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WEICHAI

濰柴動力股份有限公司

WEICHAI POWER CO., LTD.

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2338)

DISCLOSEABLE TRANSACTION

ACQUISITION OF 28.12% EQUITY INTERESTS IN

**湘火炬汽車集團股份有限公司 (TORCH AUTOMOBILE GROUP CO., LTD)
THROUGH A JOINT VENTURE**

The Board is pleased to announce that on 8th August, 2005, JV Co, an equity joint venture established in the PRC in which the Company holds a 45% equity interest, received a notice that the Offer, which JV Co submitted for the acquisition of the Offer Assets for an aggregate consideration of RMB1,023,380,000 (approximately HK\$981,942,046), was successful and accepted, and, pursuant to the Conditions of Sale, the entire amount of the said consideration was paid to State Asset Management Co on 11th August, 2005. Pursuant to the Conditions of Sale and the Offer Rules, the formal Share Purchase Agreement and the Loan Transfer Agreement were entered into on 11th August, 2005.

The Offer Assets comprise, inter alia, a 28.12% shareholding interest in TA'GC, a company which has a listing on the Shenzhen Stock Exchange. TAGC ranked 18th amongst the top 500 machinery enterprises in China (中國機械工業500強) and 170th amongst the 500 largest enterprises in China (中國企業500強) in 2004. Amongst TAGC's subsidiaries are Shaanxi Zhongqi, TSPC and SFGC. Shaanxi Zhongqi is one of the five largest heavy duty truck manufacturers in the PRC. TSPC is the largest spark plug manufacturer in the PRC, and sells its products both domestically and to more than 20 countries and regions overseas. SFGC is the largest manufacturer of gearboxes for heavy duty trucks in the PRC.

The Consideration payable by JV Co under the Offer is funded by JV Co. The capital of JV Co is RMB1,638,000,000 (approximately HK\$1,571,675,302), of which the Company's share of the equity therein is RMB737,100,000 (approximately HK\$707,253,886), representing 45% of the total registered capital of JV Co.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of Vendor A, Vendor B, Vendor C and each of the Other Shareholders and their respective ultimate beneficial owners are third parties independent of, and are not connected persons of, the Company as at the date of this announcement.

The investment by the Company in JV Co ("Transaction") constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

A circular in connection with the Transaction will be dispatched to the shareholders of the Company within 21 days after the publication of this announcement.

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:30 a.m. on 9th August, 2005, pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:30 a.m. on 12th August, 2005.

BACKGROUND

State Asset ManagementCo is one of the four largest asset management companies authorized by the PRC state council. It is a wholly state-owned financial institution with its function being primarily to, amongst other things, acquire and manage non-performing loans from banks and other financial institutions, debt collection and asset leasing, transfer and restructuring. To the best of knowledge of the Directors, pursuant to an asset management agreement dated 26th August, 2004 (“D’Long Group Asset Management Agreement”) between State Asset ManagementCo and Vendor A (being a member of a group of entities in the PRC commonly referred to as 德隆系集團 (“D’Long Group”)), State Asset ManagementCo became the manager of the Offer Shares. Under the said asset management agreement, State Asset ManagementCo has the right to manage and dispose of the Offer Shares. In addition, pursuant to a debt management agreement dated 23rd May, 2005 between State Asset ManagementCo and TAGC, State Asset ManagementCo also became the manager of the Offer Loans.

TAGC, a company established under PRC law, has a listing on the Shenzhen Stock Exchange. It ranked 18th amongst the top 500 machinery enterprises in China (中國機械工業500強) and 170th amongst the 500 largest enterprises in China (中國企業500強) in 2004. Amongst TAGC’s subsidiaries are Shaanxi Zhongqi, TSPC and SFGC. Shaanxi Zhongqi is one of the five largest heavy duty truck manufacturers in the PRC. TSPC is the largest spark plug manufacturer in the PRC, and sells its products both domestically and to more than 20 countries and regions overseas. SFGC is the largest manufacturer of gearboxes for heavy duty trucks in the PRC. (Further details of the above entities are set out in the section headed “Information on TAGC” below.)

JV Co is an equity joint venture established in the PRC for the sole purpose of submitting the Offer and acquiring the Offer Assets. The registered capital of JV Co is RMB1,638,000,000 (approximately HK\$1,571,675,302), of which 45%, 30%, 18% and 7% are held by the Company and each of the three Other Shareholders, respectively.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of Vendor A, Vendor B and Vendor C (being the holders of the Offer Shares), TAGC (being the holder of the Offer Loans), and each of the Other Shareholders and their respective ultimate beneficial owners are third parties independent of, and are not connected persons of, the Company as at the date of this announcement.

On 8th August, 2005, State Asset ManagementCo held a competitive offering meeting (報價會) for the Offer Assets, and at such meeting, JV Co submitted the Offer to State Asset ManagementCo for the purchase the Offer Assets, and, after the competitive offering process, State Asset ManagementCo announced that the Offer was successful and had been accepted as the winning offer.

THE OFFER AND THE ACQUISITION OF THE OFFER ASSETS

On 8th August, 2005, JV Co received a notice in respect of the Offer, which JV Co submitted for the acquisition of the Offer Assets for a consideration of RMB1,023,380,000 (approximately HK\$981,942,046), was successful and accepted. Pursuant to the Conditions of Sale, JV Co paid by cash the entire amount of the said consideration to State Asset ManagementCo on 11th August, 2005. Pursuant to the Conditions of Sale and the Offer Rules, the formal Share Purchase Agreement and the Loan Transfer Agreement for the acquisition of the Offer Assets were also entered into on 11th August, 2005. Details of the Offer and the acquisition of the Offer Assets are as follows:

- Effective date:** The acceptance date of the Offer was 8th August, 2005
- Vendor:**
1. *With respect to the Offer Shares*
Vendor A, Vendor B and Vendor C acting in accordance with the direction of State Asset ManagementCo.
 2. *With respect to the Offer Loans*
TAGC acting in accordance with the direction of State Asset ManagementCo.
- Purchaser:** JV Co
- Subject Matter:**
1. *The Offer Shares*
263,279,520 TAGC Shares, of which 205,200,000 TAGC Shares are held by Vendor A, 36,000,000 TAGC Shares are held by Vendor B and 22,079,520 are held by Vendor C. The Offer Shares are unlisted legal person shares and they amount to approximately 28.12% of the total issued shares of TAGC.
 2. *The Offer Loans*
Loans aggregating RMB401,092,000 (approximately HK\$384,851,276) due and owing from members of the D'Long Group to TAGC.
- Consideration:** RMB1,023,380,000 (approximately HK\$981,942,046) for the Offer Assets.
- According to the Offer Rules, the portion of the Consideration in respect of the Offer Loans (being the amount of RMB401,090,000 (approximately HK\$384,849,357)) will be applied by State Asset ManagementCo as follows:
- (i) as to approximately RMB20,054,500 (approximately HK\$19,242,468) will be paid to State Asset ManagementCo as management fee;
 - (ii) as to approximately RMB112,800,000 (approximately HK\$108,232,585) will be paid to State Asset ManagementCo in satisfaction of the principal and interest in relation to the bridging loan advanced by State Asset ManagementCo to TAGC; and
 - (iii) as to approximately RMB268,235,500 (approximately HK\$257,374,304) will be paid to TAGC as working capital for TAGC.
- Payment:** The entire amount of the Consideration was paid by cash on 11th August, 2005.
- Other terms:** Upon acceptance of the Offer, JV Co was required to enter, and has entered, into (i) the Share Purchase Agreement on 11th August, 2005 with Vendor A, Vendor B, Vendor C and State Asset ManagementCo, and (ii) the Loan Transfer Agreement on 11th August, 2005 with TAGC and State Asset ManagementCo.

1. *Share Purchase Agreement*

The Share Purchase Agreement was entered into on 11th August, 2005 between State Asset ManagementCo, Vendor A, Vendor B, Vendor C, and JV Co, pursuant to which Vendor A, Vendor B and Vendor C have agreed to sell their respective Offer Shares to JV Co for an aggregate consideration of RMB622,290,000 (approximately HK\$597,092,689). Completion of the sale and purchase of the Offer Shares is subject to the approval of the CSRC, which the Directors do not foresee any difficulty in obtaining. The Consideration has been paid into a separate and designated account of State Asset ManagementCo pending the aforesaid approval from CSRC, which Consideration is refundable to JV Co in the event that such approval cannot be obtained.

2. *Loan Transfer Agreement*

The Loan Transfer Agreement was entered into on 11th August, 2005 between State Asset ManagementCo, TAGC and JV Co, pursuant to which TAGC has agreed to sell the Offer Loans to JV Co for an aggregate consideration of RMB401,090,000 (approximately HK\$384,849,357).

SUMMARY OF THE PRINCIPAL TERMS OF THE JV CAPITAL CONTRIBUTION AGREEMENT

The principal terms of the JV Capital Contribution Agreement and the Articles are as follows:

- Parties:**
- (i) The Company, being the holder of RMB737,100,000 (approximately HK\$707,253,886) of the equity of JV Co, representing 45% of JV Co's total registered capital
 - (ii) The three Other Shareholders respectively holds RMB491,400,000 (approximately HK\$471,502,591) of the equity of JV Co (representing 30% of JV Co's total registered capital), RMB294,840,000 (approximately HK\$282,901,554) of the equity of JV Co (representing 18% of JV Co's total registered capital), and RMB114,660,000 (approximately HK\$110,017,271) of the equity of JV Co (representing 7% of JV Co's total registered capital)

Registered capital: RMB1,638,000,000 (approximately HK\$1,571,675,302)

The registered capital of JV Co of RMB1,638,000,000 (approximately HK\$1,571,675,302) has been fully paid up in cash by the Company and the Other Shareholders, respectively.

Save for the capital contribution to the registered capital of JV Co in the sum of RMB1,638,000,000 (approximately HK\$1,571,675,302), which has already been fully paid in cash by the Company (as to RMB737,100,000 (approximately HK\$707,253,886)), the three Other Shareholders (respectively as to RMB491,400,000 (approximately HK\$471,502,591), RMB294,840,000 (approximately HK\$282,901,554) and RMB114,660,000 (approximately HK\$110,017,271)), none of the Company and the Other Shareholders is obliged to provide any further capital, or has any capital commitment, to JV Co, whether pursuant to the JV Capital Contribution Agreement or the Articles or otherwise.

Profit sharing: Any profit or loss of JV Co shall be shared and borne by the Company and the Other Shareholders in proportion to their respective equity interests in JV Co.

Board composition: The board of directors of JV Co shall consist of three directors, and the Company is entitled to nominate one director where the Other Shareholders are entitled to nominate two directors.

The Company's equity contribution of RMB737,100,000 (approximately HK\$707,253,886) was funded from the internal resources of the Company.

INFORMATION ON TAGC

The TAGC Group is one of China's leading automobile groups and is principally engaged in the manufacture and sale of heavy duty trucks and vehicle parts. TAGC ranked 18th amongst the top 500 machinery enterprises in China (中國機械工業500強) and 170th amongst the 500 largest enterprises in China (中國企業500強) in 2004. Amongst TAGC's subsidiaries are 陝西重型汽車有限公司 (Shaanxi Heavy Duty Motor Company Limited) ("Shaanxi Zhongqi", a 51% subsidiary of TAGC), 株洲湘火炬火花塞有限責任公司 (Torch Spark Plug Co., Ltd.) ("TSPC", a 97.5% subsidiary of TAGC) and 陝西法士特齒輪有限責任公司 (Shaanxi Fast Gear Co., Ltd.) ("SFGC", a 51% subsidiary of TAGC).

Shaanxi Zhongqi is one of the five largest heavy duty truck manufacturers in the PRC. TSPC is the largest spark plug manufacturer in the PRC, and sells its products both domestically and to more than 20 countries and regions overseas. SFGC is the largest manufacturer of gearboxes for heavy duty trucks in the PRC. (The aforesaid information concerning the TAGC Group was extracted from published records of TAGC.)

The net book value of the total assets of JV Co equals to the amount of its registered capital, being RMB1,638,000,000 (approximately HK\$1,571,675,302). As JV Co is a newly established company for the purpose of making the Offer, it does not have any audited accounts and has not recorded any profits.

The book value of the total assets of TAGC attributable to the Offer Shares as at 31st December, 2004 was approximately RMB2,523,379,724 (approximately HK\$2,421,204,878). The latest audited consolidated net asset value of TAGC attributable to the Offer Shares as at 31st December, 2004 was approximately RMB421,754,522 (approximately HK\$404,677,146).

The audited consolidated turnover and net profit (before and after taxation) of the TAGC Group (prepared in accordance with PRC accounting principles ("PRC GAAP")) for the year ended 31st December, 2003 were approximately RMB10,313,987,005 (approximately HK\$9,896,360,588), approximately RMB733,239,403 (approximately HK\$703,549,609) and approximately RMB222,733,168 (approximately HK\$213,714, 419), respectively. The audited turnover and net profit (before and after taxation) of the TAGC Group (prepared in accordance with PRC GAAP) for the year ended 31st December, 2004 were approximately RMB11,540,417,162 (approximately HK\$11,073,131,032), approximately RMB812,346,683 (approximately HK\$779,453,735) and approximately RMB181,685,747 (approximately HK\$174,329,061), respectively. The net profit (before and after taxation) for the years ended 31 st

December 2003 and 31 st December 2004 attributable to the Offer Shares are respectively approximately RMB206,186,920 (approximately HK\$197,838,150) and approximately RMB62,632,567 (approximately HK\$60,096,495) for 2003, and approximately RMB228,431,887 (approximately HK\$219,182,390) and approximately RMB51,090,032 (approximately HK\$49,021,332) for 2004.

The net profit (after deducting all charges except for taxation and excluding extraordinary items) attributable to the Offer Shares being acquired and to the Company's 45% interest in JV Co is RMB124.95 million. Such figure is arrived at based on 45% ((being the Company's equity interest in the JV Co) multiplied by 28.12% (being the indirect shareholding interest in TAGC as represented by the Offer Shares) multiplied by the consolidated net profit (after deducting all charges except for taxation and excluding extraordinary items) of TAGC for the financial year ended 31st December 2004.

INFORMATION ON THE COMPANY

The principal activity of the Company is the research and development, manufacturing and sale of high speed heavy duty diesel engines. The products of the Company are widely applicable to different markets, including heavy-duty vehicles, coaches, construction machines, vessels and power generators. The Company's diesel engines had an approximately 78% share of the PRC heavy duty vehicles (with a load capacity of 15 tonnes (and above)) market and an approximately 75% share of the PRC wheel-loaders (with a load capacity of 5 tonnes (and above)) market in 2004.

INFORMATION ON STATE ASSET MANAGEMENTCO AND THE D'LONG GROUP

State Asset ManagementCo is one of the four largest asset management companies authorized by the PRC state council. It is a wholly state-owned financial institution with its function being primarily to, amongst other things, acquire and manage non-performing loans from banks and other financial institutions, debt collection and asset leasing, transfer and restructuring. To the best of knowledge of the Directors, pursuant to the D'Long Group Asset Management Agreement, State Asset ManagementCo became the manager of the Offer Shares. Under the said asset management agreement, State Asset ManagementCo has the right to manage and dispose of the Offer Shares. In addition, pursuant to a debt management agreement dated 23rd May, 2005 between State Asset ManagementCo and TAGC, State Asset ManagementCo also became the manager of the Offer Loans.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Given the complementary nature of the business of the Company and those of the TAGC Group and the profitability of the TAGC Group as stated above, the Directors are of the view that the Company's investment (through JV Co) in a strategic stake in TAGC will allow the Company to exploit potential business opportunities and synergies with the TAGC Group in the near future. As such, it is expected that such investment in the TAGC Group will contribute positively to the future development of the Company. Accordingly, the Directors are of the view that the terms of the Transaction are fair and reasonable and are in the interest of the Company and its shareholders as a whole.

The average per share closing price of TAGC Shares on the Shenzhen Stock Exchange for the period from 8th July, 2005 to 8th August, 2005 was RMB3.27 per TAGC Share with the highest and lowest per share market price during such period being RMB3.8 per TAGC Share and RMB2.95 per TAGC Share respectively. The per share closing price for the Offer Shares as at 5th August, 2005 (being the last full trading of TAGC Shares on the Shenzhen Stock Exchange before the announcement of the result of competitive offering process) was RMB3.53 (approximately HK\$3.39) ("Last Trading Price"). The Target Assets were offered by way of competitive offer which would be sold to the offeror with the highest price. The Consideration attributable to the Offer Shares (on a per share basis) is RMB3.89 (approximately HK\$3.73), representing a premium of approximately 10.2% to the Last Trading Price, which was

considered by the Directors to be reasonable given the fact that the Offer Assets were offered for sale by State Asset ManagementCo, through the competitive offering process, only to the offeror with the highest price presented at the offer awards meeting on 8th August, 2005.

The acquisition of the Offer Assets by JV Co was funded by the capital contributions by the JV Co in cash.

LISTING RULES IMPLICATIONS

Since the percentage ratios for each of the assets, revenue, profits, consideration and equity capital tests under Rule 14.07 of the Listing Rules is more than 5% but less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements set out in that chapter applicable to discloseable transactions.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of Vendor A, Vendor B and Vendor C (being the holders of the Offer Shares), TAGC (being the holder of the Offer Loans), and each of the Other Shareholders and their respective ultimate beneficial owners are third parties independent of, and are not connected persons of, the Company as at the date of this announcement.

A circular in connection with the Transaction will be dispatched to the shareholders of the Company within 21 days after the publication of this announcement.

OTHER INFORMATION

The Company also wishes to inform its shareholders that, to the best of the knowledge, information and belief of the Directors, prior to the entering into of the D'Long Group Asset Management Agreement between State Asset ManagementCo and Vendor A (as referred to in the section headed "Background" of this announcement), Vendor A, Vendor B and Vendor C had entered into entered into agreements ("Other Agreements") with another third party ("Third Party") relating to the purchase by such Third Party of the Offer Shares. To the best of their knowledge, information and belief, the Directors understand as follows:

1. under PRC law, the proposed transfer of TAGC shares under the Other Agreements is subject to the prior approval of the CSRC;
2. the CSRC has not approved the proposed transfer of the TAGC shares under the Other Agreements; and
3. it is a term of the Other Agreements that such agreements would only become effective after having obtained CSRC's approval.

Accordingly, having obtained appropriate PRC legal advice, the Directors are of the view that the Agreements have not become effective.

The Directors are further of the view that since State Asset ManagementCo has already entered into the D'Long Group Asset Management Agreement, JV Co's acquisition of the Offer Shares is pursuant to the offering process managed and regulated by State Asset ManagementCo and JV Co's offer has been announced by State Asset ManagementCo to be successful, the Directors are confident that JV Co will be able to secure the relevant CSRC approval in relation to its acquisition of the Offer Shares. The Company will keep its shareholders informed of any material development in JV Co's application to the CSRC for the CSRC's approval for the transfer of the Offer Shares to JV Co.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:30 a.m. on 9th August, 2005, pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:30 a.m. on 12th August, 2005.

DEFINITIONS

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

“Articles”	the articles of association of JV Co
“Board”	the board of Directors
“Company”	濰柴動力股份有限公司 (Weichai Power Co., Ltd.), a joint stock limited company incorporated in the PRC with limited liability
“Conditions of Sale”	the conditions for the sale by the State Asset ManagementCo in connection with its offer for sale by way of competitive offer process of the Offer Assets (being part of the Offer Rules)
“Consideration”	the amount of RMB1,023,380,000 (approximately HK\$981,942,046) for the acquisition of the Offer Assets pursuant to the Offer
“CSRC”	中國證券監督管理委員會 (China Securities Regulatory Commission)
“D’Long Group”	as defined in the section headed “Background” of this announcement
“D’Long Group Asset Management Agreement”	as defined in the section headed “Background” of this announcement
“Director(s)”	director(s) of the Company
“JV Capital Contribution Agreement”	the capital contribution agreement entered into between the Company and the Other Shareholders in relation to, inter alia, the contribution of the equity capital of JV Co
“JV Co”	濰柴動力(濰坊)投資有限公司 (Weichai Power (Weifang) Investment Co., Ltd.) a limited liability company established in the PRC on 2nd August, 2005
“Listing Rules” or “Rule(s)”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan Transfer Agreement”	the loan transfer agreement entered into on 11th August, 2005 pursuant to the Conditions of Sale in connection with purchase of the Offer Loans in the event that the Offer is accepted
“Offer”	the offer dated 8th August, 2005 submitted by JV Co to purchase the Offer Assets, which were then being offered for sale by way of a competitive offering process (報價會) by State Asset ManagementCo
“Offer Assets”	the Offer Shares representing 28.12% of the issued share capital of TAGC and the Offer Loans in the aggregate amount of approximately RMB401,092,000 (approximately HK\$384,851,300) due and owing from members of the D’Long Group to TAGC
“Offer Loans”	loans in the aggregate amount of approximately RMB401,092,000 (approximately HK\$384,851,300) due and owing from members of the D’Long Group to TAGC

“Offer Rules”	the Offer rules issued by the State Asset ManagementCo in connection with its offer for sale by way of competitive offering process of the Offer Assets
“Offer Shares”	263,279,520 TAGC Shares, of which 205,200,000 TAGC Shares are held by Vendor A, 36,000,000 TAGC Shares are held by Vendor B and 22,079,520 are held by Vendor C. These shares are unlisted legal person shares
“Other Shareholders”	all of the holders (other than the Company) of equity in JV Co
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this announcement, unless otherwise specified, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shaanxi Zhongqi”	陝西重型汽車有限公司 (Shaanxi Heavy Duty Motor Company Limited), a company established in the PRC
“SFGC”	陝西法士特齒輪有限責任公司 (Shaanxi Fast Gear Co., Ltd.), a company established in the PRC
“Share Purchase Agreement”	the share purchase agreement entered into on 11th August, 2005 pursuant to the Conditions of Sale in connection with purchase of the TAGC Shares in the event that the Offer is accepted
“State Asset ManagementCo”	華融資產管理公司 (China HuaRong Asset Management Corp.), an asset management company authorized by the PRC state council. It is a wholly state-owned financial institution with its primary function being to, amongst other things, acquire and manage non-performing loans from banks and other financial institutions, debt collection and asset leasing, transfer and restructuring
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TAGC”	湘火炬汽車集團股份有限公司 (Torch Automobile Group Co., Ltd), a company established in the PRC and the shares of which are listed on the Shenzhen Stock Exchange
“TAGC Group”	TAGC and its subsidiaries
“TAGC Shares”	shares in the capital of TAGC, which are listed on the Shenzhen Stock Exchange
“TSPC”	株洲湘火炬火花塞有限責任公司 (Torch Spark Plug Co., Ltd.), a company established in the PRC
“Transaction”	as defined in the summary section of this announcement
“Vendor A”	新疆德隆(集團)有限責任公司 (Xinjiang D’LONG (Group) Co., Ltd.), a limited liability company established in the PRC

- “Vendor B” 廣州創寶投資有限公司 (Guangzhou Chuangbo Investment Co. Ltd.), a limited liability company established in the PRC
- “Vendor C” 陝西眾科源新技術發展有限公司 (Shaanxi Zhong Ke Yuan New Technology Development Co. Ltd.), a limited liability company established in the PRC

By Order of the Board
Weichai Power Co., Ltd.
Tan Xuguang
Chairman

Hong Kong, 11th August, 2005

As at the date of this announcement, the executive directors of the Company are: Tan Xuguang, Xu Xinyu, Sun Shaojun and Zhang Quan; the non-executive directors of the Company are: Yeung Sai Hong, Yao Yu, Li San Yim, Tong Jingen, Zhang Fusheng, Julius G. Kiss, Feng Gang and Chen Xue Jian; the independent non-executive directors of the Company are: Zhang Xiaoyu, Koo Fook Sun, Louis and Fang Zhong Chang.

This announcement contains translations of RMB into HK Dollar at the rate of HK\$1.00 to RMB1.0422 solely for reference. No representation or assurance is made or given that the RMB amounts set out in this announcement have been, could have been, could be, may be or will be converted into HK\$ as such rate or any other rates.

Please also refer to the published version of this announcement in (South China Morning Post)