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FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.fareastconsortium.com.hk>

FINAL DIVIDEND FOR THE YEAR ENDED 31ST MARCH, 2002 ADOPTION OF NEW SHARE OPTION SCHEME

1. On 24th July, 2002, the Board of Directors resolved to recommend a Final Dividend for the year ended 31st March, 2002 of HK2 cents per Share in the form of scrip dividend with cash option. The scrip price has been fixed at HK\$0.391 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 28th August, 2002.
2. Shareholders of the Company have approved the adoption of the New Scheme and the termination of the Existing Scheme at the Annual General Meeting held on 28th August, 2002.

FINAL DIVIDEND FOR THE YEAR ENDED 31ST MARCH, 2002

On 24th July, 2002, it was announced that the Board of Directors of Far East Consortium International Limited (the "Company") resolved to recommend a final dividend of HK2 cents per ordinary share of HK\$0.10 each (the "Share(s)") for the year ended 31st March, 2002 ("Final Dividend") to shareholders whose names appear on the register of members of the Company on 28th August, 2002 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 28th August 2002, 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\$0.391 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 28th August, 2002. Accordingly, the number of Scrip Shares which shareholders will receive in respect of the existing shares registered in their names as at 28th August, 2002 will be calculated as follows:

$$\begin{array}{l} \text{Number of Scrip} \\ \text{Shares to be received} \end{array} = \begin{array}{l} \text{Number of existing Shares} \\ \text{held on 28th August, 2002} \\ \text{or number of Shares elected} \\ \text{for Scrip Shares} \end{array} \times \frac{\text{HK\$0.02 (Final Dividend per Share)}}{\text{HK\$0.391 (Average Closing Price)}}$$

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 be entitled to the Final Dividend.

Shareholders who wish to receive the Final Dividend in cash, or partly cash and partly Scrip Shares are reminded that Forms of Election must be completed and returned to the Share Registrars of the Company, Standard Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong, by not later than 4:00 p.m. on Wednesday, 18th September, 2002.

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, 2002.

A circular describing the details of the Scrip Dividend Scheme together with the Form of Election will be despatched to shareholders on or about 3rd September, 2002.

ADOPTION OF NEW SCHEME AND TERMINATION OF THE EXISTING SCHEME

Reference is made to the circular dated 31st July, 2002 (the “Circular”) of the Company regarding the adoption of the new share option scheme (“New Scheme”) and the termination of the existing share option scheme (“Existing Scheme”). Unless otherwise defined, terms used herein shall have the same meanings as in the Circular.

The Board of Directors of the Company announces that at the Annual General Meeting held on 28th August, 2002, the resolution for approving the adoption of the New Scheme and the termination of the Existing Scheme was duly passed by the Shareholders.

By Order of the Board

David Chiu

Deputy Chairman

Hong Kong, 28th August, 2002

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*