



ZHONG HUA INTERNATIONAL HOLDINGS LIMITED

中華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1064)

Second supplemental agreement to the asset disposal agreement dated 25th October, 2002 and supplemental agreement dated 26th March, 2004

On 26th January, 2005, China Land and Guangdong Properties entered into the Second Supplemental Agreement pursuant to which the timing for payment of the balance of the consideration of HK\$90 million in relation to the Disposal by Guangdong Properties to the Group has been extended to on or before 26th July, 2005.

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

Reference is made to the Company's announcements dated 11th November, 2002 and 1st April, 2004 and the circular of the Company dated 13th December, 2002 in respect of the Disposal. Unless otherwise defined herein, capitalised terms used herein have the meanings ascribed thereto in the announcement of the Company dated 1st April, 2004.

China Land, a wholly-owned subsidiary of the Company, entered into the Supplemental Agreement on 26th March, 2004 with Guangdong Properties to supplement the Asset Disposal Agreement dated 25th October, 2002 entered into by and between China Land as seller and Guangdong Properties as purchaser relating to the disposal by China Land of 51% of the entire issued share capital of Ample Dragon Limited.

Pursuant to the Supplemental Agreement, China Land and Guangdong Properties agreed to amend the payment terms of the balance of the consideration of HK\$230 million in relation to the Disposal. HK\$140,000,000 has been paid by Guangdong Properties in April 2004. The balance of HK\$90,000,000 was agreed to be paid by Guangdong Properties on or before 26th January, 2005.

After arm's length negotiation between the parties, China Land and Guangdong Properties entered into a second supplemental agreement on 26th January, 2005 (the "Second Supplemental Agreement") pursuant to which the timing for payment of the aforesaid balance of the consideration of HK\$90 million in relation to the Disposal by Guangdong Properties to the Group has been extended (without interest) to on or before 26th July, 2005.

The Directors consider that the postponement of the payment of the balance of the consideration will not have any adverse impact on the working capital position of the Group.

As at the date of this announcement, the board of Directors comprises Mr. Ho Tsam Hung, Mr. Ho Pak Hung and Mr. Ho Kam Hung who are executive Directors, and Mr. Zhang Jie, Mr. Young Kwok Sui and Mr. Ng Kin Sun who are independent non-executive Directors.

By Order of the Board
Zhong Hua International Holdings Limited
Ho Tsam Hung
Chairman

Hong Kong, 26th January, 2005

* *for identification purpose only*

*Please also refer to the published version of this announcement in
China Daily and Hong Kong Economic Times.*