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HARBOUR FRONT LIMITED

(Incorporated in the British Virgin Islands with limited liability)



UDL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

JOINT ANNOUNCEMENT

**Despatch of Composite Offer Document relating to
mandatory conditional cash offer by
Kingsway SW Securities Limited
on behalf of
Harbour Front Limited
for all the issued shares of UDL Holdings Limited
other than those already owned or agreed to be acquired by
Harbour Front Limited
and parties acting in concert with it
Further adjournment of hearing of summons with respect to the Petitions**

The Composite Offer Document regarding the Offer will be despatched to the Shareholders on 23 December 2002.

The Directors would like to inform the Shareholders that the hearing of the summons originally fixed on 16 and 17 December 2002 has been further adjourned due to unavailability of the Petitioners' counsel, and the hearing date has not been fixed. The Company will make further announcement on further development of the summons.

Reference is made to the announcement dated 20 November 2002 (the "Announcement") issued by UDL Holdings Limited (the "Company") in relation to, inter alia, the appointment of independent financial adviser for the Offer and the adjournment of the hearing of the summons with respect to the Petitions and the joint announcement dated 30 November 2002 (the "Joint Announcement") issued by Harbour Front Limited (the "Offeror") and the Company in relation to, inter alia, the allotment result of the Rights Issue and the Offer. Unless the context otherwise requires, terms and expressions defined in the Announcement and the Joint Announcement shall have the same meaning when used in this announcement.

DESPATCH OF THE COMPOSITE OFFER DOCUMENT

The composite offer document (the "Composite Offer Document") relating to the Offer containing, among other things, the terms and details of the Offer, the letter from the independent board committee of the Company containing its recommendation to the Independent Shareholders in respect of the Offer and a letter of advice from Chateron Corporate Finance Limited, the independent financial adviser to the independent board committee, in respect of the Offer, will be despatched to the Shareholders on 23 December 2002.

The Offer will commence on 23 December 2002 and unless the Offer has previously been revised or extended in accordance with the Takeovers Code, all acceptances must be received by 4:00 p.m. on 13 January 2003 and the Offer will close on 13 January 2003.

Independent Shareholders are strongly advised to read the Composite Offer Document, in particular the letter of advice from Chateron Corporate Finance Limited contained therein before deciding whether or not to accept the Offer.

FURTHER ADJOURNMENT OF HEARING OF SUMMONS WITH RESPECT TO THE PETITIONS

The Directors would like to inform the Shareholders that the hearing of the summons with respect to the Petitions originally fixed on 16 and 17 December 2002 has been further adjourned due to unavailability of the Petitioners' counsel, and the hearing date has not been fixed. The Company will make further announcement on further development of the summons.

By Order of the Board
HARBOUR FRONT LIMITED
Leung Yu Oi Ling, Irene
Director

By Order of the Board
UDL HOLDINGS LIMITED
Leung Yu Oi Ling, Irene
Chairman

Hong Kong, 20 December 2002

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to the Offeror), the omission of which would make any statement in this announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Company) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to the Company), the omission of which would make any statement in this announcement misleading.

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