



## ZHONG HUA INTERNATIONAL HOLDINGS LIMITED

中華國際控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1064)

### RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 10 DECEMBER 2008 AND ADJUSTMENTS TO SHARE OPTIONS AND CONVERSION PRICE OF CONVERTIBLE BONDS

The Board is pleased to announce that the special resolution proposed at the SGM held on 10 December 2008 to approve the Capital Reorganisation was duly passed by the Shareholders by show of hands.

The Capital Reorganisation will become effective on 11 December 2008, and the Consolidated Shares will commence trading on the Stock Exchange from 9:30 a.m. on 11 December 2008.

As a result of the Capital Reorganisation, the conversion price and the number of the Consolidated Shares to be issued under the Convertible Bonds and the exercise price and the number of Consolidated Shares to be issued under the Share Options will be adjusted as set out in this announcement.

Reference is made to the circular of the Company dated 14 November 2008 (the “Circular”) relating to the proposed Capital Reorganisation and change of board lot size. Capitalised terms used herein shall have the same meanings as defined in the Circular unless specified otherwise.

#### RESULTS OF THE SGM

The Board is pleased to announce that the special resolution to approve the Capital Reorganisation was duly passed by the Shareholders by show of hands at the SGM held on 10 December 2008.

## EFFECTIVE DATE OF THE CAPITAL REORGANISATION

As all the conditions of the Capital Reorganisation have been fulfilled, the Capital Reorganisation will become effective from 11 December 2008, and the Consolidated Shares will commence trading on the Stock Exchange from 9:30 a.m. on 11 December 2008. Details, including trading arrangements, in respect of the Consolidated Shares are set out in the Circular.

## ADJUSTMENTS TO SHARE OPTIONS AND CONVERSION PRICE OF CONVERTIBLE BONDS

As a result of the Capital Reorganisation, the conversion price of the Convertible Bonds, the number of the Consolidated Shares to be issued under the Convertible Bonds, the exercise price of the Share Options and the number of Consolidated Shares to be issued under the Share Options will be adjusted accordingly.

Pursuant to the terms and conditions of the Convertible Bonds, the conversion price of the Convertible Bonds will be adjusted from HK\$0.28 per Share to HK\$2.80 per Share and accordingly the total number of Shares to be issued under the Convertible Bonds will be adjusted from 300,000,000 Existing Shares to 30,000,000 Consolidated Shares with effect upon the Share Consolidation becoming effective.

Pursuant to the terms and conditions of the Share Option Scheme, the exercise price of the Share Options and the number of Consolidated Shares to be issued under the Share Options will be adjusted as below upon the Share Consolidation becoming effective:

Category of participants	Date of grant of Share Options	Before adjustment		After adjustment	
		Number of Existing Shares to be issued under the Share Options	Exercise price per Share (HK\$)	Number of Consolidated Shares to be issued under the Share Options	Exercise price per Share (HK\$)
Aggregate eligible participants	30 March 2006	800,000	0.32	80,000	3.20
Aggregate eligible participants	6 March 2007	8,000,000	0.20	800,000	2.00

The above adjustments to the Convertible Bonds and the Share Options were made having regard to the terms and conditions of the Convertible Bonds and the Share Option Scheme respectively and have been reviewed and certified by Optima Capital Limited, a financial adviser engaged by the Company for the purpose of providing an opinion on the adjustments to the conversion price of the Convertible Bonds, the exercise price of the Share Options and the number of the Shares to be issued under the Share Options.

By Order of the Board  
**Zhong Hua International Holdings Limited**  
**Ho Kam Hung**  
*Executive Director*

Hong Kong, 10 December 2008

*As at the date of this announcement, the Board comprises: (i) Mr. Ho Kam Hung as executive Director; (ii) Ms. Lam Kuo and Mr. Young Kwok Sui as non-executive Directors; and (iii) Mr. Lawrence K. Tam, Ms. Wong Miu Ting, Ivy and Mr. Wong Kui Fai as independent non-executive Directors.*

\* *For identification purpose only*