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ZHONGDA INTERNATIONAL HOLDINGS LIMITED

中大國際控股有限公司*

(Incorporated in Bermuda with limited liability)

FURTHER DELAY IN ANNOUNCEMENT OF RESULTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2002

Further to the announcements of the Company dated Wednesday, 23 April 2003 and Tuesday, 29 April 2003, the Board of Directors of the Company wishes now to announce that the audited consolidated accounts of the Company and its subsidiaries for the financial year ended 31 December 2002 will now be approved at a further re-scheduled meeting of the Board of Directors of the Company to be held on Thursday, 5 June 2003 as such accounts have not been finalized and the audit committee has yet to review such accounts and the underlying transactions.

The publication of such audited results will now be postponed to Friday, 6 June 2003. The Company expects to dispatch its 2002 annual report on Friday, 6 June 2003 and to hold its Annual General Meeting on or before the end of June 2003. The Company acknowledges that the delay in publication of the audited results and in the dispatch of the 2002 annual report will be breaches of paragraphs 11(1) and 8(1) of its Listing Agreement, and that the Stock Exchange has reserved its rights to take appropriate action against the Company and/or its directors as a result of such breaches.

Shareholders of the Company and investors are advised to exercise extreme caution when dealing in the securities of the Company.

Unless otherwise stated, defined terms used in this announcement shall have the same meanings as defined in the announcement dated Wednesday, 23 April 2003 (the "First Announcement") relating to the postponement of the Board Meeting scheduled for Thursday, 24 April 2003 to Monday, 28 April 2003, and the announcement dated Tuesday, 29 April 2003 (the "Second Announcement") further postponing the Board Meeting from Monday, 28 April 2003 to on or before Tuesday, 20 May 2003.

The Board would like to announce that the Board Meeting to approve the audited consolidated accounts of the Company and its subsidiaries ("Audited Results") for the financial year ended 31 December 2002 has been further postponed to on Thursday, 5 June 2003 because further time is needed to determine the proper disclosure for certain transactions entered into during 2002 between the Group and Zhongda Industrial Group Corporation (a Chinese corporation 52.64% owned by Xu Lianguo and Xu Liankuan who are both directors and substantial shareholders of the Company) and its related companies, which are connected persons of the Company, in connection with the land development project in the Yancheng

* For identification purposes only

Economic Development Zone in Jiangsu Province (江蘇省鹽城經濟開發區)), and other transactions. Such delay has been mainly occasioned by delays in obtaining and verifying the details of the transactions and determining the nature of such transactions and their implications for the Audited Results.

Following the information requests of the auditors of the Company in conducting their work including work in relation to the land development project in the Yancheng Economic Development Zone in Jiangsu Province (江蘇省鹽城經濟開發區) as mentioned in the Second Announcement, the Company has at this time determined that the transactions between the Group and Zhongda Industrial Group Corporation and its related companies mentioned above (which include transactions related to certain accounts receivables of Zhongda Machinery, a 86.7% indirectly held subsidiary of the Company, owing from third parties as mentioned in the Second Announcement, which were collected by Zhongda Industrial Group Corporation from such third parties on behalf of Zhongda Machinery, as well as payments by Zhongda Industrial Group Corporation to a construction company on behalf of Zhongda Machinery) may also constitute breaches of Chapter 14 of the Listing Rules in that they were connected as well as (in some cases) discloseable transactions for which shareholders' approval in general meeting (where required by Chapter 14 of the Listing Rules) had not been obtained by the Company in advance. A further announcement will be made and a circular to shareholders will be dispatched relating to such transactions.

The publication of the Audited Results for the financial year ended 31 December 2002 will now be postponed to Friday, 6 June 2003. The Company expects to dispatch its 2002 annual report ("Annual Report") on Friday, 6 June 2003 and to hold its Annual General Meeting on or before the end of June 2003. The Company acknowledges that the delay in publication of the Audited Results and in the dispatch of the Annual Report to a date later than 4 months after the end of the financial year to which they relate (i.e. later than Wednesday, 30 April 2003) will be a breach of paragraphs 11(1) and 8(1) of its Listing Agreement. The Company will also be making submissions to the Stock Exchange regarding the breach of Chapter 14 of the Listing Rules relating to connected and discloseable transactions. The Stock Exchange has reserved its rights to take appropriate action against the Company and/or its directors as a result of all such breaches.

The directors of the Company and their respective associates have not dealt in any shares of the Company since Monday, 31 March 2003 and they and their respective associates have undertaken to the Stock Exchange that they will not deal in any shares of the Company until the publication of the Audited Results and the Annual Report has been distributed.

Shareholders of the Company and investors are advised to exercise extreme caution when dealing in the securities of the Company.

By Order of the Board
Zhongda International Holdings Limited
Xu Lianguo
Chairman

Hong Kong, Tuesday, 20 May 2003

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