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Far East Consortium International Limited

(Incorporated in the Cayman Islands with limited liability)

The directors of the Company are unaware of the reasons for the recent increases in the price and trading volume of the shares of the Company except disclosed below.

FEH, an associate company of the Company, has entered into an agreement with CS&S, the largest software company in PRC, on 3 February, 2000. Pursuant to the Agreement, FEH and CS&S, at stage 1, will form a JV Co and inject into it RMB 15 million and two PRC subsidiaries respectively. The two subsidiaries are principally engaged in software development, system integration, e-solution, e-commerce and operating a training and certification centre.

At stage 2, CS&S would consider to inject further assets into the JV Co, in return for which FEH may issue new shares representing not more than 20% of the existing issued share capital of FEH. **Such further injection, however, is subject to further negotiation and terms of which have not yet been determined.**

Shareholders of the Company and Investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent increases in the price and trading volume of the shares of Far East Consortium International Limited (the "Company") and wish to state that we are not aware of any reasons for such increases except entering into an agreement disclosed below.

Parties to the Agreement

1. Far East Holdings International Limited ("FEH")
2. China National Computer Software and Technology Services Corporation ("CS&S")

Date of the Agreement

3 February 2000

The Agreement

The Agreement mainly involves the following two stages:

Formation of a new company in the PRC (the "JV Co")

FEH, an associate company of the Company, will form a new company (the "JV Co") to be established in the PRC with CS&S for business development and opportunities. FEH will initially inject RMB 15 million into the JV Co representing about 34% of the enlarged issued capital of the JV Co. The remaining 66% will be held by CS&S and the technical management team. CS&S will provide technical management team in computer related activities and inject its shareholding interest and assets in two PRC subsidiaries, CS&S Cyber Chinese Information Technology Limited and CS&S Training and Certification Centre (the "Subsidiaries Co") into the JV Co.

The JV Co will mainly be engaged in software development, system integration, e-solution, e-commerce and operating of training and certification centres.

Further injection of assets into the JV Co

CS&S will consider injecting other of its subsidiaries companies and assets into the JV Co at suitable times, in return for which FEH may issue new shares representing not more than 20% of the existing issued share capital of FEH as consideration for making further acquisition of interests in the JV Co. **Such injection of assets is subject to further negotiation between the relevant parties and may or may not proceed. Further announcement will be made as and when necessary.**

Background information of CS&S

CS&S is a PRC Company set up in 1990 and is the largest company in the PRC specializing in computer software development.

The Subsidiaries Co to be injected by CS&S into the JV Co mainly deal in software development, system integration, e-solution, e-commerce and operating a training and certification centre.

Shareholders of the Company and Investors are advised to exercise caution when dealing in the securities of the Company.

Save as disclosed herein, we also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Resumption of trading

At the request of the Company, trading in the securities of the Company was suspended with effect from 10:00 a.m., 3 February 2000 and application has been made to the Stock Exchange to resume trading from 10:00 a.m., 8 February 2000.

Made by the order of the Board of the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board

David Chiu

Director

Hong Kong, 3 February, 2000

Source: Far East Consortium International Limited