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YANION INTERNATIONAL HOLDINGS LIMITED

(益安國際集團有限公司)*

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

FURTHER POSTPONEMENT OF THE RELEASE OF FINAL RESULTS

Further to the announcement made on 25 April 2002, the Board announces that as more time is required to gather outstanding information for provision to the auditors, the release of the Final Results will be further postponed to the completion of the acquisition of the Pharmaceutical JV which is expected to be on or before 31 July 2002.

The delay in publication of the 2001 Final Results constitutes a breach of paragraphs 8(1), 8(2) and 11(1) of the Listing Agreement. The Stock Exchange has reserved its rights to take further action against the Company.

In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

Further to the announcement made on 25 April 2002 (the “Announcement”), the Board of Directors (the “Board”) of Yanion International Holdings Limited (“the Company”) announces that as more time is required to gather outstanding information in relation to the indirect investment in a pharmaceutical enterprise in the PRC (the “Pharmaceutical JV”) by the Group for provision to the Group’s auditors, the release of audited final results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2001 (the “Final Results”) will be further postponed.

The Board also confirmed that there has been no change in the unaudited Final Results of the Group as announced on 25 April 2002.

The Company has announced the completion of a share placing on 12 June 2002. The net proceeds of the placing of approximately HK\$69.4 million will be used primarily to satisfy the capital contribution with respect to the Pharmaceutical JV. At present, the Company has essentially completed the financial due diligence and has progressed to the final stage of the legal due diligence in connection with the Pharmaceutical JV. However, the formation of the Pharmaceutical JV is not evidenced by the issuance of business licence/corporate certificate by the PRC government. The necessary formation documents have been duly filed with the relevant PRC governmental departments, and the business licence/corporate

certificate are expected to be forthcoming. The formation of the Pharmaceutical JV and the completion of acquisition of the Pharmaceutical JV would have significant impact on the auditors' assessment on the proper accounting treatment, classification, valuation and disclosure adopted by the Company. The Board considered that the release of Final Results should be further postponed until the completion of the acquisition of the Pharmaceutical JV, which is expected to be on or before 31 July 2002.

The Directors of the Company has confirmed that they have not dealt in any securities of the Company since 25 March 2002.

The delay in publication of the 2001 Final Results constitutes a breach of paragraphs 8(1), 8(2) and 11(1) of the Listing Agreement. The Stock Exchange has reserved its rights to take further action against the Company.

In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
YANION INTERNATIONAL HOLDINGS LIMITED
Chiu Lai Chun, Rhoda
Company Secretary

Hong Kong, 27 June 2002

* *for identification purposes only*

“Please also refer to the published version of this announcement in The Standard”.