBSITE FOR SENDING  
OR SUPPLYING CORPORATE COMMUNICATION(S) TO  
SHAREHOLDERS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Far East Consortium International Limited (the "Company") to be held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387-397 Queen's Road East, Wanchai, Hong Kong on Friday, 26 August 2016 at 11:30 a.m. (the "Meeting") is set out on pages 15 to 19 of this circular. Whether or not you are able to attend the Meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof if you so wish.

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## DEFINITIONS

*In this circular (other than in AGM Notice), unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387-397 Queen’s Road East, Wanchai, Hong Kong on Friday, 26 August 2016 at 11:30 a.m.;
“AGM Notice”	the notice dated 28 July 2016 for convening the AGM as set out on pages 15 to 19 of this circular;
“Articles”	the articles of association of the Company as may be amended from time to time;
“Board”	the board of Directors;
“Chiu Family”	Tan Sri Dato’ David CHIU and his family members including, amongst others, Mr. Dennis CHIU, being a Director;
“Company”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Corporate Communication(s)”	document(s) issued or to be issued by the Company for the information or action of the Shareholders as defined in Rule 1.01 of the Listing Rules;
“Director(s)”	the director(s) of the Company for the time being;
“Group”	the Company and its subsidiaries from time to time;
“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;
“Latest Practicable Date”	20 July 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

## DEFINITIONS

“Re-election of Directors”	the re-election of Tan Sri Dato’ David CHIU and Mr. Dennis CHIU as Executive Directors and Mr. Peter Man Kong WONG as an Independent Non-executive Director immediately following their retirements at the AGM;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs; and
“%”	per cent.

LETTER FROM THE BOARD



**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**  
**遠東發展有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

Website: <http://www.fecil.com.hk>

**(Stock Code: 35)**

*Executive Directors:*

Tan Sri Dato' David CHIU  
*(Chairman and Chief Executive Officer)*  
Mr. Cheong Thard HOONG  
Mr. Dennis CHIU  
Mr. Craig Grenfell WILLIAMS

*Registered Office:*

P.O. Box 1043, Whitehall House  
238 North Church Street  
George Town  
Grand Cayman KY1-1102  
Cayman Islands

*Non-executive Director:*

Mr. Chi Hing CHAN

*Principal Office:*

16th Floor  
Far East Consortium Building  
121 Des Voeux Road Central  
Hong Kong

*Independent Non-executive Directors:*

Mr. Kwok Wai CHAN  
Mr. Peter Man Kong WONG  
Mr. Kwong Siu LAM

28 July 2016

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
RE-ELECTION OF DIRECTORS,  
GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND ISSUE SHARES  
USE OF THE COMPANY'S OWN WEBSITE FOR SENDING  
OR SUPPLYING CORPORATE COMMUNICATION(S) TO  
SHAREHOLDERS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is (1) to provide you with information regarding the resolutions to be proposed at the AGM relating to (among other things) (i) the Re-election of Directors; (ii) the granting of general mandates to repurchase and issue Shares by the Company; and (iii) the use of the Company's own website for sending or supplying Corporate Communication(s) to Shareholders; and (2) to give you the AGM Notice.

\* for identification purposes only

## LETTER FROM THE BOARD

### 2. RE-ELECTION OF DIRECTORS

In accordance with clauses 106 and 107 of the Articles, Mr. Dennis CHIU (Executive Director of the Company) and Mr. Peter Man Kong WONG (Independent Non-executive Director of the Company) shall retire by rotation at the AGM. In accordance with the second part of clause 115(B) of the Articles, a Director appointed as an Executive Chairman or as Managing Director or Joint Managing Director shall not while holding such office be subject to retirement by rotation or taken into account in determining the rotation retirement of Directors. In order to uphold good corporate governance practices, Tan Sri Dato' David CHIU, the Chairman of the Company, voluntarily retires from his office and offers himself for re-election at the AGM notwithstanding that he is not required to do so by clause 115(B) of the Articles. All of the above retiring Directors, being eligible, will offer themselves for re-election at the AGM.

Pursuant to code provision A.4.3 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, where the board believes an independent non-executive director serving the listed issuer more than 9 years, who is subject to retirement, is still independent and should be re-elected, the papers to shareholders accompanying that resolution should include the reasons. Mr. Peter Man Kong WONG, one of the aforesaid retiring Directors, was first appointed to the Board in 2007 and therefore, has been serving as an Independent Non-executive Director of the Company for more than 9 years. During his years of appointment, Mr. Peter Man Kong WONG has demonstrated his ability to provide an independent view to the Company's matters. Besides, Mr. Peter Man Kong WONG has met the independence guidelines set out in Rule 3.13 of the Listing Rules and has given annual confirmation of his independence to the Company. The Board, therefore, considers him to continue to be independent and believes he should be re-elected, in particular because of his experience and contribution to the Board.

Accordingly, ordinary resolutions on the Re-election of Directors will be proposed at the AGM. Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of Tan Sri Dato' David CHIU, Mr. Dennis CHIU and Mr. Peter Man Kong WONG are set out in Appendix 1 to this circular.

### 3. GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 27 August 2015, an ordinary resolution was passed to grant a general mandate authorizing the Directors to exercise the power of the Company to repurchase Shares up to 10% of the total number of issued Shares as at that date. Pursuant to the Listing Rules, such mandate, to the extent not utilized, will expire at the conclusion of the AGM.

## LETTER FROM THE BOARD

An ordinary resolution will therefore be proposed at the AGM to grant to the Directors a new general and unconditional mandate to exercise the power of the Company to repurchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, up to 10% of the total number of issued Shares as at the date of passing of the relevant resolution (the “Repurchase Mandate”).

Subject to the passing of ordinary resolution no. 9 granting the Repurchase Mandate and assuming that the existing number of issued Shares remains at 2,131,709,116 as at the date of the AGM, the Company will be allowed to repurchase a maximum of 213,170,911 Shares. The Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the ordinary resolution no. 9.

In accordance with the requirements of the Listing Rules, the Company is required to send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against ordinary resolution no. 9 to be proposed at the AGM in relation to the granting of the Repurchase Mandate. Such explanatory statement is set out in Appendix 2 to this circular.

#### **4. GENERAL MANDATE TO ISSUE SHARES**

At the last annual general meeting of the Company held on 27 August 2015, an ordinary resolution was also passed to grant a general mandate authorizing the Directors to allot, issue and deal with Shares up to 20% of the total number of issued Shares as at that date. Pursuant to the Listing Rules, such mandate, to the extent not utilized, will expire at the conclusion of the AGM.

An ordinary resolution will therefore be proposed at the AGM to grant to the Directors a new general and unconditional mandate to allot, issue and deal with Shares up to 20% of the total number of issued Shares as at the date of passing of the relevant resolution (the “Issue Mandate”).

Subject to the passing of ordinary resolution no. 8 granting the Issue Mandate and assuming that the existing number of issued shares of the Company remains at 2,131,709,116 as at the date of the AGM, the Company will be allowed to issue a maximum of 426,341,823 Shares. The Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the ordinary resolution no. 8.

In addition, ordinary resolution no. 10 will be proposed at the AGM for extending the Issue Mandate by adding the total number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

## LETTER FROM THE BOARD

### **5. USE OF THE COMPANY'S OWN WEBSITE FOR SENDING OR SUPPLYING CORPORATE COMMUNICATION(S) TO SHAREHOLDERS**

For environmental protection and to increase efficiency in communication with Shareholders, the Company proposes that it may send or supply Corporate Communication(s) to the Shareholders in relation to whom the following conditions (as required by Rule 2.07A(2A)(b) of the Listing Rules) are met by making such Corporate Communication(s) available on the Company's own website: (i) each Shareholder has been asked individually by the Company to agree that the Company may send or supply Corporate Communication generally, or the Corporate Communication(s) in question, to him by means of the Company's own website; and (ii) the Company has not received a response indicating objection from such Shareholder within the period of 28 days beginning with the date on which the Company's request was sent. The Shareholders in relation to whom the aforesaid two conditions are met shall be taken to have agreed that the Company may send or supply Corporate Communication(s) to such Shareholders by making such Corporate Communication(s) available on the Company's own website.

### **6. AGM AND PROXY ARRANGEMENT**

The AGM Notice is set out on pages 15 to 19 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the resolutions to be proposed at the AGM shall be voted by poll. An announcement on the results of the poll will be made by the Company after the conclusion of the AGM in accordance with Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, to the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment if you so wish.

### **7. RECOMMENDATION**

The Directors consider that the proposed ordinary resolutions for approval of the Re-election of Directors, the granting of the Repurchase Mandate, the granting/extension of the Issue Mandate and the use of the Company's own website for sending or supplying Corporate Communication(s) to Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the resolutions to be proposed at the AGM.



**LETTER FROM THE BOARD**

**8. GENERAL INFORMATION**

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,  
For and on behalf of the Board of  
**Far East Consortium International Limited**  
**David CHIU**  
*Chairman and Chief Executive Officer*

<b>APPENDIX 1</b>	<b>INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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The information as required to be disclosed by the Listing Rules on the retiring Directors proposed to be re-elected at the AGM is set out as follows:

#### **EXECUTIVE DIRECTORS**

##### **Tan Sri Dato' David CHIU, B.Sc. ("Tan Sri Dato' David CHIU")**

Tan Sri Dato' David CHIU, aged 62, is an Executive Director, the Chairman of the Board, the Chief Executive Officer, a member of the Remuneration Committee and the Chairman of both the Executive Committee and the Nomination Committee of the Company. He is also a director of certain subsidiaries of the Company. Tan Sri Dato' David CHIU is a director of Sumptuous Assets Limited, the controlling shareholder of the Company. He holds a double degree of Bachelor of Science in Business Administration and Economics at the University of Sophia, Japan. He is a prominent businessman with over 30 years' experience in the property development and extensive experience in the hotel development. In his business career, he established a number of highly successful business operation through organic growth and acquisitions, covering Mainland China, Hong Kong, Japan, Malaysia, Singapore and Australia. Since 1978, Tan Sri Dato' David CHIU had been the Managing Director of Far East Consortium Limited (the predecessor of the Company). He was appointed as Deputy Chairman and Chief Executive Officer of the Company on 8 December 1994 and 8 October 1997 respectively. On 8 September 2011, Tan Sri Dato' David CHIU has been appointed as the Chairman of the Company. He is also a director of various subsidiaries of the Company. Besides, he is a non-executive director of Dorsett Hospitality International Limited (formerly known as Kosmopolito Hotels International Limited and withdrew from listing on the Hong Kong Stock Exchange, a subsidiary of the Company).

In regard to his devotion to community services in China and Hong Kong, he was appointed as the member of the 12th Chinese People's Political Consultative Conference and the chairman of Mid-Autumn Festival Celebration-People and Forces' Committee in 2008. Currently, he is a trustee member of The Better Hong Kong Foundation, an honorary chairman of Mid-Autumn Festival Celebration-People and Forces' Committee, a director and a member of Concerted Efforts Resource Centre, a counsellor of China-United States Exchange Foundation, an honorary chairman of Guangdong Chamber of Foreign Investors, a member of Hong Kong General Chamber of Commerce, a member of the Constitutional Reform Synergy, a member of The Real Estate Developers Association of Hong Kong, a member of Friends of Hong Kong Association Ltd, a member of Pacific Basin Economic Council and a director of three Ju Ching Chu Schools in Hong Kong. In Malaysia, Tan Sri Dato' David CHIU was awarded an honorary award which carried the title "Dato" and a more senior honorary title of "Tan Sri" by His Majesty, King of Malaysia in 1997 and 2005 respectively. He was also awarded the WCEF Lifetime Achievement Awards by Asian Strategy & Leadership Institute in 2013. He is the brother of Mr. Dennis CHIU (Executive Director of the Company).

<b>APPENDIX 1</b>	<b>INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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During the last three years, Tan Sri Dato' David CHIU was the chairman of the board of directors of AGORA Hospitality Group Co., Ltd., a company listed on the Tokyo Stock Exchange. As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, Tan Sri Dato' David CHIU has not held any directorships in other public listed companies in the last 3 years and he does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Tan Sri Dato' David CHIU has a total interest in 996,476,169 Shares (representing approximately 46.75% of the issued Shares) which comprise: (i) a personal interest of 15,961,698 Shares; (ii) deemed interest of 979,929,149 Shares from his controlled corporations; and (iii) deemed interest of 585,322 Shares from Ms. Nancy NG (spouse of Tan Sri Dato' David CHIU), within the meaning of Part XV of the SFO. Besides, Tan Sri Dato' David CHIU has an interest in the 6.0% CNY Bonds 2018 issued by Dorsett Hospitality International Limited in the principal amount of CNY90,030,000 which comprise: (i) deemed interest in the amount of CNY83,030,000 held by Singford Holdings Limited, a wholly-owned subsidiary of the Company in which Tan Sri Dato' David CHIU owns approximately 46.75% interest in the issued Shares of the Company; and (ii) deemed interest in the amount of CNY7,000,000 held by Ms. Nancy NG, within the meaning of Part XV of the SFO.

Pursuant to the service agreement entered into between Tan Sri Dato' David CHIU and the Company, his term of office is 3 years. Tan Sri Dato' David CHIU was paid HK\$25,000 as Director's fee and HK\$2,292,000 as salary and other allowances for the year ended 31 March 2016. The emoluments of Tan Sri Dato' David CHIU were recommended by the Remuneration Committee of the Company and approved by the Board with reference to his duties and responsibilities with the Company and the prevailing market conditions.

As far as the Directors are aware, there is no other information of Tan Sri Dato' David CHIU to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Tan Sri Dato' David CHIU that need to be brought to the attention of the Shareholders.

**Mr. Dennis CHIU, B.A. ("Mr. CHIU")**

Mr. CHIU, aged 57, was appointed as an Executive Director of the Far East Consortium Limited (the predecessor of the Company) in 1978. He is also a member of the Executive Committee and a director of certain subsidiaries of the Company. He has been actively involved in the business development in the Mainland China, Singapore and Malaysia. Mr. CHIU is a director of AGORA Hospitality Group Co., Ltd., a company listed on the Tokyo Stock Exchange. He is the brother of Tan Sri Dato' David CHIU (Executive Director of the Company).

During the last three years, Mr. CHIU was a non-executive director of Fortune Oil PLC (withdrew from listing on the stock exchange in London). As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, Mr. CHIU has not

<b>APPENDIX 1</b>	<b>INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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held any directorships in other public listed companies in the last 3 years and he does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. CHIU has a total interest of 5,658,202 Shares (representing approximately 0.27% of the issued Shares) which comprise: (i) a personal interest of 3,460 Shares; and (ii) deemed interest of 5,654,742 Shares from his controlled corporations, within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment issued by the Company to Mr. CHIU, his term of office is 3 years. He is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles.

Mr. CHIU was paid HK\$25,000 as Director's fee and HK\$6,307,000 as salary and other allowances for the year ended 31 March 2016. The emoluments of Mr. CHIU were recommended by the Remuneration Committee of the Company and approved by the Board with reference to his duties and responsibilities with the Company and the prevailing market conditions.

As far as the Directors are aware, there is no other information of Mr. CHIU to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. CHIU that need to be brought to the attention of the Shareholders.

#### **INDEPENDENT NON-EXECUTIVE DIRECTOR**

##### **Mr. Peter Man Kong WONG, J.P. ("Mr. WONG")**

Mr. WONG, aged 67, was appointed as an Independent Non-executive Director of the Company in May 2007. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company. He graduated from the University of California at Berkeley with a Bachelor of Science Degree and was an awardee of the "Young Industrialist Award of Hong Kong" in 1988. He has over 40 years of experience in industrial, commercial and public service. Mr. WONG is the chairman of M.K. Corporation Limited, North West Development Limited, Culture Resources Development Co. Ltd., Silk Road Hotel Management Co. Ltd. and Silk Road Travel Management Ltd. He is an independent non-executive director of China Travel International Investment Hong Kong Limited (stock code: 308), Chinney Investments, Limited (stock code: 216), Glorious Sun Enterprises Limited (stock code: 393), MGM China Holdings Limited (stock code: 2282), New Times Energy Corporation Limited (stock code: 166), Sino Hotels (Holdings) Limited (stock code: 1221) and Sun Hung Kai & Co. Limited (stock code: 86). He is also a non-executive director of Hong Kong Ferry (Holdings) Company Limited (stock code: 50). Mr. WONG is a deputy of the 12th National People's Congress of Mainland China. Mr. WONG was awarded the HKSAR Bronze Bauhinia Star in 2003.

<b>APPENDIX 1            INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, Mr. WONG has not held any directorships in other public listed companies in the last 3 years and he does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) nor does he have any interests in the Shares within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment issued by the Company to Mr. WONG, his term of office is 3 years. He is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles.

Mr. WONG was paid HK\$220,000 as Director's fee for the year ended 31 March 2016. The emoluments of Mr. WONG were recommended by the Remuneration Committee of the Company and approved by the Board with reference to his duties and responsibilities with the Company and the prevailing market conditions.

As far as the Directors are aware, there is no other information of Mr. WONG to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. WONG that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to be sent to Shareholders to enable them to make an informed decision on whether to vote for or against ordinary resolution no. 9 to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

## 1. LISTING RULES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully paid up shares on the Stock Exchange, subject to certain restrictions, the most important of which are summarized below:

### (a) Shareholders' Approval

The Listing Rules provide that all on-market repurchases of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchases.

### (b) Source of Funds

Repurchases must be made out of funds which are legally available for the purpose and in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

### (c) Maximum Number of Securities to be Repurchased

The shares proposed to be repurchased must be fully-paid up. A maximum of 10% of the existing number of issued shares of the company as at the date of passing of the relevant resolution may be repurchased on the Stock Exchange.

## 2. ISSUED SHARES

As at the Latest Practicable Date, the existing number of issued Shares was 2,131,709,116.

Subject to the passing of ordinary resolution no. 9 granting the Repurchase Mandate and assuming that the existing number of issued Shares remains at 2,131,709,116 as at the date of the AGM, the Company will be allowed to repurchase a maximum of 213,170,911 Shares, being 10% of the total number of issued Shares as at the date of passing of the resolution.

## 3. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

#### 4. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum and Articles of Association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 March 2016 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchased period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirement of the Company or gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. SHARE PRICES

The highest and lowest prices at which Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2015</b>		
July	4.10	2.93
August	3.66	2.75
September	3.22	2.77
October	3.24	2.80
November	2.97	2.56
December	2.95	2.60
<b>2016</b>		
January	2.93	2.27
February	2.48	2.18
March	2.61	2.22
April	2.68	2.46
May	2.63	2.30
June	2.54	2.20
July (up to the Latest Practicable Date)	2.80	2.45

## 6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) presently intend to sell any Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

## 7. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, when a Shareholder, or a group of Shareholders acting in concert, could then obtain or consolidate control of the Company, he/they shall become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Chiu Family held 1,179,890,963 Shares, representing approximately 55.35% of the existing issued Shares. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the shareholding of the Chiu Family in the Company would increase to approximately 61.50% of the issued Shares. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the Company's issued shares would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of issued Shares in public hands.

## 8. SHARES REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).





**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**  
**遠東發展有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.fecil.com.hk>*

**(Stock Code: 35)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “Meeting”) of Far East Consortium International Limited (the “Company”) will be held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387-397 Queen’s Road East, Wanchai, Hong Kong on Friday, 26 August 2016 at 11:30 a.m. for the following purposes:

1. To receive and adopt the Company’s audited financial statements and the reports of the Company’s directors (the “Directors”) and auditor for the year ended 31 March 2016.
2. To declare a final dividend of HK\$0.13 per share for the year ended 31 March 2016 (the “Proposed Final Dividend”).
3. To re-elect Tan Sri Dato’ David CHIU as an Executive Director.
4. To re-elect Mr. Dennis CHIU as an Executive Director.
5. To re-elect Mr. Peter Man Kong WONG as an Independent Non-executive Director.
6. To authorize the board of Directors (the “Board”) to fix the respective Directors’ remuneration.
7. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorize the Board to fix their remuneration.
8. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

**“THAT:**

- (i) subject to paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of

\* *for identification purposes only*

the Company to allot, issue and deal with additional shares of the Company (the "Shares") or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options (including bonds and debentures convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to:
  - (a) a Rights Issue (as hereinafter defined);
  - (b) an issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
  - (c) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company (the "Articles") from time to time; or
  - (d) an issue of Shares upon the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the granting or issue to employees and/or other eligible persons of the Company and/or any of its subsidiaries of any options to subscribe for, or rights to acquire Shares;

shall not exceed 20% of the total number of issued Shares as at the date of passing of this resolution, and the said approval shall be limited accordingly;

- (iv) subject to the passing of each of the paragraphs (i), (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i), (ii) and (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

- (v) for the purposes of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “Shareholders”) in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to the holders of Shares whose name appear, on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

9. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“THAT:

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the regulations of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) be and is hereby generally and unconditionally approved;
- (ii) the total number of Shares which may be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total number of issued Shares as at the date of passing of this resolution and the said approval shall be limited accordingly;

- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution, which had been granted to the Directors and which are still in effect be and are hereby revoked; and
  - (iv) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
    - (a) the conclusion of the next annual general meeting of the Company;
    - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
    - (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”
10. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:
- “**THAT** subject to the passing of the resolutions nos. 8 and 9 set out in the notice convening the Meeting (the “Notice”), the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares pursuant to resolution no. 8 set out in the Notice be and is hereby extended by the addition to the total number of Shares repurchased by the Company under the authority granted pursuant to resolution no. 9 set out in the Notice, provided that such amount of Shares so repurchased shall not exceed 10% of the total number of issued Shares as at the date of passing of this resolution.”
11. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:
- “**THAT** the Company may send or supply Corporate Communication(s) (as hereinafter defined) to Shareholders by making them available on the Company’s own website.

“Corporate Communication(s)” means document(s) issued or to be issued by the Company for the information or action of the Shareholders as defined in Rule 1.01 of the Listing Rules.”

By order of the Board of  
**Far East Consortium International Limited**  
**Tak Shing CHOI**  
*Company Secretary*

Hong Kong, 28 July 2016

Notes:

- a. For determining the entitlement to attend and vote at the Meeting, the Register of Members of the Company will be closed from Wednesday, 24 August 2016 to Friday, 26 August 2016, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Meeting, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23 August 2016.
- b. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company but must be present in person to represent the member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed.
- c. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Company’s branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof if you so wish.
- d. Where there are joint registered holders of any Share, any one of such joint holders may vote, either in person, or by proxy, in respect of such Share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting or any adjournment thereof, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the name stands first in the Register of Members of the Company in respect of such joint holding.
- e. Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the Notice will be voted by poll at the Meeting.

*This Circular, in both English and Chinese versions, is available on the Company’s website at [www.fecil.com.hk](http://www.fecil.com.hk).*

*Shareholders may at any time change their choice of language(s) (either English only or Chinese only or both languages) of the Corporate Communication(s).*

*Shareholders may send their request to change their choice of language(s) of Corporate Communication(s) by notice in writing to the Company’s branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.*

*Shareholders who have chosen to receive the Corporate Communication(s) in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.*