
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Far East Consortium International Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

(Incorporated in the Cayman Islands with limited liability)

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

GENERAL MANDATE TO ISSUE SHARES

A notice convening an extraordinary general meeting of Far East Consortium International Limited to be held at the Penthouse, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong at 3:15 p.m. on Tuesday, 10 February 2004 is set out on pages 3 to 4 of this circular. Whether or not you are able to attend the meeting, shareholders are requested to complete and return the enclosed form of proxy to the principal office of the Company at 16th Floor, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment (as the case may be) thereof.

21 January 2004

LETTER FROM THE BOARD



FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

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

Executive Directors:

Mr. Deacon Te Ken Chiu (*Chairman*)
Dato' David Chiu (*Deputy Chairman and
Chief Executive Officer*)
Mr. Steven Ying Wai Kwan (*Managing Director*)
Mr. Craig Grenfell Williams
Mr. Dennis Chiu

Non-executive Directors:

Madam Ching Lan Ju Chiu
Mr. Dick Tat Sang Chiu
Mr. Daniel Tat Jung Chiu

Independent Non-executive Directors:

Datuk Kee Leong Chee
Mr. David Kwok Kwei Lo

Registered Office:

P.O. Box 1043, Ground Floor,
Caledonian House, Mary Street,
George Town,
Grand Cayman, Cayman Islands,
British West Indies.

Principal Office:

16/F., Far East Consortium Building,
121 Des Voeux Road Central,
Hong Kong.

21 January 2004

To the Shareholders,

Dear Sir or Madam,

GENERAL MANDATE TO ISSUE SHARES

INTRODUCTION

Since the annual general meeting of the Company held on 29 August 2003, the issued share capital of the Company had increased from 985,134,312 shares of HK\$0.10 each ("Shares") to 1,160,608,981 Shares as at 20 January 2004 (being the latest practicable date prior to the printing of this circular). The increase in issued share capital during this period was attributed to the issue of 165,000,000 Shares on 17 September 2003 pursuant to the Placing and Subscription Agreement dated 3 September 2003 (the "Placing and Subscription Agreement") as announced by the Company on 4 September 2003 and the issue of 10,474,669 Shares on 30 September 2003 from the Scrip Dividend Scheme as announced by the Company on 29 August 2003 and contained in the circular despatched to the shareholders of the Company on 5 September 2003.

LETTER FROM THE BOARD

The general mandate (the “Existing Share Issue Mandate”) granted to the directors of the Company (the “Directors”) on 29 August 2003 to allot, issue and deal with Shares of the Company has been substantially utilised following the issue of 165,000,000 Shares on 17 September 2003 pursuant to the Placing and Subscription Agreement.

The Directors propose to put forward an ordinary resolution at the Extraordinary General Meeting (“EGM”) to be held on 10 February 2004 seeking shareholders’ approval to grant the Directors a general mandate (the “New Share Issue Mandate”), for the period up until the next annual general meeting of the Company, to issue up to 20% of the share capital of the Company in issue at the date of the EGM since this will provide flexibility to the Company to issue new Shares in the future. The Directors have no current intention to issue any part of the unissued share capital of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Set out on pages 3 to 4 of this circular is the notice convening the EGM to be held at the Penthouse, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong at 3:15 p.m. on Tuesday, 10 February 2004, at which an ordinary resolution will be proposed to grant the Directors the New Share Issue Mandate.

You will find enclosed a form of proxy for use at the EGM. Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy to the principal office of the Company at 16/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so desire.

RECOMMENDATION

The Directors believe that the New Share Issue Mandate is in the best interest of the Company as well as its shareholders. Accordingly, the Directors recommend you to vote in favour of the resolution to be proposed at the EGM.

Yours faithfully,
For and on behalf of

Far East Consortium International Limited
David Chiu

Deputy Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING



FAR EAST CONSORTIUM INTERNATIONAL LIMITED

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NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the members of Far East Consortium International Limited (the “Company”) will be held at the Penthouse, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong on Tuesday, 10 February 2004 at 3:15 p.m. for the purpose of considering and if thought fit, passing with or without modification, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT:

- (i) subject to paragraph (iii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (c) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time; or (d) an issue of shares under any option scheme or similar arrangement for the grant or issue to employees and/or other eligible persons of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;

NOTICE OF EXTRAORDINARY GENERAL MEETING

(iv) For the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company); and.

(v) the authority conferred by this Resolution shall be in substitution for all previous authorities granted to the Directors, except that it shall be without prejudice to and shall not affect the exercise of the power by the Directors pursuant to such authorities to allot additional shares up to and in accordance with the approval therein contained prior to the date of this Resolution.”

By Order of the Board
Kwok Wor Chow
Company Secretary

Hong Kong, 21 January 2004

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one such joint holder is present at the meeting personally or by proxy, the joint member whose name stands first on the register of members of the Company in respect of such shares, or his proxy, shall be entitled to vote in respect thereof.
3. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the principal office of the Company at 16th Floor, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.