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FAR EAST GLOBAL GROUP LIMITED

遠東環球集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 830)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

The Board is pleased to announce that on 8 November 2010, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor, an independent third party, whereby the Vendor agreed to sell, and the Purchaser agreed to acquire, the Property at the Consideration of HK\$48,580,000. The Consideration was determined after arm's length negotiation with reference to the prevailing market values of similar properties in the proximity of the Property, and a market valuation of the Property as at 5 November 2010 prepared by an independent valuer, Knight Frank Petty Limited. The Property is intended to be used as the office of the Group's headquarter in Hong Kong.

The Preliminary Agreement serves as a framework to govern the action that the Vendor and the Purchaser shall take, including but not limited to the execution of the Formal Agreement. The Formal Agreement shall be signed on or before 19 November 2010. Completion shall take place on or before 15 February 2011.

As one of the applicable percentage ratios in respect to the Acquisition is greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 8 November 2010, the Purchaser entered into the Preliminary Agreement with the Vendor in relation to the Acquisition of the Property.

PARTICULARS OF THE PRELIMINARY AGREEMENT

Date: 8 November 2010

Vendor: Polaris Securities (Hong Kong) Limited, which is an investment firm offering securities and futures brokerage, asset management and other professional investment services and is occupying the Property as at the date of this announcement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its ultimate beneficial owner(s) are third parties

independent of the Company and its connected person (as defined in the Listing Rules).

Purchaser: Willbert Limited, an indirect wholly-owned subsidiary of the Company

Particulars of the Property:

The Property is a non-residential property located at Unit 1- 12 on the 16th Floor, Eight Commercial Tower, No. 8 Sun Yip Street, Hong Kong (erect on Chai Wan Inland Lot No.144).

The Property shall be delivered with vacant possession and free from encumbrance upon Completion.

Consideration and payment terms:

The Consideration of HK\$48,580,000 is payable in the following manner:

- (i) an initial deposit of HK\$2,300,000 was paid to the Vendor in cash upon signing of the Preliminary Agreement;
- (ii) a further deposit of HK\$2,558,000 shall be paid to the Vendor upon signing of the Formal Agreements on or before 19 November 2010; and
- (iii) the balance of the Consideration of HK\$43,722,000 shall be paid to the Vendor on or before the Completion on or before 15 February 2011.

If the Purchaser fails to complete the purchase in the manner pursuant to the terms of the Preliminary Agreement, the above-mentioned deposits then paid shall be forfeited to the Vendor as full and final settlement of all claims in connection with the Preliminary Agreement. On the other hand, if the Vendor fails to complete the sale in the manner pursuant to the terms of the Preliminary Agreement, the Vendor shall immediately compensate the Purchaser with a sum equivalent to the amount of the above-mentioned deposits then paid as liquidated damages together with the refund of the deposits then paid and the Purchaser shall not take any further action to claim for damages or enforce specific performance.

The Consideration, which represents a price of HK\$2,800 per square foot (gross floor area), was determined after arm's length negotiation between the Vendor and the Purchaser on normal commercial terms with reference to the prevailing market value of similar properties in the proximity of the Property and a market valuation prepared by an independent valuer, Knight Frank Petty Limited.

The Consideration will be financed by internal resources of the Group and/or banking facilities.

Completion:

The Preliminary Agreement serves as a framework to govern the action that the Vendor and the Purchaser shall take, including but not limited to the execution of the Formal Agreement. Pursuant to the Preliminary Agreement, the Formal Agreement shall be signed on or before 19 November 2010. Completion (with the delivery vacant possession of the Property by the Vendor) shall take place on or before 15 February 2011.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is one of the world's leading architectural envelop solutions providers of one-stop solutions that incorporate system design and engineering, procurement, fabrication, assembly, logistics, installation, post-completion maintenance and project management services. The major products of the Group are curtain wall systems made primarily of fabricated aluminium cladding, stainless steel and glass.

Currently, the Group's headquarter is situated in another office premise in the same building of the Property under a short term lease set to expire upon April 2011. There is no guarantee that the Group is able to extend or renew this lease without incurring significant additional costs. The Property is intended to replace the current office premise as the Group's headquarter. With a view of permanent establishment and long term development in Hong Kong, the Directors consider that it is in the interest of the Group to own the Property for its headquarter. Through the acquisition of the Property, the Group is expected to achieve immediate rental cost savings, eliminate the risk of future rental costs escalation and avoid potential forced relocations by the landlords, which may interrupt our business and incur extra time and costs. Furthermore, the Property could be pledged as security towards bank facilities and thereby freeing certain deposits currently pledged as security for the Group's future use.

The Directors are of the view that the terms of the Preliminary Agreement and the Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATION UNDER THE LISTING RULES

As one of the applicable percentage ratios in respect to the Acquisition is greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the terms of the Preliminary Agreement and the Formal Agreement
“Board”	the board of Directors
“Company”	Far East Global Group Limited, a company incorporated in Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition on or before 15 February 2011.
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Consideration”	the total consideration of HK\$48,580,000 for the Acquisition
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal agreement in relation to the Acquisition to be signed between the Purchaser and the Vendor on or before 19 November 2010
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Preliminary Agreement”	the preliminary sales & purchase agreement dated 8 November 2010 and entered into between the Purchaser and the Vendor in relation to the Acquisition
“Property”	a non-residential property located at Units 1- 12 on the 16th Floor, Eight Commercial Tower, No. 8 Sun Yip Street, Hong Kong (erect on Chai Wan Inland Lot No.144).
“Purchaser”	Willbert Limited, an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Polaris Securities (Hong Kong) Limited, an independent third party
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
Far East Global Group Limited
LEE Che Chiu
Company Secretary

Hong Kong, 8 November 2010

At the date of this announcement, the executive Directors of the Company are Mr. HUANG Brad (Chairman), Mr. KWOK Yeung Kwong (Chief Executive Officer), Mr. KO Chuk Kin, Herbert and Mr. CHIU Lok Man; the non-executive Director of the Company is Mr. HUANG Guangyu and the independent non-executive Directors of the Company are Mr. ZHOU Jinsong, Mr. YEN Homer Shih Hung and Mr. HONG Winn.