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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)

**DISCLOSEABLE TRANSACTION
FORMATION OF JOINT VENTURES
AND
AWARD OF TENDER
FOR LAND PARCEL AT ALEXANDRA VIEW
BY THE URBAN REDEVELOPMENT AUTHORITY
OF SINGAPORE**

The Board of the Company is pleased to announce that on 17 November 2015, URA Singapore awarded to the JVCO the Tender for Acquisition of the Property located at Alexandra View in Singapore for residential development at the Tendered Sale Price of S\$376.88 million (exclusive of GST) (equivalent to approximately HK\$2,054.00 million) subject to the conditions set out in Developer's Packet. Tang City Holdings and GGL formed a joint venture through the JVCO for Acquisition of the Property for development under the Tender.

The Group's total capital commitment for the Acquisition of the Property under the Tender is expected to be about S\$105.53 million (equivalent to approximately HK\$575.14 million). As the applicable percentage ratios exceed 5% and all of the percentage ratios are less than 25%, the formation of joint venture and acquisition of the Property constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

* *For identification purposes only*

AWARD OF TENDER FOR LAND PARCEL AT ALEXANDRA VIEW BY URA SINGAPORE

On 17 November 2015, URA Singapore informed JVCO of the acceptance of its Tender by Tender Acceptance Letter dated 17 November 2015 for Acquisition of the Property located at Alexandra View in Singapore for residential development for (a) flats; (b) serviced apartments; or (c) both flats and serviced apartments with commercial uses at 1st storey which shall include a supermarket, at the Tendered Sale Price of S\$376.88 million (exclusive of GST) (equivalent to approximately HK\$2,054.00 million), subject to the conditions set out in documents contained in the Developer's Packet.

Effective Date: the Acceptance Date

Parties:–

Tenderer/Lessee: JVCO – its principal business activity is property development and investment.

Tender Issuer: URA Singapore.

Lessor: President of Singapore.

FORMATION OF JOINT VENTURE

Tang City Holdings, a wholly owned subsidiary of the Company and GGL formed a joint venture through the JVCO for the purposes of Acquisition of the Property for development under the Tender. The issued and paid up capital of the JVCO is owned in the proportion of 70% by the Group and 30% by GGL. The JVCO shall obtain external financing on reasonable commercial terms and on a reasonable endeavour basis. Any guarantee, indemnity or security to be provided in favour of lenders of external borrowings in respect of liability of JVCO shall be on several basis in accordance with the respective shareholders' interest in the JVCO. The Group has approximately 70% board representation and GGL has approximately 30% board representation in the JVCO.

PAYMENT OF THE TENDERED SALE PRICE

Under the Conditions of Tender, the Tendered Sale Price of S\$376.88 million (exclusive of GST) (equivalent to approximately HK\$2,054.00 million) and GST thereon will be payable by JVCO by cashier's order in the following manner: -

- (a) 25% of the Tendered Sale Price (less Tender Deposit of S\$19 million (equivalent to approximately HK\$103.55 million) paid upon submission of the Tender) and the GST thereon payable within 28 days of the Acceptance Date; and
- (b) 75% of the Tendered Sale Price and the GST thereon together with cost of cadastral survey of S\$7,768.25 (equivalent to approximately HK\$42,336.96) payable within 90 days of Acceptance Date or before the signing of the Building Agreement in accordance with the Conditions of Tender.

In addition, the ad valorem stamp duty shall be payable on the Tender Acceptance Letter within 14 days thereof.

DELIVERY OF POSSESSION OF LAND

Vacant possession of Plot 1 of the Property will be delivered to JVCO upon the receipt payments (including Tendered Sale Price) and documents (including signed Building Agreement) mentioned in the Conditions of Tender.

TOTAL CAPITAL COMMITMENT OF THE GROUP

JVCO will obtain external bank financing for 60% funding for the acquisition cost of the Property, with the balance of 40% equity to be provided by the Group and GGL on pro rata basis in accordance with their respective interests in the JVCO.

The Group's total capital commitment for acquisition of the Property is therefore expected to be about SG\$105.53 million (equivalent to approximately HK\$575.14 million) which is arrived at on the basis of the Group's portion of equity for the Acquisition of the Property. The Group intends to fund its capital commitment from the Group's internal resources.

The Board considers that the total capital commitment and the Tendered Sale Price of S\$376.88 million (exclusive of GST) is fair and reasonable having taking into account the potential development value, location of the Property and prevailing market conditions.

INFORMATION ON THE PROPERTY

The Property located in Alexandra View (next to Redhill MRT station) of Singapore comprises a 99-year leasehold land parcel described as Plot 1 with estimated site area of 8,398.5 sqm and stratum of air space described as Plot 2 with estimated horizontal cross sectional area of 30.8 sqm (subject to cadastral survey). The permissible GFA of the Property is 41,153 sqm comprising residential development together with commercial development at 1st storey which shall include a supermarket.

The Property is located next to Redhill MRT station in Singapore, within an established residential estate and near commercial amenities such as Tiong Bahru Plaza, Queensway Shopping Centre and IKEA Alexandra in Singapore. Residents of the future development of the Property can also enjoy quiet respites at the nearby recreational parks at Telok Blangah Hill and Mount Faber. It is also ideal for families with school-going children, with Crescent Girls' School and Gan Eng Seng Primary and Secondary Schools located nearby.

INFORMATION ON TANG CITY HOLDINGS AND GGL

Tang City Holdings is a wholly owned subsidiary of the Company carrying out property development and investment in Singapore. The principal business activities of the Company comprise property development and investment, hotel operations and management, car park operations and facilities management, and treasury management.

GGL is a special purpose vehicle incorporated as holding company for property development and investment as its principal business activities.

URA Singapore acts an agent inviting offers for lease by tender for the Property subject to the Conditions of Tender for and on behalf of the Government of the Republic of Singapore which acts as the lessor to grant the lease of Plot 1 of the Property for a term of 99 years together with Plot 2 under the Tender.

To the best of the directors' knowledge, information and belief having made all reasonable enquiry, GGL and URA Singapore and their ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS OF THE TRANSACTION

In line with the Company's property development business, the Company intends to undertake construction of a residential development at the Property through the JVCO. The Directors believe that the formation of the joint venture through the JVCO and the Acquisition of the Property by JVCO for development will provide an opportunity for the Group to expand and diversify its property development portfolio as well as add to the residential development pipeline.

The Board considers that the terms of the Acquisition of the Property under the Tender and formation of the joint venture through the JVCO are on normal commercial terms and are fair and reasonable and in the interests of the Company and the shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios exceed 5% and all of the percentage ratios are less than 25%, the formation of the joint venture through the JVCO and Acquisition of the Property under the Tender as aforesaid constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acceptance Date”	17 November 2015, being the date of the Tender Acceptance Letter
“Acquisition”	the acquisition by the JVCO for the Property pursuant to the Agreement of Tenderer contained in the Form of Tender submitted on 12 November 2015
“Board”	the board of Directors
“Building Agreement”	a Building Agreement in the form and on the terms and conditions as set out in Appendix E of the Conditions of Tender to be signed by the purchaser in triplicate with the President of the Republic of Singapore (as the Lessor)

“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 (Stock Code: 35)
“Conditions of Tender”	the Conditions of Tender contained in the Developer’s Packet for the purpose of the development of the Property at Alexandria View comprising the parcel of land described as Plot 1 and the stratum of air space described as Plot 2, URA Singapore acting as agent for and on behalf of the Government of the Republic of Singapore, inviting offers by tender for the lease of the parcel of land described as Plot 1 subject to the Conditions of Tender and the Technical Conditions of Tender referred to in condition 4.1. thereof
“Developer’s Packet”	the documents of tender including Conditions of Tender, Technical Conditions of Tender and Control Plans intended as a guide on the requirements of the URA Singapore for the development of the Property
“Directors”	directors of the Company
“GFA”	Gross Floor Area
“GGL”	Gigantic Global Limited, a company incorporated under the laws of British Virgin Islands
“Group”	the Company and its subsidiaries
“GST”	Goods and Services Tax chargeable under the Goods and Services Tax Act (Cap. 117A), Laws of Singapore
“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
“JVCO”	Tang Skyline Pte Limited, a company incorporated under the laws of Singapore

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the land parcel described as Lot No. 3995V of Mukim No. 01 (also known as Land Parcel 901) located at Alexandria View in the Republic of Singapore comprising (i) Plot 1 being the parcel of land as shown in the Control Plans; (ii) Plot 2 being the stratum of air space at the approximate position as shown in the Control Plans with estimated areas of 8,398.5 sqm (site area) for Plot 1 and 30.8 sqm (horizontal cross sectional area) (subject to cadastral survey) for Plot 2
“Singapore”	the Republic of Singapore
“sqm”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S\$”	Singapore dollar, the lawful currency of Singapore
“Tang City Holdings”	Tang City Holdings Pte Limited, a company incorporated under the laws of Singapore and a wholly owned subsidiary of the Company
“Tender”	the Form of Tender submitted by the JVCO to URA Singapore on 12 November 2015 and closed on 12 November 2015 indicating the Tendered Sale Price for Plot 1 of the Property
“Tender Acceptance Letter”	the letter issued by URA Singapore to JVCO dated 17 November 2015
“Tender Deposit”	a tender deposit of at least five per cent (5%) of the Tendered Sale Price
“Tendered Sale Price”	an amount of S\$376.88 million (exclusive of GST) (equivalent to approximately HK\$2,054.00 million) indicated in the Tender payable by JVCO as tenderer to lease Plot 1 of the Property

“URA Singapore” Urban Redevelopment Authority acting as agent for and on behalf of the Government of the Republic of Singapore relating to the Tender

“%” per cent

Unless otherwise specified, amounts in this announcement denominated in S\$ were translated for the purpose of illustration only into Hong Kong dollars at the rate of S\$1.00:HK\$5.45. 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, 17 November 2015

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 and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM.