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遠東控股國際有限公司
Far East Holdings International Limited

(Incorporated in Hong Kong with limited liability)
(Stock Code: 36)

ANNOUNCEMENT PURSUANT TO LISTING RULES 13.09(1)
SUPPLEMENTAL COOPERATION AGREEMENT

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Far East Holdings International Limited (“Company”) is pleased to announce that Beijing Golden Music Resources Management Technology Limited (“GMR”) (a subsidiary of the Company) has entered into a supplemental cooperation agreement (“Supplemental Agreement”) with Music Copyright Society of China (“MSMC”) after trading hours on 23rd April 2009.

INTRODUCTION

The Company is pleased to announce that GMR (a subsidiary of the Company) has entered into a Supplemental Agreement with MSMC after trading hours on 23rd April 2009.

THE SUPPLEMENTAL AGREEMENT

The major terms of the Supplemental Agreement are summarized as follows:

- Parties: (1) GMR
(2) MSMC

Pursuant to Major Terms of the Supplemental Agreement

- (a) Subject to certain termination provisions, the Supplemental Agreement is for 15 years ending on 31st March 2024.
- (b) Fees Payable to MCSC by GMR
- (i) Cooperation Confirmation Fee

This is an annual advance payment to be made prior to 20th April each year. The initial payment will be Renminbi (“RMB”) 2 million with annual increment of RMB 300,000 with a ceiling of RMB 5 million per year. In case the Supplemental Agreement is not terminated for whatever reasons, the aggregate amount to be payable to MCSC for 15 years will be approximately RMB 58.5 million.

(ii) Piped Music Copyright System Management Fee

- 15% of the profit after taxation of GMR for each of the first 5 years.
- 10% of the profit after taxation of GMR for each of the following 10 years.

(iii) Copyright Licence Fee

40% to 60% of the Fees collected by GMR has to be paid to MCSC as copyright licence fees in accordance with the industry of the piped music user.

(c) Termination

Apart from the normal commercial provisions for early termination, for examples, bankruptcy and failure to carry out duties etc., it is provided that in case GMR could not make a profit in the first 5 years and no consensus on a new mode of operation is arrived at within 6 months, either party could terminate the Supplemental Agreement.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT

The Company its principal business is to invest in potential business in PRC. Its subsidiaries and associates are engaged in information technology, copyright related business, maintenance and manufacture of aviation components, money lending, securities investment and manufacturing and sales of garment products.

The Directors believe the Supplemental Agreement enables and facilities GMR in expanding its copyright related business.

DISCLOSURE UNDER RULE 13.09(1) OF THE LISTING RULES

As the subject of Supplemental Agreement is in relation to a copyright related business of the Company and its subsidiaries (“Group”), the Directors consider it appropriate to make public disclosure pursuant to Rule 13.09(1) of the Listing Rules to enable its Shareholders and the public to better appraise the position of the Group.

By order of the Board
Far East Holdings International Limited
Duncan Chiu
Managing Director and Chief Executive Officer

Hong Kong, 23rd April 2009

As at the date of this announcement, the Board comprises eleven directors, of which three are executive Directors, namely Deacon Te Ken Chiu, J.P., Mr. Duncan Chiu and Mr. Dennis Chiu, five are non-executive Directors, namely Tan Sri Dato’ David Chiu, Mr. Daniel Tat Jung Chiu, Mr. Derek Chiu, Mr. Desmond Chiu and Ms. Margaret Chiu; three are independent non-executive Directors, namely Dr. Lee G. Lam, Mr. Hing Wah Yim and Mr. Eugene Yun Hang Wang.