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CHINA ELECTRONICS CORPORATION HOLDINGS COMPANY LIMITED

中國電子集團控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 00085)

CONTINUING CONNECTED TRANSACTIONS

2010-2013 BUSINESS SERVICES AGREEMENT WITH CEC AND FINANCIAL SERVICES AGREEMENT WITH CEC FINANCE

The Board announces that on 19 July 2010, the Company has entered into the 2010-2013 Business Services Agreement pursuant to which CEC Group will provide products processing, testing and assembling services to the Group and purchase integrated circuit cards and smart cards modules and chips from the Group and the Group will purchase raw materials and modules from the CEC Group.

On the same date, the Company has entered into the Financial Services Agreement with CEC Finance pursuant to which CEC Finance will provide a range of financial services to the Group and the Group will utilise such financial services on a non-exclusive basis. The financial services to be provided by CEC Finance to the Group under the Financial Services Agreement include deposit services, financial assistance and fee- and commission-based financial services.

The 2010-2013 Business Services Agreement and the Financial Services Agreement will, upon taking effect, supersede the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement.

CEC, which is interested in approximately 71.30% of the issued share capital of the Company as at the date of this announcement, is the ultimate controlling shareholder of the Company and hence a connected person of the Company. CEC Finance, being a subsidiary of CEC, is also a connected person of the Company.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the 2010-2013 Business Services Agreement are more than 5%, the 2010-2013 Business Services Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Financial Services Agreement are more than 5% and that the Group may be required to provide security for certain types of financial assistance to be provided by CEC Finance, the Financial Services Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The SGM will be convened to consider and, if thought fit, to approve the 2010-2013 Business Services Agreement and the Financial Services Agreement. The vote of the Independent Shareholders at the SGM on the ordinary resolutions approving the 2010-2013 Business Services Agreement and the Financial Services Agreement shall be taken by poll and CEC and its associates shall abstain from voting in respect of such ordinary resolutions.

The Company expects that a circular containing, among other things, information on the 2010-2013 Business Services Agreement and the Financial Services Agreement, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2010-2013 Business Services Agreement and the Financial Services Agreement, the recommendation from the Independent Board Committee together with the notice of the SGM will be published and issued by the Company and despatched to the shareholders on or before 9 August 2010.

BACKGROUND

Reference is made to the announcement dated 20 June 2008 and the circular dated 30 June 2008 of the Company for the background and details of the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement.

On 20 June 2008, Huada Electronics entered into the Hua Da Business Services Agreement with CEC to set out the framework for the ongoing business relationship between the CEC Group on the one hand and Huada Electronics on the other after completion of the Huada Acquisition. Pursuant to the Hua Da Business Services Agreement, (i) CEC Group provides products processing, testing and assembling services to Huada Electronics and purchases integrated circuit cards and smart cards modules and chips from Huada Electronics; (ii) Huada Electronics purchases raw materials and modules from the CEC Group; and (iii) CEC Group provides canteen services to Huada Electronics.

On the same date, Huada Electronics entered into the Hua Da Deposit Services Agreement with CEC Finance pursuant to which CEC Finance provides deposit services to Huada Electronics.

The transactions contemplated under the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement and the relevant caps for the period commencing from the completion date of the Huada Acquisition until 31 December 2010 were approved by the then independent shareholders of the Company at a special general meeting held on 21 July 2008. The Huada Acquisition was completed on 9 September 2009. The Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement took effect from the completion date of the Huada Acquisition and is effective until 31 December 2010.

In December 2009, the Company disposed of its entire interest in Sang Fei, its then principal operating subsidiary. Following completion of the Company's disposal of its entire interest in Sang Fei, the principal activities of the Group has changed to the design, research and development and sale of integrated circuits. In order to streamline the continuing connected transactions between members of the Group (including Huada Electronics) and members of the CEC Group and to extend the scope of financial services to be provided by CEC Finance to the Group, the Company entered into the 2010-2013 Business Services Agreement with CEC and the Financial Services Agreement with CEC Finance which will, upon taking effect, supersede the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement.

2010-2013 BUSINESS SERVICES AGREEMENT

Date : 19 July 2010

Parties : (i) the Company

(ii) CEC

The 2010-2013 Business Services Agreement covers (i) the provision of products processing, testing and assembling services by the CEC Group and the purchase of raw materials and modules from the CEC Group; and (ii) the sale of integrated circuit cards and smart cards modules and chips to the CEC Group. The Group does not plan to engage the CEC Group for the provision of canteen services under the 2010-2013 Business Services Agreement.

The 2010-2013 Business Services Agreement is subject to the approval of the Independent Shareholders and will take effect from the date of approval by the Independent Shareholders at the SGM and will expire on 30 June 2013. Upon expiry of the term of the 2010-2013 Business Services Agreement, the agreement may be renewed for further terms of three years automatically if the parties so wish.

Details of the continuing connected transactions contemplated under the 2010-2013 Business Services Agreement are as follows:

(i) *Provision of products processing, testing and assembling services by the CEC Group and purchase of raw materials and modules from the CEC Group*

Pursuant to the 2010-2013 Business Services Agreement, members of the CEC Group will provide products processing, testing and assembling services to the Group for the production of products including integrated circuit cards, smart cards and chips.

The service fees chargeable by members of the CEC Group for the products processing, testing and assembling services will be determined after arm's length negotiations between the parties with reference to market rates. The prices offered to the Group will be no less favourable than the prices of similar services offered by other third party service providers to the Group.

The Group will also, pursuant to the 2010-2013 Business Services Agreement, purchase from members of the CEC Group raw materials and modules for the research and development of integrated circuit cards, smart cards and chips, on a non-committed basis. Such raw materials and modules will include but not limited to wafer, integrated circuit modules, integrated circuit cards, integrated circuits and printed circuit boards.

The prices of the raw materials and modules to be supplied by the CEC Group to the Group will be determined after arm's length negotiations between the parties with reference to market rates. The prices offered to the Group will be no less favourable than the prices of similar products offered by other third party suppliers to the Group.

The 2010-2013 Business Services Agreement does not impose any obligation on the part of the Group either to engage CEC Group to provide products processing, testing and assembling services or to purchase raw materials and modules from the CEC Group on an exclusive basis. The Group may engage any other parties to provide products processing, testing and assembling services or source raw materials and modules from any other parties.

(ii) Sale of products to the CEC Group

Pursuant to the 2010-2013 Business Services Agreement, the Group will sell products including integrated circuit cards and smart cards modules and chips to members of the CEC Group.

The products supplied to members of the CEC Group will be priced in accordance with their models and specifications. The prices will be determined after arm's length negotiations between the parties with reference to market rates. The prices offered to members of the CEC Group will be no less favourable than the prices of similar products offer to other third party customers of the Group.

The consideration payable and receivable by the Group under the 2010-2013 Business Services Agreement will be settled in cash according to the terms upon which the services or products are provided.

Historical Amounts and Existing Annual Caps for the Hua Da Business Services Agreement

In respect of each category of continuing connected transactions contemplated under the 2010-2013 Business Services Agreement, the historical amounts for each of the years ended 31 December 2007, 2008 and 2009 and the five months ended 31 May 2010 and the existing annual caps for the year ending 31 December 2010 for the Hua Da Business Services Agreement are set out below:

Type of transaction	Existing annual caps for 2010 <i>(RMB'000)</i> <i>(Note 1)</i>	Historical amounts for the year ended 31 December			Five months ended 31 May
		2007 <i>(RMB'000)</i>	2008 <i>(RMB'000)</i>	2009 <i>(RMB'000)</i> <i>(Note 2)</i>	2010 <i>(RMB'000)</i>
Products processing, testing and assembling services and purchase of raw materials and modules					
– Service charges payable by Huada Electronics	421,140	375,198	343,041	208,064	131,842
Sale of products					
– Charges receivable by Huada Electronics	43,200	46,886	43,265	34,557	23,072

Notes:

1. The Company confirmed that the consideration payable and receivable by Huada Electronics under the Hua Da Business Services Agreement for the period commencing from 1 January 2010 until the date of this announcement have not exceeded the annual caps for the year ending 31 December 2010 set out in the above table.
2. Huada Electronics became a wholly-owned subsidiary of the Company following completion of the Huada Acquisition on 9 September 2009. The transactions between Huada Electronics and the CEC Group have since then become continuing connected transactions of the Company.

Proposed Caps for the 2010-2013 Business Services Agreement

It is expected that for each of the years ending 31 December 2010, 2011 and 2012 and the six months ending 30 June 2013, the consideration payable by the Group to the CEC Group and the consideration receivable by the Group from the CEC Group will not exceed the following respective amounts and such amounts have been set as the proposed caps for the relevant continuing connected transactions contemplated under the 2010-2013 Business Services Agreement accordingly:

Type of transaction	For the year ending 31 December			Six months ending
	2010	2011	2012	30 June 2013
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
	(Note)			
Products processing, testing and assembling services and purchase of raw materials and modules				
– Service charges payable by the Group	422,000	366,000	392,000	207,000
Sale of products				
– Charges receivable by the Group	68,000	86,000	106,000	68,000

Note:

The caps for the consideration payable by the Group to the CEC Group and the consideration receivable by the Group from the CEC Group for the year ending 31 December 2010 set out above cover both (i) the consideration payable and receivable and expected to be payable and receivable by Huada Electronics under the Hua Da Business Services Agreement from 1 January 2010 until the effective date of the 2010-2013 Business Services Agreement and (ii) the consideration expected to be payable and receivable by the Group under the 2010-2013 Business Services Agreement from the effective date of the 2010-2013 Business Services Agreement until 31 December 2010. The 2010-2013 Business Services Agreement is subject to the approval of the Independent Shareholders at the SGM, which is expected to take place in early September 2010. As such, the term of the 2010-2013 Business Services Agreement will not exceed three years.

In arriving at the above caps for the consideration payable by the Group for the provision of products processing, testing and assembling services by the CEC Group and the purchase of raw materials and modules from the CEC Group, the Company has made reference to the historical service fees paid by Huada Electronics and the historical purchase of raw materials and modules from the CEC Group and has taken into account the expected demand of the products of the Group, the production plan of the Group and the costs of such services, raw materials and modules.

In arriving at the above caps for the consideration receivable by the Group for the sale of products to the CEC Group, the Company has made reference to the historical sales, the expected demand of the Group's products by the CEC Group and the order status of the products. The proposed annual cap for the consideration receivable by the Group for the sale of products to the CEC Group under the 2010-2013 Business Services Agreement for the year ending 31 December 2010 represents an increase from the existing annual cap for the same type of transactions under the Hua Da Business Services Agreement for the same period. Such increase is due to the significant growth in the sale volume to the CEC Group in the five months ended 31 May 2010; and it is expected that this growth momentum will continue to sustain in the second half of 2010.

FINANCIAL SERVICES AGREEMENT

Date : 19 July 2010

Parties : (i) the Company

(ii) CEC Finance

Pursuant to the Financial Services Agreement, CEC Finance will provide a range of financial services to the Group and the Group will utilise such financial services on a non-exclusive basis. The financial services to be provided by CEC Finance to the Group under the Financial Services Agreement include:

- (a) deposit services, including time deposits, call deposits and negotiable deposits;
- (b) provision of financial assistance, including unsecured RMB and foreign currencies loans, finance leases, discounting of bank acceptance bills and commercial acceptance bills and factoring of account receivables; and
- (c) provision of fee- and commission-based financial services, including guarantee services, entrustment loans and entrustment investments services, approved insurance brokerage services, fund management, agency services and financial consultancy services.

The Financial Services Agreement is subject to the approval of the Independent Shareholders and will take effect from the date of approval by the Independent Shareholders at the SGM and will expire on 30 June 2013.

The Financial Services Agreement does not create any obligation on the part of the Group to utilise any particular services of CEC Finance. Other than time deposits which have specified deposit terms, members of the Group may at any time withdraw the funds deposited with CEC Finance without incurring any penalty. CEC Finance is one of a number of financial institutions which provide financial services to the Group. Members of the Group may obtain financial services available from any other financial institutions in addition to or instead of CEC Finance, as it sees fit.

The interest rates for the Group's deposits with CEC Finance will be determined by making reference to the standard interest rates published by PBOC for the same type of deposits. Such interest rates will not be less than the rates offered to the Group by other domestic commercial banks for comparable deposits.

The interest rates for the financial assistance provided by CEC Finance to the Group will be determined by making reference to the standard interest rates published by PBOC for the same type of financial assistance. Such interest rates will not be higher than the rates offered to the Group by other domestic commercial banks for comparable financial assistance.

The fees and commissions for the financial services provided by CEC Finance to the Group will be determined by reference to, and shall not be higher than, the fees and commissions charged by other domestic commercial banks or financial institutions for the same type of financial services.

The interests on the deposits and the financial assistance and the fees and commissions for the financial services will be payable in cash according to the terms of the deposits, financial assistance or financial services provided.

Proposed Caps for the Financial Services Agreement

The Company has proposed that the following caps be set as the maximum amount for the transactions contemplated under the Financial Services Agreement:

Type of transaction	Historical amounts	Existing caps	Proposed caps	Basis for determining the proposed caps
<i>Provision of deposit services by CEC Finance to the Group</i> Maximum daily balance of deposits (together with the interests accrued thereon) maintained by the Group with CEC Finance.	The maximum daily balance of deposits (together with the interests accrued thereon) maintained by Huada Electronics with CEC Finance under the Hua Da Deposit Services Agreement had not exceeded RMB10 million.	The maximum daily balance of deposits (together with the interests accrued thereon) maintained by Huada Electronics with CEC Finance shall not exceed RMB10 million.	For the period commencing from the effective date of the Financial Services Agreement until 30 June 2013, the maximum daily balance of deposits (together with the interests accrued thereon) maintained by the Group with CEC Finance shall not exceed RMB80 million.	This has been made after taking into account the cash flow position and the treasury policy of the Group.
<i>Provision of financial assistance by CEC Finance to the Group</i> Maximum amount of financial assistance, including unsecured RMB and foreign currencies loans, finance leases, discounting of bank acceptance bills and commercial acceptance bills and factoring of account receivables, provided by CEC Finance to the Group (<i>Note</i>).	The Company and its existing principal operating subsidiary, Huada Electronics, have not obtained any financial assistance from CEC Finance.	There is no existing cap.	For the period commencing from the effective date of the Financial Services Agreement until 30 June 2013, the maximum amount of financial assistance provided by CEC Finance to the Group shall not exceed RMB80 million on any given day.	This has been made with reference to the expected capital and operational needs of the Group.

Type of transaction	Historical amounts	Existing caps	Proposed caps	Basis for determining the proposed caps
<i>Provision of fee- and commission-based financial services by CEC Finance to the Group</i>	There is no historical amount for the previous years.	There is no existing cap.	For the period commencing from the effective date of the Financial Services Agreement to 31 December 2010 – RMB2 million	This has been made with reference to the expected demand of the fee- and commission-based financial services provided by CEC Finance and the fees and commissions payable for such services.
Fees and commissions payable by the Group to CEC Finance for the fee- and commission-based financial services, including guarantee services, entrustment loans and entrustment investments services, approved insurance brokerage services, fund management, agency services and financial consultancy services, provided by CEC Finance.			For each of the years ending 31 December 2011 and 2012 – RMB4 million For the six months ending 30 June 2013 – RMB2 million	

Note:

Pursuant to the Financial Services Agreement, apart from unsecured RMB and foreign currencies loans, the Group may be required to provide security for certain types of financial assistance to be provided by CEC Finance.

REASONS FOR ENTERING INTO THE 2010-2013 BUSINESS SERVICES AGREEMENT AND THE FINANCIAL SERVICES AGREEMENT

Following completion of the disposal of Sang Fei, Huada Electronics has become the principal operating subsidiary of the Company and the principal activities of the Group have changed to the design, research and development and sale of integrated circuits. In order to streamline the continuing connected transactions between members of the Group (including Huada Electronics) and members of the CEC Group and to extend the scope of financial services to be provided by CEC Finance to the Group, the Company entered into the 2010-2013 Business Services Agreement with CEC and the Financial Services Agreement with CEC Finance which will, upon taking effect, supersede the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement.

Members of the CEC Group provide products processing, testing and assembling services for the production of the Group's products and supply raw materials and modules to the Group for its research and development purposes. Members of the CEC Group are also customers of the products of the Group. The transactions contemplated under the 2010-2013 Business Services Agreement are, therefore, vital and integral to the business operations of the Group.

CEC Finance is a non-bank financial institution approved and regulated by the PBOC and CBRC. CEC Finance was established for the purpose of enhancing the centralised management of funds among members of the CEC Group and for improving the fund utilisation efficiency of the CEC Group as a whole. CEC Finance is permitted to provide various financial services such as deposit services, loan services, finance leasing and investment services to members of the CEC Group.

The main reasons and advantages for utilising the financial services provided by CEC Finance are as follows:

- (i) The interest rates on deposits and financial assistance offered by CEC Finance to the Group will be no less favourable than those offered by other domestic commercial banks. The fees and commissions for the fee- and commission-based financial services provided by CEC Finance will not be higher than those charged by other domestic commercial banks or financial institutions.
- (ii) CEC Finance is regulated by PBOC and CBRC and provides its services in accordance and in compliance with the rules and operational requirements of these regulatory authorities.
- (iii) The Group is expected to benefit from CEC Finance's better understanding of the operations of the Group which will allow expedient and efficient service provision. The Group also expects that as an intra-group service provider, CEC Finance will generally have a better and more efficient communication with the Group compared with other domestic commercial banks or financial institutions.
- (iv) The Financial Services Agreement will provide the Group with the right and flexibility, which it may choose to utilise the different kinds of financial assistance provided by CEC Finance and secure an additional and stable financing for its operations.

The Directors are of the view that the transactions contemplated under the 2010-2013 Business Services Agreement and the Financial Services Agreement will be conducted on normal commercial terms and in the ordinary and usual course of business of the Group and that the terms of the 2010-2013 Business Services Agreement and the Financial Services Agreement and the proposed caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

CEC, which is interested in approximately 71.30% of the issued share capital of the Company as at the date of this announcement, is the ultimate controlling shareholder of the Company and hence a connected person of the Company. CEC Finance, being a subsidiary of CEC, is also a connected person of the Company.

The 2010-2013 Business Services Agreement and the Financial Services Agreement will, upon taking effect, supersede the Hua Da Business Services Agreement and the Hua Da Deposit Services Agreement. The Group has no prior transactions with CEC, CEC Finance and their respective associates which required aggregation with the transactions contemplated under the 2010-2013 Business Services Agreement and the Financial Services Agreement under Rule 14A.25 of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the 2010-2013 Business Services Agreement are more than 5%, the 2010-2013 Business Services Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Financial Services Agreement are more than 5% and that the Group may be required to provide security for certain types of financial assistance to be provided by CEC Finance, the Financial Services Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

SGM

The SGM will be convened to consider and, if thought fit, to approve the 2010-2013 Business Services Agreement and the Financial Services Agreement. The vote of the Independent Shareholders at the SGM on the ordinary resolutions approving the 2010-2013 Business Services Agreement and the Financial Services Agreement shall be taken by poll and CEC and its associates shall abstain from voting in respect of such ordinary resolutions.

DESPATCH OF CIRCULAR

The Company expects that a circular containing, among other things, information on the 2010-2013 Business Services Agreement and the Financial Services Agreement, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2010-2013 Business Services Agreement and the Financial Services Agreement, the recommendation from the Independent Board Committee together with the notice of the SGM will be published and issued by the Company and despatched to the shareholders on or before 9 August 2010.

GENERAL INFORMATION

The Company is an investment holding company. Huada Electronics is the principal operating subsidiary of the Company and is engaged in the design, research and development and sale of integrated circuits.

CEC is a state-owned enterprise established under the laws of the PRC. Established in 1989 with the approval of the State Council of the PRC, CEC is a nationwide electronics and information technology conglomerate directly administered by the PRC government. CEC actively focuses on communications, consumer electronics, semi-conductor and software sectors in the PRC.

CEC Finance is a non-bank financial institution approved and regulated by the PBOC and CBRC. CEC Finance was established for the purpose of enhancing the centralised management of funds among the members of the CEC Group and for improving the fund utilisation efficiency of the CEC Group as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“2010-2013 Business Services Agreement”	the 2010-2013 business services agreement dated 19 July 2010 and entered into between CEC and the Company
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors

“CBRC”	China Banking Regulatory Commission
“CEC”	中國電子信息產業集團有限公司 (China Electronics Corporation Limited), a state-owned enterprise established under the laws of the PRC and the ultimate controlling shareholder of the Company
“CEC Finance”	中國電子財務有限責任公司 (China Electronics Corporation Finance Co., Ltd.)
“CEC Group”	CEC and its subsidiaries (other than the Group)
“Company”	China Electronics Corporation Holdings Company Limited
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company
“Financial Services Agreement”	the comprehensive financial services agreement dated 19 July 2010 and entered into between the Company and CEC Finance
“Group”	the Company and its subsidiaries
“Hua Da Business Services Agreement”	the business services agreement dated 20 June 2008 and entered into between CEC and Huada Electronics
“Hua Da Deposit Services Agreement”	the deposit services agreement dated 20 June 2008 and entered into between CEC Finance and Huada Electronics
“Huada Acquisition”	the acquisition of the entire equity interest in Huada Electronics by the Company, which was completed on 9 September 2009
“Huada Electronics”	北京中電華大電子設計有限責任公司 (CEC Huada Electronic Design Co., Ltd.), a company established under the laws of the PRC
“Independent Board Committee”	the committee of Directors consisting of Mr. Chan Kay Cheung, Mr. Wong Po Yan and Mr. Yin Yongli, being all independent non-executive Directors, formed to advise the Independent Shareholders in respect of the terms of the 2010-2013 Business Services Agreement and the Financial Services Agreement
“Independent Shareholders”	shareholders of the Company other than CEC and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PBOC”	the People’s Bank of China
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Sang Fei”	深圳桑菲消費通信有限公司 (Shenzhen Sang Fei Consumer Communications Company Limited)
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, to approve the 2010-2013 Business Services Agreement and the Financial Services Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

For ease of reference only, the names of PRC established companies and entities have been included in this announcement in both Chinese and English and the English names of these companies and entities are either English translations of their respective official Chinese names or English tradenames used by them. In the event of any inconsistency between the English names and their respective Chinese names, the Chinese names shall prevail.

By order of the Board of
China Electronics Corporation Holdings Company Limited
Xiong Qunli
Chairman

Hong Kong, 19 July 2010

As at the date of this announcement, the Board comprises two Non-executive Directors, namely Mr. Xiong Qunli (Chairman) and Mr. Zhao Guiwu (Vice Chairman), two Executive Directors, namely Mr. Fan Qingwu (Managing Director) and Mr. Liu Jinping, and three Independent Non-executive Directors, namely Mr. Chan Kay Cheung, Mr. Wong Po Yan and Mr. Yin Yongli.

* *For identification purpose only*