



ZHONGDA INTERNATIONAL HOLDINGS LIMITED

(中大國際控股有限公司 *)

(Incorporated in Bermuda with limited liability)

(Stock Code: 909)

RULE 13.09(1) ANNOUNCEMENT

SHAREHOLDERS AGREEMENT FOR THE PRODUCTION AND SELLING OF ENVIRONMENTAL DETERGENTS FOR THE AUTOMOBILE INDUSTRY IN THE PRC

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board announces that on 7 September 2007, Zhong Da International, an indirect wholly-owned subsidiary of the Company, entered into the Shareholders Agreement with the Other Shareholders in respect to, among other things, regulating the operation of Zhongda EMS and the proposed establishment of Zhongda EMS China for the production and selling of environmental detergents for the automobile industry in the PRC.

Zhongda EMS is owned as to 40% by Zhong Da International and 60% by the Other Shareholders respectively. Zhongda EMS China shall be principally engaged in the production and selling of environmental detergents under the brand of “OG” for the automobile industry in the PRC.

Further announcements will be made by the Company in regard to Zhongda EMS China under the Listing Rules as and when appropriate.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

SHAREHOLDERS AGREEMENT

The Board of the Company announces that on 7 September 2007, Zhong Da International, an indirect wholly-owned subsidiary of the Company, entered into the Shareholders Agreement with Mr. Fong Tak Ming (“**Mr. Fong**”), Mr. Kenneth Stone (“**Mr. Kenneth Stone**”), Mr. Steven Stone (“**Mr. Steven Stone**”), Mondex and Wellex (collectively, the “**Other Shareholders**”) in respect to, among other things, regulating the operation of Zhongda EMS and the proposed establishment of Zhongda EMS China for the production and selling of environmental detergents for the automobile industry in the PRC.

The Other Shareholders are all independent third parties who are independent of and not connected with the Company, connected persons of the Company and any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates as defined under the Listing Rules.

ZHONGDA EMS

Zhongda EMS is an investment holding company. As at the date hereof, there is no subsidiary of Zhongda EMS.

The shareholding of Zhongda EMS is as follows:–

Name of shareholders	% of shareholding
Zhong Da International	40%
Mr. Fong	20%
Mr. Kenneth Stone	10%
Mr. Steven Stone	10%
Mondex	10%
Wellex	10%
	<hr/>
	100%

Pursuant to the Shareholders Agreement, Mr. Xu Lian Guo, Mr. Zhang Yuqing, Mr. Kwok Ming Fai, Mr. Steven Stone and Mr. Fong Tak Ming are to be appointed as the initial directors of Zhongda EMS.

ZHONGDA EMS CHINA

Zhongda EMS China shall be principally engaged in the business of the production and selling of environmental detergents under the brand of “OG” for the automobile industry in the PRC. The initial investment of Zhongda EMS China is expected to be approximately HK\$1,200,000. Further announcements shall be made by the Company in regard to Zhongda EMS China under the Listing Rules if and when applicable.

BACKGROUND OF MR. KENNETH STONE AND MR. STEVEN STONE

Mr. Kenneth Stone and Mr. Steven Stone are the President and Executive Vice-President of Stone Soap Company, Inc. (“**Stone Soap**”) respectively, a corporation established by the Stone’s family in the United States since 1932. Stone Soap is one of the oldest detergent formulation and manufacturing companies in the United States and one of the world’s leading innovators and providers of performance and specialty chemicals.

BACKGROUD OF MR. FONG

Mr. Fong, with strong technical background, was engaged as senior executive in one of the world's leading oil companies for many years. He established EM Group Company Limited in 1999, whereas the company is a formulator and ISO 9000 producer of environmental performance driven detergents for the Asia market under the registered brand name "OG". In addition, Mr. Fong also owns and operates a car care service chain under the brand name of "NTI Express Auto Care" in Hong Kong.

"OG" products focus in four major market applications – automotive, construction & property management, hotel & restaurant and industrial. After having been launched in Hong Kong since 2000, it is widely used, specified and recommended by government as well as large corporations in Hong Kong and Macau. Customers list covers most of the OEM auto dealers and one of the largest oil station networks, bus companies, etc.

GENERAL

The Group is principally engaged in design, manufacture and sale of automobile manufacture, repair and maintenance equipment and provision of industrial surface treatment engineering equipment. The Group has been diversifying into the manufacturing of commercial vehicles.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of directors of the Company
"Company"	Zhongda International Holdings Limited, an exempted company incorporated in Bermuda with limited liability and whose shares are listed on the Stock Exchange
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administration Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	the Macau Special Administrative Region of the PRC
"Mondex"	Mondex Holdings International Ltd, a company incorporated in the British Virgin Islands

“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
“Shareholders Agreement”	the agreement dated 7 September 2007 entered into between Zhong Da International and the Other Shareholders in respect to, among other things, regulating the operation of Zhongda EMS and the proposed establishment of Zhongda EMS China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America
“Wellex”	Wellex Development Limited, a company incorporated in the British Virgin Islands
“Zhong Da International”	Zhong Da International Limited, an indirect wholly-owned subsidiary of the Company
“Zhongda EMS”	Zhongda EMS Limited, a company incorporated in Hong Kong with limited liability and is owned as to 40% by Zhong Da International and 60% by the Other Shareholders respectively
“Zhongda EMS China”	Zhongda EMS and its subsidiaries
“%”	per cent.
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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

Hong Kong, 10 September 2007

As at the date of this announcement, the Board comprises Messrs. Xu Lian Guo, Xu Lian Kuan, Zhang Yuqing and Kwok Ming Fai as executive directors, and Messrs. Gu Yao Tian, Sun Ka Ziang Henry and Li Xin Zhong as independent non-executive directors of the Company respectively.

* For identification purpose only