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AKuP International Holding Limited

艾克國際控股有限公司*

(incorporated in the Cayman Islands with limited liability)

Proposed change of auditors and unusual price movement

The Board of Directors (the “Board”) of AKuP International Holding Limited (the “Company”) announces that Messrs. KPMG (“KPMG”) have resigned as auditors of the Company and its subsidiaries on 31 December 2002. The resignation was due to the fact that the Company could not reach an agreement with KPMG on the audit fees for the financial year ending 31 December 2002. As confirmed by KPMG in their notice of resignation there were no circumstances connected with their resignation which they considered should be brought to the attention of the shareholders or creditors of the Company.

The Board has proposed to nominate Messrs. PricewaterhouseCoopers (“PWC”) as auditors of the Company following the resignation of KPMG, and to hold office until the conclusion of the next Annual General Meeting of the Company. At the date of this announcement, the terms of the proposed nomination of PWC as auditors of the Company have not been finalised between the Company and PWC.

A Special General Meeting (“SGM”) will be held at 4F-1, No. 213, Sec. 5, Nanking East Road, Taipei, Taiwan on 17 January 2003 at 10:00 a.m. to approve the aforesaid nomination and notice for convening the SGM will be despatched to the shareholders in due course.

The Board of the Company have noted the increase in the price of the shares of the Company today and wish to state that the Directors are not aware of any reasons for such increase.

The Board confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the Rules Governing the Listing of Securities on the Growth

Enterprise Market of the Stock Exchange (the “GEM Listing Rules”), neither is the Board 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 a price-sensitive nature.

By Order of the Board
AKuP International Holding Limited
Hu Shin-Min, Alex
President and Chief Executive Officer

Taipei, Taiwan, 31 December 2002

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules on the Growth Enterprise Market of the Stock Exchange (“GEM”) for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

** for identification purpose only*