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## FAR EAST TECHNOLOGY INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)  
(Website: <http://www.fet.com.hk>)  
(Stock Code: 0036)

### DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY AT WEALTHY GARDEN

On 30th April, 2004, the Vendor entered into the Agreement with the Purchaser for the sale and purchase of the Property. The consideration for the disposal of the Property to the Purchaser is HK\$15,500,000 in cash payable on completion.

The transaction contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

A circular in connection with the disposal of the Property will be despatched to the shareholders of the Company as soon as practicable.

#### THE DISPOSAL

Date of the Agreement: 30th April, 2004

Vendor: Kwong Ming Amusement Company, Limited, a wholly-owned subsidiary of the Company.

Purchaser: Wai Wah Traders Limited, its principal activities is catering businesses.

Summary: The Agreement was entered into between the Vendor and the Purchaser pursuant to which the parties have agreed on the sale and purchase of the Property. The consideration for the disposal of the Property to the Purchaser is HK\$15,500,000 in cash payable on completion, that is, on or before 1st August, 2004. The parties are required to enter into a formal agreement for the sale and purchase of the Property on or before 8th May, 2004 and completion shall take place on or before 1st August, 2004.

#### REASONS FOR AND BENEFITS OF THE DISPOSAL OF THE PROPERTY

The Group is principally engaged in (i) information technology, (ii) industrial manufacturing, (iii) property development, investment and rental, (iv) securities investment; and (v) entertainment and leisure-related businesses.

The Group has continued to restructure its operations by disposing of non-core assets since 2003. It is the intention of the Directors of the Group to exit from entertainment and leisure-related businesses and to focus on the development of its information technology and industrial manufacturing.

The Property was formerly used for cinema operation, an entertainment and leisure-related business. The Group ceased its cinema operation in January 2000 and the Property was rented out for karaoke operation until January 2003 since then the Property was left vacant. The Disposal will provide an opportunity for the Company to realize its non-core asset at reasonable market price. The net proceeds will be used to repay bank finance. This will reduce the Group's indebtedness and strengthen the Group's financial position.

#### GENERAL

The Directors are of the view that the disposal of the Property is in the interest of the Company and the terms of the Agreement are on normal commercial terms, which are fair and reasonable and in the interest of the shareholders as a whole. The Property was valued at HK\$14,000,000 as at 31st December, 2003 by DTZ Debenham Tie Leung, an independent firm of valuers. The book value of the Property was HK\$14,000,000 as at 31st December, 2003.

The Directors confirm that the consideration for the Property has been determined after arm's length negotiations between the parties by reference to the market value of property transactions and by reference to the property valuation. The net loss attributable to the Property for the year ended 31st December, 2003 and 31st December, 2002 was HK\$106,343 and HK\$37,217 respectively. The profit on disposal of the Property based on the book value is HK\$1,500,000.

The Directors confirm that to the best of their knowledge and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Property are third parties independent of the Company and connected persons of the Company.

The transaction contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

A circular in connection with the disposal of the Property will be despatched to the shareholders of the Company as soon as practicable.

#### DEFINITIONS

In this announcement, the following terms have the following meanings:

"Agreement"	the provisional agreement dated 30th April, 2004 between the Vendor and the Purchaser for the sale and purchase of the Property;
"Company"	Far East Technology International Limited, a company incorporated in Hong Kong and the shares of which are listed on the Stock Exchange;
"Directors"	the directors of the Company;
"Group"	the Company and its subsidiaries;
"Independent Third Party"	an independent third party not connected with the Directors, chief executives or substantial shareholders of 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;
"Property"	a property located at 2/F., of Podium A, Wealthy Garden, 12-28 Tsuen Fu Street, 36-48 Tsuen Wah Street & 1-27 Tsuen Kwai Street, Tsuen Wan, New Territories (17179/417205th shares of and in the Remaining Portion of Tsuen Wan Town Lot No. 252);
"Purchaser"	Wai Wah Traders Limited;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"Vendor"	Kwong Ming Amusement Company, Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company.

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

Hong Kong, 6th May, 2004

As at the date of this announcement, the Board of Directors of the Company comprises executive directors namely Mr. Deacon Te Ken Chiu, Mr. Duncan Chiu, Mr. Dennis Chiu, non-executive directors namely Dato' David Chiu, Mr. Daniel Tat Jung Chiu, Mr. Derek Chiu, Mr. Desmond Chiu, Ms. Margaret Chiu and independent non-executive directors namely Mr. Chi Man Ma and Mr. Siu Hong Chow.