

HUAN HSIN HOLDINGS LTD

PRESS RELEASE

Huan Hsin first half profit jumped 33% to S\$13.5 million, strong performance in second quarter with profit of S\$8.9 million on record notebook casing shipments

Financial Highlights	6 months ended 30 June 2003			6 months ended 30 June 2002	Growth %
	1Q03	2Q03	1H03		
Revenue	S\$62.9m	S\$73.6m	S\$136.5m	S\$66.6m	105
Operating profit	S\$6.4m	S\$11.1m	S\$17.5m	S\$9.7m	80
Profit after Tax	S\$4.6m	S\$8.9m	S\$13.5m	S\$10.2	33

Results Highlights:

- **First half Group revenue surged 105% to S\$136.5 million on record notebook casing shipments**
- **Accelerated growth in 2Q03 with profit after tax rising 97% to S\$8.9 million from S\$4.6 million in 1Q03**
- **Declare tax-exempt interim dividend of 4% per ordinary share of S\$0.20 each**
- **Outlook for notebook casing business remains promising**

SINGAPORE, 18 August 2003 - Mainboard-listed Huan Hsin Holdings Ltd ("Huan Hsin" and together with its subsidiaries, the "Group"), an integrated contract manufacturer of telecommunications and electronic products today announced its financial results for the first half ended 30 June 2003.

Huan Hsin enjoyed strong growth momentum in the first six months compared with the same period last year. Group revenue jumped 105% to S\$136.5 million from S\$66.6 million while Group operating profit jumped 80% to S\$17.5 million from S\$9.7 million. Group profit after tax rose 33% to S\$13.5 million over the same period last year. The directors are declaring a tax-exempt interim dividend of 4% per ordinary share of S\$0.20 each.

The main growth driver for Huan Hsin in the first half was the notebook casing business, which was accounted for under the mould, moulded plastic products and finished product assembly ("moulded plastic & assembly") segment. After seeing record notebook casing shipments of about 1 million units in the first quarter of 2003, notebook casing shipments increased further to approximately 1.1 million units in the second quarter. In total, Huan Hsin's notebook casing shipments have increased significantly by 367% to about 2.1 million units in the first half compared with the 450,000 units shipped in the same period last year.

Apart from notebook casings, shipments for other electronic products also increased in the first half. As a result, revenue and profit before tax for the moulded plastic & assembly segment rose 144% and 81% separately to S\$112.4 million and S\$13.8 million when compared with the first half of 2002. This segment contributed about 82% to Group revenue for the first half.

Both the wire, cable and related components ("Wire") segment and pressed metal products ("Metal") segment also posted higher revenue in the first half compared with the same period last year. Wire segment's turnover rose 1% to S\$17.9 million while profit before tax eased 6% to S\$4.7 million. Metal segment's turnover surged 130% to S\$6.2 million and it recorded a profit before tax of S\$348,000 compared with a loss of S\$1.7 million. Metal segment's turnaround was attributable to higher orders for notebook metal parts.

Mr. Hsu Cheng Chien, Managing Director of Huan Hsin said, "Pleased to see that the SARS outbreak has not affected our operations in the first half. In fact, Huan Hsin's growth momentum remained strong in the second quarter. Group revenue grew 17% to S\$73.6 million while Group profit after tax almost doubled to S\$8.9 million when compared with S\$4.6 million in the first quarter of 2003. The plastic segment enjoyed an outstanding second quarter with yet another new high for notebook casing shipments. Having just secured new orders from a leading notebook manufacturer, the outlook for the notebook casing business remains promising."

Huan Hsin will begin delivery of notebook casings for a new customer in September 2003. In addition to that, Huan Hsin has also secured new models of notebook casings from existing customers to be launched progressively in the second half of 2003.

Mr. Hsu added, "Apart from notebook casings, there is also potential for Huan Hsin to tap into new growth area since our customers may relocate the production of other products such as mobile phones and LCD TVs to China over time. We will continue to explore various growth opportunities through strategic joint ventures and organic expansions. Barring unforeseen circumstances, I am optimistic of our performance in the second half of 2003."

About Huan Hsin

Established in 1980, SGX Mainboard listed Huan Hsin Group is an integrated contract manufacturer of telecommunications and electronic products. With 7 plants in the People's Republic of China and 1 in Malaysia, the Group's operations include plastic injection, metal stamping, spray painting, SMT assembly, wire and cable and finished product assembly.

Riding on the outsourcing trend, Huan Hsin's notebook casing business has become one of the major growth drivers for the Group. Having shipped about 1.3 million notebook casings for the full year 2002 and about 2.1 million in the first half of 2003, Huan Hsin is now one of the leading notebook casing manufacturers in China. Huan Hsin also manufactures other products such as LCD monitor casings, keyboard casings, handsets,

telephone cords and power cable.

Note :

This release may contain predictions, estimates or other information that may be considered forward-looking statements. Actual results may differ materially from those currently expected because of a number of factors. These factors include (without limitation) changes in general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, changes in operating expenses, including employee wages and raw material prices, governmental and public policy changes, social and political turmoil and major health concerns, such as the spread of Severe Acute Respiratory Syndrome, or SARS. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

End of Press Release

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