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DRAGON HILL HOLDINGS LIMITED

俊山集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 305)

Appointment of new directors

And

Change of Auditors

Summary

The Company has appointed Mr. He Shiji, Mr. Sun Shaoli and Mr. Wei Hongwen as executive Directors with effect from 10 September 2007.

The Board would also like to announce that E&Y have resigned as auditors of the Company with effect from 10 September 2007 and Deloitte have been appointed on 10 September 2007 as the auditors of the Company to fill the casual vacancy following the resignation of E&Y and to hold office of the auditors until the conclusion of the next annual general meeting of the Company.

APPOINTMENT OF NEW DIRECTORS

The board (“**Board**”) of directors (“**Directors**”) of Dragon Hill Holdings Limited (“**Company**”) is pleased to announce that Mr. He Shiji, Mr. Sun Shaoli and Mr. Wei Hongwen, who have been nominated by a substantial shareholder of the Company 柳州五菱汽車有限責任公司 (Liuzhou Wuling Motors Company Limited) (“**Wuling**”), have been appointed as executive Directors with effect from 10 September 2007.

Mr. He Shiji, aged 58, obtained a master’s degree in business administration from the University of Western Sydney in 1999 and is a senior engineer. Mr. He is currently the chairman of the board of directors and the secretary of communist party (黨委書記) of Wuling, a director of each of Wuling Motors (Hong Kong) Company Limited (“**Wuling Motors HK**”) and Wuling (Hong Kong) Holdings Limited (“**Wuling Holdings (HK)**”) (Wuling Motors HK and Wuling Holdings (HK) are direct and indirect subsidiaries of Wuling respectively and Wuling Holdings (HK) is the registered holder of approximately 29.05% shareholding interest in the Company), the chairman of the board of directors of Liuzhou Wuling Motors United Development Company Limited (柳州

五菱汽車聯合發展有限公司) (“**Wuling Motors United Development**”) which is a subsidiary of 柳州五菱汽車工業有限公司 (Liuzhou Wuling Motors Industrial Company Limited) (“**Joint Venture**”), the joint venture of the Company and Wuling which respectively own 51% and 49% equity interest therein, the vice chairman of SAIC-GM-Wuling Automobile Co., Ltd. (上汽通用五菱汽車股份有限公司) which is a joint venture formed by Shanghai Automobile Industry (Group) Company, General Motors China and Wuling, and a director of certain other companies established in the PRC including subsidiaries of Wuling. Mr. He has more than 30 years of experience in the engineering and automobile manufacturing industries. Mr. He does not hold or did not hold any directorships in other listed companies in the past three years.

Mr. Sun Shaoli, aged 51, obtained a master degree in business administration from Harbin Industrial University (哈爾濱工業大學) in 1988 and is a senior economist. Mr. Sun is currently a director of Wuling, a director of each of Wuling Motors United Development and Liuzhou Wuling Specialised Vehicles Manufacturing Company Limited (柳州五菱專用汽車製造有限公司) (“**Wuling Specialised Vehicles**”) which are subsidiaries of the Joint Venture, and the deputy general manager of SAIC-GM-Wuling Automobile Co., Ltd., and a director of certain other companies established in the PRC including subsidiaries of Wuling. Mr. Sun has about 25 years’ experience in the automobile manufacturing industry. Mr. Sun does not hold or did not hold any directorships in other listed companies in the past three years.

Mr. Wei Hongwen, aged 44, obtained a master’s degree in economics from Sun Yat-Sen University (中山大學) in 1995 and is a senior engineer. Mr. Wei is currently a director and deputy general manager of Wuling, a director of each of Wuling Motors United Development, Wuling Specialised Vehicles, Wuling Motors HK and Wuling Holdings (HK), and a director of certain other companies established in the PRC including subsidiaries of Wuling. Mr. Wei has about 25 years’ experience in the automobile manufacturing industry. Mr. Wei does not hold or did not hold any directorships in other listed companies in the past three years.

Mr. He, Mr. Sun and Mr. Wei have not entered into any service contract with the Company and have no fixed term of service. Mr. He, Mr. Sun and Mr. Wei are subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the By-laws of the Company. Each of Mr. He, Mr. Sun and Mr. Wei is entitled to a director’s fee of HK\$120,000 per annum which is determined after arm's length negotiation between each of them and the Company with reference to their respective duties and responsibilities as executive Directors.

Save for being disclosed in this announcement, none of the above mentioned newly appointed Directors held any position in the Company and its subsidiaries (“**Group**”), has any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and its subsidiaries, and has any interest in any securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as at the date of this announcement.

Save as disclosed in this announcement, there are no other matters relating to the appointment of the above Directors that need to be brought to the attention of the shareholders of the Company and there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.

The Company is of the view that each of Mr. He, Mr. Sun and Mr. Wei has extensive experience in the automobile manufacturing business. Their appointments will bring positive effect on the future business development of the enlarged Group with the set up of the Joint Venture in August 2007, which is engaged in the automobile manufacturing business. The Company takes this opportunity to welcome Mr. He, Mr. Sun and Mr. Wei to join the Company.

CHANGE OF AUDITORS

The Board would also like to announce that Ernst & Young (“E&Y”) have resigned as auditors of the Company with effect from 10 September 2007 and Deloitte Touche Tohmatsu (“Deloitte”) have been appointed on 10 September 2007 as auditors of the Company to fill the causal vacancy following the resignation of E&Y and to hold office of the auditors until the conclusion of the next annual general meeting of the Company.

Following the establishment of the Joint Venture in August 2007, the 51% equity holding in the Joint Venture by the Company has become, in terms of asset values and revenue contribution, the most significant operating segment of the Group. As Deloitte is the auditors of the Joint Venture, the Company believes that it would be more efficient and also more cost effective, after establishment of the Joint Venture, for Deloitte to be appointed as auditors of the Company.

E&Y have confirmed that there is no circumstances connected with their resignation that they consider should be brought to the attention of the shareholders or creditors of the Company. The Board also confirms that there are no circumstances in respect of the change of auditors which should be brought to the attention of the shareholders of the Company. The Board and the audit committee of the Company also confirm that there is no disagreement between E&Y and the Board on anything or unresolved issue regarding the resignation of E&Y.

E&Y completed the audit for the financial statements of the Group for the year ended 31 December 2006 and have not yet commenced any audit work on the financial statements of the Company for the period from 1 January 2007 to 30 June 2007. It is expected that the change of auditors will not affect the release of unaudited results of the Group for the six-month period ended 30 June 2007 and its audited results for the year ending 31 December 2007.

On behalf of the Board
Dragon Hill Holdings Limited
Lee Shing
Chairman and Chief Executive Officer

Hong Kong, 10 September 2007

As at the date of this announcement, the Board comprises Mr. Lee Shing (Chairman and Chief Executive Officer), Mr. He Shiji, Mr. Sun Shaoli, Mr. Wei Hongwen, Ms. Liu Yaling, Mr. Pei Qingrong and Mr. Wang Shaohua as executive directors and Mr. Yu Xiumin, Mr. Zuo Duofu and Mr. Cheng Kin Wah, Thomas as independent non-executive directors.

* *For identification purpose only*