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HUA LIEN INTERNATIONAL (HOLDING) COMPANY LIMITED

(incorporated in Cayman Islands with limited liability)

DELAY IN DESPATCH OF 2002 ANNUAL REPORT

The despatch of the annual report and accounts for the Relevant Year will be delayed due to the delay in the annual audit works caused by the random inspection carried out by the Xi'an Customs Department of the PRC on the accounting records of Xian Hua. It is expected that the annual report and accounts will be despatched to the shareholders of the Company on or before 14 May 2003.

The delay in the despatch of the annual report beyond 30 April 2003 constitutes breach of the paragraph 8(1) of Part B of Appendix 7 to Listing Rules by the Company. In this regard, the Stock Exchange reserves its right to take appropriate action against the Company and/or its directors.

Shareholders and prospective investors should exercise caution when dealing in shares of the Company.

The directors of Hua Lien International (Holding) Company Limited (the "Company") advise that a random inspection was carried out by the Xi'an Customs Department of the People's Republic of China (the "PRC") on the accounting records of Xian Hua Lien Tannery Company Limited (the "Xian Hua"), a 51%-owned and a principal operating subsidiary of the Company, which was completed in late April 2003. The Xi'an Customs Department confirmed during the inspection that the accounting records of Xian Hua were kept in compliance with the PRC laws and regulations.

As the accounting records of Xian Hua had been submitted to the Xi'an Customs Department during the random inspection and substantial manpower resources of the accounting team of Xian Hua were involved in rendering assistance in the random inspection, this had caused interruption of the progress of the annual audit of Xian Hua, as well as the preparation of the consolidated accounts of the Company, for the financial year ended 31 December 2002 (the "Relevant Year").

Pursuant to paragraph 8(1) of Part B of Appendix 7 to the Listing Rules, the Company is required to send its annual report and accounts for the Relevant Year to its shareholders on or before 30 April 2003. Due to the aforesaid delay, the Company is only able to announce its audited annual results for the Relevant Year on 29th April 2003. However, the Company expects that there will not be sufficient time for it to compile and publish the annual report and accounts for the Relevant Year in accordance with the Listing Rules and there will be a delay in the despatch of the annual report and accounts for the Relevant Year. It is expected that the annual report and accounts will be despatched to the shareholders of the Company on or before 14 May 2003.

The delay in the despatch of the annual report beyond 30 April 2003 constitutes breach of the paragraph 8(1) of the Listing Agreement by the Company. In this regard, the Stock Exchange reserves its right to take appropriate action against the Company and/or its directors.

Shareholders and prospective investors should exercise caution when dealing in shares of the Company.

By order of the board of directors of
Hua Lien International (Holding) Company Limited
Chaiteerath Boonchai
Chairman

Dated 29th day of April, 2003.