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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
AND FURTHER DELAY IN THE PUBLICATION OF THE RESULTS OF THE GROUP
FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2002
AND DESPATCH OF THE INTERIM REPORT**

Due to change of the auditors of the Company on 24th May, 2003, the announcement of the final audited results of the Company for the year ended 30th June, 2002 will be further delayed to a date which will be on or before 31st July, 2003 and the despatch of the annual report will take place approximately three weeks thereafter. The incompleteness of the final audited results of the Group for the year ended 30th June, 2002, caused further delay of the publication of the interim results of the Group for the six months ended 31st December, 2002 to a date which will be on or before 15th September, 2003 and the despatch of the interim report will take place approximately three weeks thereafter.

The delay in publication of the audited final results for the year ended 30th June, 2002 and the delay in the despatch of the annual report of the Company constitute a breach of paragraphs 8(1) and 11(1) of appendix of 7B to the Listing Rules. The delay in publication of the interim results for the six months ended 31st December, 2002 and despatch of the interim report of the Company constitute a breach of paragraphs 10(1) and 11(6) of appendix of 7B to 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.

The Board of directors (the "Board") of the CIL Holdings Limited (the "Company") announce that due to change of the auditors of the Company on 24th May, 2003, the publication of the final audited results of the Company and its subsidiaries (the "Group") for the year ended 30th June, 2002 will be further delayed to a date which will be on or before 31st July, 2003 and the despatch of the annual report will take place approximately three weeks thereafter. The incompleteness of the final audited results of the Group for the year ended 30th June, 2002, caused further delay of the publication of the interim results of the Group for the six months ended 31st December, 2002 to a date which will be on or before 15th September, 2003 and the despatch of the interim report will take place approximately three weeks thereafter.

On 16th May, 2003, the Board received a notice of resignation as auditors from Messrs. RSM Nelson Wheeler. The notice stated that there are no circumstances in connection with their resignation that should be brought to the attention of the shareholders or the creditors of the Company. On 24th May, 2003, the Board resolved to appoint Messrs. Charles Chan, Ip & Fung CPA Limited to replace the vacancy left by them to hold office until the conclusion of the next annual general meeting. Upon the appointment, the auditors has commenced audit on the Group's account. In view of the change of auditors, the publication of the final results for the year ended 30th June, 2002 will be further delayed to on or before 31st July, 2003. Accordingly, the publication of the interim results for the six months ended 31st December, 2002 will be further delayed to on or before 15th September, 2003.

BREACHES OF LISTING RULES

The further delay in the publication of the audited consolidated final results for the year ended 30th June, 2002 and the delay in the despatch of the annual report of the Company constitute a breach of paragraphs 8(1) and 11(1) of appendix 7B to the Listing Rules.

The further delay in the publication of the interim results for the six months ended 31st December, 2002 and despatch of the interim report of the Company constitute a breach of paragraphs 10(1) and 11(6) of appendix 7B to the Listing Rules.

In this regard, the Stock Exchange reserves its rights to take appropriate action against the Company and/or its Directors.

Pursuant to a subscription agreement entered into on 30th January, 2002 between the Company, Mr. Ke Jun Xiang ("Mr. Ke" a director of the Company) and Trade Honour Limited ("Trade Honour"), a company wholly and beneficially owned by Mr. Ke, the Company has allotted 3,500,000,000 shares of the Company which represent 56.7% of the total issued capital of the Company to Trade Honour upon completion of the Scheme (as defined in the circular of the Company dated 31st May, 2002) that is 16th May, 2003.

Save as the above, the directors have confirmed that they have not dealt in the Shares since 1st June, 2002 and will undertake to the Stock Exchange that they will not deal in the Shares until the audited final results for the year ended 30th June, 2002 and interim results of the six months ended 31st December, 2002 are released and published.

Shareholders and investors should exercise caution when dealing in the Shares.

By Order of the Board
CIL HOLDINGS LIMITED
Chang Kin Man
Company Secretary

Hong Kong, 27th June, 2003

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