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UDL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

**RESULT OF SPECIAL GENERAL MEETING
POSTPONE TIMETABLE FOR SHARE CONSOLIDATION
AND COURT HEARING**

The Directors are pleased to announce that all the resolutions as set out in the notice of SGM dated 1 August 2003 are duly passed by the Shareholders at the SGM held on 22 August 2003.

A Court hearing was held on 21 August 2003 regarding an application by the Joint Petitioners. Whilst the Court effectively preserves the proceedings of the SGM, it requires the Company to withhold implementation of any resolution that might be passed at the SGM. Accordingly, the expected timetable for Consolidation has to be postponed until further notice and the Company will make further announcement as soon as there are material development in the matter.

Capitalised terms used herein shall have the same meaning as defined in the circular of the Company dated 1 August 2003 (the "Circular") unless otherwise stated.

Reference is made to the announcement of the Company dated 30 June 2003 and the Circular relating to, among others, (i) the proposed consolidation of every ten Shares of HK\$0.01 each into one New Share of HK\$0.10 each; (ii) the proposed creation of a new class of non-voting convertible Preference Shares with an authorised share capital of HK\$176 million divided into 176 million Preference Shares of HK\$1.00 each in the share capital of the Company and increase in authorised share capital; (iii) the granting of an authority to the Directors for the issuance of 90 million Preference Shares; and (iv) the granting of the General Mandates to the Directors. The Directors are pleased to announce that all the resolutions as set out in the notice of SGM dated 1 August 2003 are duly passed by the Shareholders at the SGM held on 22 August 2003.

As a consequence of an ex parte summons issued by the Joint Petitioners, there was a court hearing held at the Supreme Court of Bermuda (the "Court") on 21 August 2003 at 2:30 p.m. Bermuda time. Notwithstanding the Joint Petitioners' application, subject to the exact terms of the Court order which is not available to the Company yet, the Court effectively preserves the proceedings of the SGM but requires the Company to withhold implementation of any resolution that might be passed at the SGM until the hearing of the inter parties proceedings or any other prior reliefs sought. The exact impacts to the Consolidation and the creation and issuance of Preference Shares have yet to be ascertained upon receipt of the sealed order and setting down of the full Court hearing. Accordingly, the expected timetable for Consolidation has to be postponed until further notice and the Company will make further announcement as soon as there are material development in the matter.

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

Hong Kong, 22 August 2003

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