FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)
Website: http://www.fareastconsortium.com.hk
(Stock Code: 35)

FINAL DIVIDEND FOR THE YEAR ENDED 31ST MARCH, 2004 AND CLARIFICATION OF RECENT TURNOVER OF THE COMPANY'S SHARES

On 15th July, 2004, the Board of Directors resolved to recommend a Final Dividend for the year ended 31st March, 2004 of HK3 cents per Share in the form of scrip dividend with cash option. The scrip price has been fixed at HK$1.648 per Share, being the average of the closing prices per Share on the Stock Exchange for the five consecutive trading days up to and including 25th August, 2004.

FINAL DIVIDEND FOR THE YEAR ENDED 31ST MARCH, 2004

On 15th July, 2004, it was announced that the Board of Directors of Far East Consortium International Limited (the "Company") resolved to recommend a final dividend of HK3 cents ("Final Dividend") per ordinary share of HK$0.10 each (the "Share(s)") for the year ended 31st March, 2004 to shareholders whose names appear on the register of members of the Company on 25th August, 2004 in the form of new fully paid Shares ("Scrip Shares") with shareholders being given the option to receive cash in lieu of all or part of their scrip dividend entitlements ("Scrip Dividend Scheme").

At the Annual General Meeting of the Company held on 25th August 2004 ("AGM"), the resolutions as set out in the Notice of the AGM including the Final Dividend was approved.

The number of Scrip Shares to be allotted to shareholders pursuant to the Scrip Dividend Scheme was calculated by reference to the market value of HK$1.648 per Share which was the average of the closing prices per Share ("Average Closing Price") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five consecutive trading days up to and including 25th August, 2004. Accordingly, the number of Scrip Shares which shareholders will receive in respect of the existing shares registered in their names as at 25th August, 2004 will be calculated as follows:

$$\text{Number of Scrip Shares to be received} = \text{Number of existing Shares held on 25th August, 2004 or number of Shares elected for Scrip Shares} \times \frac{\text{HK\$0.03 (Final Dividend per Share)}}{\text{HK\$1.648 (Average Closing Price)}}$$

The number of Scrip Shares to be issued to each shareholder will be rounded down to the nearest whole number. Fractional entitlements will be disregarded and the benefit thereof will accrue to the Company. The Scrip Shares to be issued pursuant to the Scrip Dividend Scheme will rank pari passu in all respects with the existing Shares of the Company except that they will not entitle to the Final Dividend.

Shareholders who wish to receive the Final Dividend in cash, or partly cash and partly Scrip Shares are reminded that Form of Election must be completed and returned to the Share Registrars of the Company, Standard Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by not later than 4:00 p.m. on Monday, 20th September, 2004.

The issue of Scrip Shares pursuant to the Scrip Dividend Scheme is conditional upon the granting by the Listing Committee of the Stock Exchange of a listing of and permission to deal in the Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme, for which the Company will make application.

It is expected that the relevant dividend warrants and share certificates will be posted to shareholders at the risk of those entitled thereto on or about 30th September, 2004 instead of 28th September, 2004 as announced on 15th July, 2004.

A circular describing the details of the Scrip Dividend Scheme together with the Form of Election (if applicable) will be despatched to the shareholders on or about 2nd September, 2004. The Company will make enquiry and comply with the requirement of Rule 13.36(2).

CLARIFICATION OF RECENT TURNOVER OF THE COMPANY'S SHARES

The Company noted the increase in trading volume of the shares of the Company on 25th August, 2004 and wish to state that save for the above resolutions passed at the AGM today and the major and discloseable transactions as announced on 21st July, 2004, the Company is not aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price sensitive nature.

By Order of the Board
David Chiu
Deputy Chairman

Hong Kong, 25th August, 2004

As at the date of this announcement, the Board of Directors of the Company comprises executive directors namely Mr. Deacon Te Ken Chiu, Dato' David Chiu, Mr. Craig Grenfell Williams, Mr. Dennis Chiu; non-executive directors of Mr. Ching Lan Ju Chiu, Mr. Dick Tat Sang Chiu, Mr. Daniel Tat Jung Chiu and independent non-executive directors namely Datuk Kee Leong Chee, Mr. David Kwok Kwei Lo and Mr. Jian Yin Jiang.

Please also refer to the published version of this announcement in The Standard dated 26 August 2004.