



FAR EAST TECHNOLOGY INTERNATIONAL LIMITED

(遠東科技國際有限公司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 36)

RESULTS OF RIGHTS ISSUE AND ADJUSTMENT TO THE OPTIONS

The Directors announce that as at 6:00 p.m. on Thursday, 15 December 2005, being the latest time for acceptance of, and payment of the Rights Shares and application for excess Rights Shares, 47 valid applications under the provisional allotment letter have been received and accepted for an aggregate of 11,977,716 Rights Shares (representing approximately 36.11% of the total number of the Rights Shares) and 49 valid applications for excess Rights Shares have been received and accepted for an aggregate of 7,771,974 excess Rights Shares (representing approximately 23.44% of the total number of the Rights Shares). On the basis of an aggregate of 19,749,690 Rights Shares and excess Rights Shares being applied for and accepted, approximately 59.55% of the total number of 33,166,890 Rights Shares offered under the Rights Issue were applied for by the Qualifying Shareholders.

The Rights Issue, which was underwritten on a fully underwritten basis, became unconditional at 4:00 p.m. on Tuesday, 20 December 2005. Mr. Deacon Te Ken Chiu and Mr. Duncan Chiu have respectively taken up their Rights Shares pursuant to the Irrevocable Undertakings. Based on the results above, the Rights Issue was undersubscribed by 13,417,200 Rights Shares which have been placed by the Underwriter to placees who are independent of and not connected with the Company and its connected persons (as defined under the Listing Rules) and not acting in concert with the Controlling Shareholders (as shown in the section headed "Shareholding Structure Of The Company").

As the Rights Issue became unconditional, the exercise price and the number of Shares to be issued upon exercise of the subscription rights attached to the Options were adjusted pursuant to the terms of the share option scheme adopted by the Company. Details of the adjustments have been set out below.

Share certificates for all fully-paid Rights Shares will be despatched by ordinary post to those Qualifying Shareholders who have validly applied and paid for the Rights Shares and excess Rights Shares, at their own risks, on or before Friday, 23 December 2005. Dealing in the Rights Shares will commence on Thursday, 29 December 2005.

References are made to (a) the announcement issued by Far East Technology International Limited (the "Company") dated 9 November 2005 (the "Announcement"), (b) the announcement issued by the Company dated 16 November 2005 (the "Overseas Shareholders Announcement") and (c) the prospectus dated 30 November 2005 issued by the Company (the "Prospectus") in relation to the Rights Issue. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as defined in the Prospectus.

Pursuant to the Rights Issue, the Qualifying Shareholders were entitled to (i) apply for the Rights Shares with assured allotments at the price of HK\$0.915 each on the basis of one Rights Share for every two Shares held on the Record Date; and (ii) apply for excess Rights Shares at the price of HK\$0.915 per Rights Share.

RESULTS OF THE RIGHTS ISSUE

As at 6:00 p.m. on Thursday, 15 December 2005, being the latest time for acceptance of, and payment of Rights Shares and application for excess Rights Shares, 47 valid applications under the provisional allotment letter have been received and accepted for an aggregate of 11,977,716 Rights Shares (representing approximately 36.11% of the total number of the Rights Shares) and 49 valid applications for excess Rights Shares have been received and accepted for an aggregate of 7,771,974 excess Rights Shares (representing approximately 23.44% of the total number of the Rights Shares). On the basis of an aggregate of 19,749,690 Rights Shares and excess Rights Shares being applied for and accepted, approximately 59.55% of the total number of 33,166,890 Rights Shares offered under the Rights Issue were applied for by the Qualifying Shareholders.

As regards the 49 valid applications for excess Rights Shares received and accepted for a total of 7,771,974 excess Rights Shares, the Directors resolved to allocate and allot, from among the Rights Shares not taken up under the provisional allotments, to each applicant all the excess Rights Shares for which they had been validly applied.

The Rights Issue, which was underwritten on a fully underwritten basis, became unconditional at 4:00 p.m. on Tuesday, 20 December 2005. Mr. Deacon Te Ken Chiu and Mr. Duncan Chiu have respectively taken up their Rights Shares pursuant to the Irrevocable Undertakings. Based on the results above, the Rights Issue was undersubscribed by 13,417,200 Rights Shares which have been placed by the Underwriter to placees who are independent of and not connected with the Company and its connected persons (as defined under the Listing Rules) and not acting in concert with the Controlling Shareholders (as shown in the section headed "Shareholding Structure Of The Company").

SHAREHOLDING STRUCTURE OF THE COMPANY

Pursuant to the Irrevocable Undertakings, Mr. Deacon Te Ken Chiu subscribed for all of his entitlements under the Rights Issue and applied for 2,985,246 excess Rights Shares and Mr. Duncan Chiu subscribed for all of his entitlements under the Rights Issue and applied for 3,900,000 excess Rights Shares. In addition to the Irrevocable Undertakings, Mr. Deacon Te Ken Chiu made a further application through his dealing in nil-paid Rights Shares. All the Rights Shares subscribed for/applied for by Mr. Deacon Te Ken Chiu and Mr. Duncan Chiu were fully allocated under the Rights Issue.

To the best knowledge of the Directors, the shareholding structure of the Company immediately before and after completion of the Rights Issue is as follows:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	Shares	%	Shares	%
	(approx.)		(approx.)	

Controlling Shareholders:

(a) Undertaking Shareholders

Mr. Deacon Te Ken Chiu (Note 1)	3,977,320	6.00	12,840,542	12.90
Mr. Duncan Chiu	6,441,242	9.71	13,561,863	13.63
Sub-total	10,418,562	15.71	26,402,405	26.53

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	Shares	%	Shares	%
	(approx.)		(approx.)	

(b) Other Shareholders

Dato' David Chiu	1,700,000	2.56	1,700,000	1.71
Rocket High Investments Limited (Note 2)	5,608,000	8.45	5,608,000	5.64
Mr. Daniel Tat Jung Chiu	2,200,000	3.32	2,200,000	2.21
Gorich Holdings Limited (Note 3)	8,400,040	12.66	8,400,040	8.44
Cape York Investments Limited (Note 4)	6,080,000	9.17	6,080,000	6.11
Mr. Dennis Chiu	3,322,040	5.01	3,322,040	3.34
Sub-total	27,310,080	41.17	27,310,080	27.45
Total for parties acting in concert with it:	37,728,642	56.88	53,712,485	53.98
Miss Margaret Chiu	1,000,000	1.51	1,000,000	1.01
Mr. Derek Chiu	40,200	0.06	40,200	0.04
Mr. Desmond Chiu	1,000,000	1.51	1,000,000	1.01
Total for Controlling Shareholders	39,768,842	59.96	55,752,685	56.04
Public:				
Underwriter	-	-	-	-
Placees procured by the Underwriter (Note 5)	-	-	13,417,200	13.48
Other Shareholders	26,564,939	40.04	30,330,786	30.48
Total	66,333,781	100.00	99,500,671	100.00

Notes:

- Of the 3,977,320 Shares (immediately before completion of the Rights Issue) and the 12,840,542 Shares (immediately after completion of the Rights Issue), 1,833,000 Shares are held by Madam Ching Lan Ju Chiu, wife of Mr. Deacon Te Ken Chiu.
- Rocket High Investments Limited, a company wholly-owned by Dato' David Chiu.
- Gorich Holdings Limited, a company wholly-owned by Mr. Daniel Tat Jung Chiu.
- Cape York Investments Limited, a company owned equally by Mr. Dennis Chiu and Mr. Daniel Tat Jung Chiu.
- The placees procured by the Underwriter are not connected persons of the Company and are independent of and not connected with the Company and its connected persons (as defined under the Listing Rules) and not acting in concert with the Controlling Shareholders (as shown in this section).

SHARE CERTIFICATES AND DEALINGS IN RIGHTS SHARES

Share certificates for all fully-paid Rights Shares will be despatched by ordinary post to those Qualifying Shareholders who have validly applied and paid for the Rights Shares and excess Rights Shares, at their own risks, on or before Friday, 23 December 2005. Dealing in the Rights Shares, in their fully-paid form, will commence on Thursday, 29 December 2005.

ADJUSTMENT TO THE EXERCISE PRICE AND NUMBER OF SHARES SUBJECT TO THE OPTIONS

As at the date of this announcement, there were 6,600,000 Options outstanding. The exercise price and the number of Shares to be issued upon exercise of the subscription rights attached to the Options are adjusted pursuant to the terms of the share option scheme adopted by the Company on 23 May 2005 ("Share Option Scheme") as a result of the Rights Issue with effect from the date of which the Rights Issue became unconditional. Save as follows, there will be no alternations to the rights of the Options Holders:

Original exercise price per Share and number of Shares subject to the Options	New exercise price per Share and number of Shares subject to the Options
6,600,000 Shares exercisable at HK\$1.35 each	7,025,200 Shares exercisable at HK\$1.2683 each

Holders of Options should note that the exercise price and the number of the Options have been adjusted in accordance with the terms of the Share Option Scheme. The auditors of the Company have checked the accuracy of the computation of such adjustments and considered that they are fair and reasonable.

GENERAL

As at the date of this announcement, the executive Directors are Mr. Deacon Te Ken Chiu, Mr. Duncan Chiu and Mr. Dennis Chiu, the non-executive Directors are Dato' David Chiu, Mr. Daniel Tat Jung Chiu, Mr. Derek Chiu, Mr. Desmond Chiu and Ms. Margaret Chiu; and the independent non-executive Directors are Mr. Chi Man Ma, Dr. Lee G. Lam and Mr. Ryan Yen Hwung Fong.

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

Hong Kong, 21 December 2005