

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ZHONGDA INTERNATIONAL HOLDINGS LIMITED

中大國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 909)

FURTHER ANNOUNCEMENT – DISCLOSEABLE TRANSACTION

Financial Adviser to the Company



KCG Securities Asia Limited

Further to the announcement dated 19 November 2004 of the Company in relation to the Co-operation Agreement, Zhongda Auto Ind. and the PRC JV Partner have entered into a Joint Venture Agreement on 19 November 2004 to regulate the business operation of JV Company. Save as disclosed in this announcement, all the other provisions of the Co-operation Agreement will remain unchanged and in full force.

The Directors refer to the announcement made by the Company on 19 November 2004 (the “Announcement”). Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

The Board of Directors announces that, further to the Co-operation Agreement entered into between Zhongda Auto Ind. and the PRC JV Partner, which outlined the joint venture arrangement between the JV Parties, a formal Joint Venture Agreement was entered between the JV Parties on 19 November 2004 to regulate the business operation of the JV Company as follows:–

Production

The annual production of the JV Company is targeted at 1,500 buses, and it is estimated that the total annual capacity of the JV Company will be 2,500 buses. The production facilities of the JV Company including the plant and machineries shall be injected by the PRC JV Partner.

Term

20 years from the date of issue of the business license of the JV Company, such term may be renewed six months before expiry provided that the approval for renewal from relevant PRC authority is obtained.

Profit distribution

Profits of the JV Company will be shared among the shareholders in proportion to their respective shareholdings in the JV Company.

Board representation

The board of directors of the JV Company comprises 4 directors. Zhongda Auto Ind. is entitled to appoint 3 directors while the PRC JV Partner is entitled to appoint 1 director. The Company effectively has majority representations in the board of the JV Company.

GENERAL

Save as disclosed in this announcement, all the other provisions of the Co-operation Agreement will remain unchanged and in full force.

The executive directors of the Company up to the date of this announcement are Mr. Xu Lian Guo, Mr. Xu Lian Kuan, Mr. Zhang Yuqing; the independent non-executive directors of the Company up to the date of this announcement are Mr. Gu Yao Tian, Mr. Chan Wai Dune, and Mr. Li Xin Zhong.

By Order of the Board
Zhongda International Holdings Limited
Xu Lian Guo
Chairman

Hong Kong 10 December 2004

* For identification purpose only

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