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

FAR EAST HOLDINGS INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 36)

DISCLOSEABLE TRANSACTION
DISPOSAL OF PROPERTY

On 22 February 2010, the Vendor, a wholly-owned subsidiary of the Company, entered into a Provisional Agreement with the Purchaser, pursuant to which the Vendor agreed to dispose of the Property at a consideration of HK\$48,000,000.

As the applicable percentage ratios of the Disposal under the Listing Rules exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under the Listing Rules.

On 22 February 2010, the Vendor, a wholly-owned subsidiary of the Company, entered into a Provisional Agreement with the Purchaser, pursuant to which the Vendor agreed to dispose of the Property at a total consideration of HK\$48,000,000.

THE PROVISIONAL AGREEMENT

Date : 22 February 2010
Vendor : River Joy Limited, a wholly-owned subsidiary of the Company
Purchaser : Federal Profit Company Limited, an Independent Third Party
Property : Flat C on 22nd Floor of Tower 3 Tregunter No. 14 Tregunter Path, Hong Kong and the car park space No. 26 on Level 5 of Tower 3 Tregunter

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is an investment holding company and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules) of the Company.

Pursuant to the Provisional Agreement, the Vendor will sell and the Purchaser will purchase the Property upon the terms contained therein. The Vendor and the Purchaser will enter into the Formal Agreement on or before 3 March 2010 which will set out the terms of the Disposal in more detail, is consistent with the Provisional Agreement. Further announcement will be published, if there are material deviation between the Formal Agreement and Provisional Agreement.

INFORMATION OF THE PROPERTY

The Property is located at Flat C on 22nd Floor of Tower 3 Tregunter No. 14 Tregunter Path, Hong Kong and the car park space No. 26 on Level 5 of Tower 3 Tregunter. The Property is a residential property with a gross floor area of 3,001 sq. ft..

CONSIDERATION AND PAYMENT TERMS

The consideration for the Disposal of HK\$48,000,000 has been determined after arm's length negotiations between the Vendor and the Purchaser in open market through a real estate agent and reference of nearby properties. On the above basis, the Directors consider the terms of the Disposal to be fair and reasonable and in the interests of the Shareholders as a whole.

The consideration for the Disposal shall be payable to the Vendor in cash in the following manner:

- (a) an initial deposit in the sum of HK\$2,300,000 has been paid by the Purchaser upon signing of the Provisional Agreement on 22 February 2010;
- (b) a further deposit of HK\$2,500,000 shall be paid by the Purchaser upon signing of the formal agreement for sale and purchase on or before 3 March 2010; and

- (c) the balance of the purchase price shall be paid by Purchaser upon completion on or before 31 May 2010 as the Vendor's solicitors in the sum of HK\$43,200,000.

COMPLETION

Pursuant to the Provisional Agreement, the parties are required to enter into a formal agreement for the sale and purchase of the Property on or before 3 March 2010. Completion of the sale and purchase of the Property shall take place on or before 31 May 2010.

REASONS FOR THE DISPOSAL

The Company's principal business is to invest in potential businesses in PRC. Its subsidiaries and associates are engaged in information technology, provision of background music and music licensing service related business, maintenance and manufacture of aviation components, money lending, securities and property investment and manufacturing and sales of garment products. With the recent property market conditions, the Directors consider that it is now a good opportunity for the Group to dispose of the Property and realize the value of the Property therefrom to provide working capital for the Group in view of the present property market in Hong Kong. The Directors are of the view that the Disposal is on normal commercial terms which are fair and reasonable in the interests of the Company and its Shareholders as a whole.

The Disposal would enable the Company to recognize a gain of approximately HK\$20.3 million (before selling expenses).

USE OF PROCEEDS FROM THE DISPOSAL

The estimated net proceeds from the Disposal of approximately HK\$47.4 million is intended for working capital purpose of the Company.

GENERAL

As the applicable percentage ratios of the Disposal under the Listing Rules exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise stated, the following expressions have the following respective meanings:

“Board”	the board of Directors
“Company”	Far East Holdings International Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Property
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor and the Purchaser pursuant to the Provisional Agreement
“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 PRC
“Independent Third Party”	an independent third party not connected with the Directors, chief executive or substantial shareholders or the Company or any of its subsidiaries or their respective associates as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Property”	Flat C on 22nd Floor of Tower 3 Tregunter No. 14 Tregunter Path, Hong Kong and the car park space No. 26 on Level 5 of Tower 3 Tregunter

“Provisional Agreement”	the provisional sale and purchase agreement dated 22 February 2010 entered into between the Vendor and the Purchaser in relation to the Disposal
“Purchaser”	Federal Profit Company Limited, a private company incorporated in Hong Kong
“Shareholder(s)”	holder(s) of the ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Vendor”	River Joy Limited, a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of the Company

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

Hong Kong, 23 February 2010

As at the date of this announcement, the Board of the Company 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. Eugene Yun Hang Wang and Mr. Andrew Chun Wah Fan.