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遠東化聚工業股份有限公司*
Far Eastern Polychem Industries Limited
(incorporated in Bermuda with limited liability)
(Stock Code: 8012)

ANNOUNCEMENT

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

The Board of directors (the “Board”) of Far Eastern Polychem Industries Limited (the “Company”) noted today’s increase in price and trading volume of shares of the Company and wishes to state that the Company is not aware of any reasons for such increase, saved as disclosed in the joint announcement dated 30th August 2005 in relation to the proposed privatization by way of a scheme of arrangement.

Save as disclosed above in relation to the proposed privatization, the Company confirms that there are no negotiations or agreements relating to intended acquisitions or realization which are discloseable under Chapter 19 to 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”), neither is the Board of the Company aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of price-sensitive nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board of
Far Eastern Polychem Industries Limited
Wai-Man Yim
Company Secretary

Hong Kong, 31st August 2005

As at the date of this announcement, the Board comprises: (1) executive directors: Shu-Tong HSU, Jar-Yi SHIH, Champion LEE, Lih-Teh CHANG, and Chin-Sen TU; (2) non-executive director: Shaw-Y WANG; and (3) independent non-executive directors: Tak-Lung TSIM, Ying-Ho WONG and Shih-Hung CHAN.

This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the rules governing the listing of securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters that the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website located at www.hkgem.com on the “Latest Company Announcement” page for at least 7 days from the day of its posting and on the website of the Company at www.fepi.com.hk.

* For identification purposes only