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CIL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

FURTHER DELAY IN THE PUBLICATION OF THE RESULTS OF THE GROUP FOR THE YEAR ENDED 30TH JUNE 2002 AND DESPATCH OF THE ANNUAL REPORT

The Company is waiting the results for re-adjourned creditors meeting held on 20th December 2002 to finalise the accounting records of the Group for the year ended 30th June 2002. The announcement of the final audited results of the Company for the year ended 30th June 2002 will be further delayed to be published on or before 17th February 2003 and the despatch of the annual report to approximately three weeks thereafter.

The delay in the publication of the audited final results and the delay in the despatch of the annual report constitute a breach of paragraphs 8(1), 11(1) of appendix 7b of the Listing Rules. In this regard, the Stock Exchange has reserved its right to take appropriate action against the Company and/or its Directors.

Investors are advised to exercise caution when dealing in the shares of the Company.

Further delay in the publication of the results of CIL Holdings Limited (the “Company”) and its subsidiaries (the “Group”)

Further to the announcement made on 31st October 2002 and the publication of the unaudited final result for the year ended 30th June 2002 on 21st November 2002, the directors of the Company (the “Directors”) announce that the final audited results of the Group for the year ended 30th June 2002 will be further delayed to be published on or before 17th February 2003 and the despatch of the annual report to approximately three weeks thereafter. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the annual report for the year ended 30th June 2002 including its audited annual accounts has to be published and sent to share holders within four months from the ended of the financial year pursuant the Listing Rules applicable to the Company at the material times.

The accounting records of the Group cannot be finalised with reasonable grounds of certainty as to the net recoverable value of certain secured property for the bank facilities, and the provision of certain contingent liabilities including inter alia the disputed claims with the secured & unsecured creditors of the Group (details please refer to the Company Scheme documents dated on 2 August 2002 & 28 November 2002) until the result of the creditors meeting of the Scheme of arrangement of the Company which is announced on 20th December 2002 is known. According to the above reasons, the final audited results will be further delayed to be published.

The delay in the publication of the audited consolidated final results and the delay in the despatch of the annual report constitute a breach paragraph 8(1) and 11(1) of Appendix 7b of the Listing Rules at the material times. In this regard, the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) reserves its rights to take appropriate action against the Company and/or its Directors.

The Directors have not dealt in the shares of the Company since 1st June 2002 and have undertaken to the Stock Exchange that they will not deal in the shares of the Company until the audited final results for the year ended 30th June 2002 are released and published.

Save as previously announced by the Company and as far as the Directors are aware, the Directors are not aware of any matter that might have relevance to the shareholders of the Company.

Made by the order of CIL Holdings Limited the Broad of Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

Shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.

By Order of the Board
CIL Holdings Limited
Ke Jun Xiang
Chairman

Hong Kong, 31st December 2002

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