



# YUE DA HOLDINGS LIMITED

悦達控股有限公司

*(incorporated in Cayman Islands with limited liability)*

(stock code: 629)

- (1) Change of directors and senior executives;
- (2) change of members of various board committees;
- (3) change of company secretary;
- and
- (4) change of agent for the service of process in Hong Kong

## CHANGE OF DIRECTORS AND SENIOR EXECUTIVES

The Board announces that with effect from 2 January 2007:

- (a) Mr Gao Yi Shan resigned from the office of executive Director, Vice Chairman of the Board and Managing Director, Mr Qian Jinbiao resigned from the office of executive Director, each of Mr Pan Wan Qu and Mr Shen Xiao Zhong resigned from the office of non-executive Director, and each of Ms Yu Chor Woon, Carol and Mr Yu Zheng Hua resigned from the office of independent non-executive Director;
- (b) Mr Chen Gang has been appointed as an executive Director and Deputy Chief Executive of the Company, and each of Mr Liu Xiaoguang and Mr Qi Guangya has been appointed a non-executive Director, and each of Ms Leung Mei Han, Mr Cui Shu Ming and Mr Han Runsheng has been appointed an independent non-executive Director;
- (c) Mr Dong Li Yong, currently an executive Director and Deputy Managing Director, will hold the office of Vice Chairman of the Board and Chief Executive of the Company; and
- (d) Mr Li Biao has been appointed Vice President of the Company.

## CHANGE OF MEMBERS OF VARIOUS BOARD COMMITTEES

Following the above change of the Directors, with effect from 2 January 2007, all the then members of the following committees of the Board would cease to be members of such committees, and such committees will comprise the following Directors:

- (a) Audit Committee: before 2 January 2007, Mr Cai Chuan Bing (as Chairman of the committee), Ms Yu Chor Woon, Carol and Mr Shen Xiao Zhong; and with effect from 2 January 2007 (following the resignation of Ms Yu Chor Woon, Carol and Mr Shen Xiao Zhong), Mr Cai Chuan Bing (remaining as Chairman of the committee, an independent non-executive Director), Ms Leung Mei Han (an independent non-executive Director) and Mr Qi Guangya (a non-executive Director); and
- (b) Remuneration Committee: before 2 January 2007, Mr Yu Zheng Hua (as Chairman of the committee), Mr Gao Yi Shan and Mr Cai Chuan Bing; and with effect from 2 January 2007 (following the resignation of Mr Yu Zheng Hua and Mr Gao Yi Shan), Mr Cui Shu Ming (as Chairman of the committee, an independent non-executive Director), Mr Dong Li Yong (an executive Director) and Mr Cai Chuan Bing (an independent non-executive Director).

## **CHANGE OF COMPANY SECRETARY**

The Board announces that Mr Andrew Liu resigned from the office of company secretary of the Company with effect from 2 January 2007. Mr Qian Jinbiao will continue to assume the office of the company secretary.

## **CHANGE OF AGENT FOR THE SERVICE OF PROCESS IN HONG KONG**

The Board also announces that with effect from 2 January 2007, Mr Gao Yi Shan has ceased to act as the Process Agent and Mr Dong Li Yong has been appointed to replace Mr Gao to act as such.

## **CHANGE OF DIRECTORS AND SENIOR EXECUTIVES**

The board (“**Board**”) of directors (“**Directors**”) of Yue Da Holdings Limited (“**Company**”) announces that with effect from 2 January 2007:

- (a) Mr Gao Yi Shan resigned from the office of executive Director, Vice Chairman of the Board and Managing Director, Mr Qian Jinbiao resigned from the office of executive Director, each of Mr Pan Wan Qu and Mr Shen Xiao Zhong resigned from the office of non-executive Director, and each of Ms Yu Chor Woon, Carol and Mr Yu Zheng Hua resigned from the office of independent non-executive Director;
- (b) Mr Chen Gang has been appointed as an executive Director and Deputy Chief Executive of the Company, and each of Mr Liu Xiaoguang and Mr Qi Guangya has been appointed a non-executive Director, and each of Ms Leung Mei Han, Mr Cui Shu Ming and Mr Han Runsheng has been appointed an independent non-executive Director;
- (c) Mr Dong Li Yong, currently an executive Director and Deputy Managing Director, will hold the office of Vice Chairman of the Board and Chief Executive of the Company.
- (d) Mr Li Biao has been appointed Vice President of the Company.

### **Resignations of some of the existing Directors**

Each of Mr Gao Yi Shan, Mr Qian Jinbiao, Mr Pan Wan Qu, Mr Shen Xiao Zhong, Ms Yu Chor Woon, Carol and Mr Yu Zheng Hua has advised that he (or, as the case may be, she) resigned from the office of Director due to personal reasons.

Each of the said outgoing Directors has confirmed that he (or, as the case may be, she) has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders and creditors of the Company or The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) in relation to their respective resignations.

### **Brief profile of Mr Chen Gang**

Mr Chen Gang, aged 33, is an economist in the People’s Republic of China (“**PRC**”). He graduated from Hunan University in 2002 with a bachelor degree in finance. He has over 12 years’ experience in finance and corporate management. Mr Chen had been the master accountant, a customer service manager of the international department, a manager of the foreign exchange funds transaction department, and a chief trader of the Agricultural Bank of China, Jiangsu Branch. Mr Chen had been a manager of the investment department and the financial controller of Chengdu Qianfeng Electronic Company Limited, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600733). Save as disclosed above, Mr Chen does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Chen was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr Chen does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”)), or controlling shareholders (as defined in the Listing Rules) of the Company.

A service contract has been entered into between the Company and Mr Chen in respect of his appointment as an executive Director and Deputy Chief Executive of the Company. Mr Chen shall hold the office of an executive Director and Deputy Chief Executive of the Company for a term of two years commencing on 2 January 2007, the appointment of which can be terminated by a 1-month-notice in writing served either by Mr Chen or the Company during the first six months. Pursuant to the service contract, Mr Chen shall be entitled to receive a monthly salary of HK\$24,800 and a management bonus in respect of the financial year ending 31 December 2007 and each financial year thereafter of the Company in an amount to be determined by the Board in its absolute discretion, provided that the total amount of bonuses payable to all the executive Directors for the time being of the Company shall not exceed 10 per cent. of the combined or, as the case may be, consolidated audited net profit of the Company and its subsidiaries (“**Group**”) (after taxation and minority interests and the payment of such bonuses but before extraordinary or exceptional items) for that financial year. The remuneration of Mr Chen was determined by the Board by reference to the experience of Mr Chen and the prevailing practice in the industry.

Save as disclosed above, there are no other matters relating to the appointment of Mr Chen as an executive Director and Deputy Chief Executive of the Company that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

### **Brief profile of Mr Liu Xiaoguang**

Mr Liu Xiaoguang, aged 53, is a senior economist in the PRC. He graduated from Soochow University with a bachelor degree in jurisprudence. He has over 15 years’ experience in corporate planning and management. In 1991, Mr Liu first joined Jiangsu Yue Da Group Company Limited which is the controlling shareholder of the Company and had been an assistant to general manager, vice general manager and secretary to the board of directors of Jiangsu Yue Da Group Company Limited. At present, Mr Liu is the chief secretary to the board of directors of Jiangsu Yue Da Group Company Limited. Save as disclosed above, Mr Liu does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Liu was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as mentioned above, Mr Liu does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

An appointment letter has been entered into between the Company and Mr Liu in respect of his appointment as a non-executive Director. Mr Liu shall hold the office of non-executive Director for a term of two years commencing on 2 January 2007, subject to rotation in accordance with the Company’s articles of association. Pursuant to the appointment letter, Mr Liu is not entitled to any director’s fee.

Save as disclosed above, there are no other matters relating to the appointment of Mr Liu as a non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

## **Brief profile of Mr Qi Guangya**

Mr Qi Guangya, aged 37, is a senior accountant in the PRC and a member of CICPA and the SIFM (Senior International Finance Manager) certified by IFMA (國際財務管理協會). He graduated from Jiangsu Provincial Party Committee School (江蘇省委黨校) in 2004 with a postgraduate degree in socialistic legal system. He has over 18 years' experience in finance management. In 1991, Mr Qi first joined a subsidiary of Jiangsu Yue Da Group Company Limited which is the controlling shareholder of the Company, and has been a director, the chief accountant and vice general manager of Jiangsu Yue Da Group Company Limited. Save as disclosed above, Mr Qi does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Qi was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as mentioned above, Mr Qi does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

An appointment letter has been entered into between the Company and Mr Qi in respect of his appointment as a non-executive Director. Mr Qi shall hold the office of non-executive Director for a term of two years commencing on 2 January 2007, subject to rotation in accordance with the Company's articles of association. Pursuant to the appointment letter, Mr Qi is not entitled to any director's fee.

Save as disclosed above, there are no other matters relating to the appointment of Mr Qi as a non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

## **Brief profile of Ms Leung Mei Han**

Ms Leung Mei Han, aged 48, is a fellow member of Certified Public Accountant Australia. She graduated from The University of Queensland with a bachelor degree in Commerce. She has over 22 years' experience in accounting, securities, corporate finance and related areas. Ms Leung is an independent non-executive director of Bossini International Holdings Limited (stock code: 592) and Four Seas Mercantile Holdings Limited (stock code: 374), the shares of which are both listed on the Main Board of the Stock Exchange. Save as mentioned above, Ms Leung does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Ms Leung was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Ms Leung is a managing director of Somerley Limited, a firm of corporate finance advisers and a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which had acted as the independent financial advisers to the independent board committee of the Company in respect of certain connected transactions of the Company, which were announced in 2006. Save as mentioned above, Ms Leung does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company. On 27 December 2006, Ms Leung gave a confirmation to the Company in respect of the factors set out in Rule 3.13 of the Listing Rules concerning her independence and that there are no other factors that may affect her independence at the time of such confirmation. The Company considers that Ms Leung to be independent.

An appointment letter has been entered into between the Company and Ms Leung in respect of her appointment as an independent non-executive Director. Ms Leung shall hold the office of independent non-executive Director for a term of two years commencing on 2 January 2007, subject to rotation in

accordance with the Company's articles of association. Pursuant to the appointment letter, Ms Leung shall be entitled to receive an annual director's fee of HK\$200,000. The director's fee payable to Ms Leung was determined by the Board by reference to the experience of Ms Leung and the prevailing practice in the industry.

Save as disclosed above, there are no other matters relating to the appointment of Ms Leung as an independent non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

### **Brief profile of Mr Cui Shu Ming**

Mr Cui Shu Ming, aged 69, is a senior economist in the PRC. He graduated from Economics Department, the People's University of China in 1965. He has over 40 years' experience in international finance and corporate planning and management. Mr Cui had been the deputy head of the Bank of China, Jiangsu Branch, the managing director of the National Commercial Bank Ltd. (浙江興業銀行) and the general manager of its Hong Kong branch. Mr Cui was a director and the vice chief executive officer of Ka Wah Bank Limited (currently known as CITIC International Financial Holdings, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 183)) from 1995 to 1997 and a non-executive director of Cheung Tai Hong Holdings Limited (currently known as Macau Prime Properties Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 199)) from 1997 to 2001. At present, Mr Cui is an independent non-executive director of Burwill Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 024). Save as mentioned above, Mr Cui does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Cui was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr Cui does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company. On 27 December 2006, Mr Cui gave a confirmation to the Company in respect of the factors set out in Rule 3.13 of the Listing Rules concerning his independence and that there are no other factors that may affect his independence at the time of such confirmation. The Company considers that Mr Cui to be independent.

An appointment letter has been entered into between the Company and Mr Cui in respect of his appointment as an independent non-executive Director. Mr Cui shall hold the office of independent non-executive Director for a term of two years commencing on 2 January 2007, subject to rotation in accordance with the Company's articles of association. Pursuant to the appointment letter, Mr Cui shall be entitled to receive an annual director's fee of HK\$200,000. The director's fee payable to Mr Cui was determined by the Board by reference to the experience of Mr Cui and the prevailing practice in the industry.

Save as disclosed above, there are no other matters relating to the appointment of Mr Cui as an independent non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

### **Brief profile of Mr Han Runsheng**

Mr Han Runsheng, aged 42, is a researcher in the PRC. He graduated from Kunming University of Science and Technology in 1998 with a doctor degree in Mineral Resource Prospecting and Exploration (礦產普查與勘探). He has over 20 years' experience in scientific research and education. Mr Han completed

the post-doctoral fellowship at Institute of Geochemistry Chinese Academy of Sciences (中國科學院地球化學研究所) in 2002. Mr Han was a postgraduate and tutor to students of doctor's degree at Kunming University of Science and Technology. Mr Han was also the head of Southwest Geology Survey Center of the Institute of Mineral and Geology Survey of Non-ferrous Metals (有色金屬礦產地質調查中心西南地質調查所所長) and a part-time professor at Southwest University of Science and Technology. In addition, Mr Han is currently the Cross-Century Young Academic and Technical Leader of the Yunnan Province (雲南省跨世紀中青年學術和技術帶頭人) and the State-selected candidate of the project of "Hundreds, Thousands, and Ten Thousands of Talents for the New Century" (新世紀百千萬人才工程) of the Ministry of Education. Mr Han's major areas of study are on the research and teaching of the location forecasting of concealed ore-body, tectonic geochemistry, dynamic tectonic mineralization and mineral and geology survey. Save as mentioned above, Mr Han does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Han was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr Han does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company. On 27 December 2006, Mr Han gave a confirmation to the Company in respect of the factors set out in Rule 3.13 of the Listing Rules concerning his independence and that there are no other factors that may affect his independence at the time of such confirmation. The Company considers that Mr Han to be independent.

An appointment letter has been entered into between the Company and Mr Han in respect of his appointment as an independent non-executive Director. Mr Han shall hold the office of independent non-executive Director for a term of two years commencing on 2 January 2007, subject to rotation in accordance with the Company's articles of association. Pursuant to the appointment letter, Mr Han shall be entitled to receive an annual director's fee of HK\$100,000. The director's fee payable to Mr Han was determined by the Board by reference to the experience of Mr Han and the prevailing practice in the industry.

Save as disclosed above, there are no other matters relating to the appointment of Mr Han as an independent non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

### **Brief profile of Mr Dong Li Yong**

Mr Dong Li Yong, aged 35, graduated from the People's University of China, Beijing in 1995 with a bachelor degree in economics, majoring in marketing. In May 2005, Mr Dong graduated from Haas School of Business, University of California, Berkeley with a master degree in business administration. In 1995, Mr Dong first joined the Group. Immediately before the re-designation of office, Mr Dong was a non-executive Director and he has assumed the office of an executive Director and Deputy Managing Director since June 2005, primarily responsible for the business development and corporate finance. Mr Dong is also a director of each of Fly Ascent Group Limited, Yue Da Mining Limited, Yuelong Limited, Yuelong (Yaoan) Limited, Yuelong (Puer) Limited and Yue Da Infrastructure Limited, all being subsidiaries of the Company, and the chairman of the board of directors of each of Tengchong Ruitu Mining and Technology Co., Ltd., Baoshan Feilong Nonferrous Metal Co., Ltd., Puer Feilong Mining Co., Ltd., and Yaoan Feilong Mining Co., Ltd., all being subsidiaries of the Company.

With effect from 2 January 2007, Mr Dong, remaining as an executive Director, will hold the office of Vice Chairman of the Board and Chief Executive of the Company and will be appointed as authorized representative of the Company to accept service of the process for and on behalf of the Company for the

purpose of section 333(1)(c) of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (“**Process Agent**”) in place of Mr Gao Yi Shan. Save as disclosed above, Mr Dong does not hold any other major appointments or qualifications and has not held any position nor directorship in any other listed companies during the last three years preceding the date of this announcement.

As at the date of this announcement, Mr Dong was interested in 2,220,000 shares of the Company, representing about 0.89% of issued share capital of the Company. Save as disclosed above, Mr Dong was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as mentioned above, Mr Dong does not have any relationship with any director, chief executive, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

A service contract has been entered into between the Company and Mr Dong in respect of his appointment as executive Director, Vice Chairman of the Board and Chief Executive of the Company. Mr Dong shall hold the office of executive Director, Vice Chairman of the Board and Chief Executive of the Company for a term of two years commencing on 2 January 2007. Pursuant to the service contract, Mr Dong shall be entitled to receive a monthly salary of HK\$69,000 and a management bonus in respect of the financial year ending 31 December 2007 and each financial year thereafter of the Company in an amount to be determined by the Board in its absolute discretion, provided that the total amount of bonuses payable to all the executive Directors for the time being of the Company shall not exceed 10 per cent. of the combined or, as the case may be, consolidated audited net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary or exceptional items) for that financial year. The remuneration of Mr Dong was determined by the Board by reference to the experience of Mr Dong and the prevailing practice in the industry.

Save as disclosed above, there are no other matters relating to the appointment of Mr Dong as Vice Chairman of the Board and Chief Executive of the Company that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed under Rule 13.51(2) of the Listing Rules.

### **The appointment of a Vice President**

Mr Li Biao has been appointed Vice President of the Company, a senior executive of the Company, with effect from 2 January 2007. Mr Li Biao is neither a director nor member of governing body of the Company.

### **CHANGE OF MEMBERS OF VARIOUS BOARD COMMITTEES**

Following the above change of Directors, with effect from 2 January 2007, all the then members of the following committees of the Board would cease to be members of such committees, and such committees will comprise the following Directors:

- (a) Audit Committee: (i) before 2 January 2007, Mr Cai Chuan Bing (as Chairman of the committee), Ms Yu Chor Woon, Carol and Mr Shen Xiao Zhong; and (ii) with effect from 2 January 2007 (following the resignation of Ms Yu Chor Woon, Carol and Mr Shen Xiao Zhong), Mr Cai Chuan Bing (remaining as Chairman of the committee, an independent non-executive Director), Ms Leung Mei Han (an independent non-executive Director) and Mr Qi Guangya (a non-executive Director); and
- (b) Remuneration Committee: (i) before 2 January 2007, Mr Yu Zheng Hua (as Chairman of the committee), Mr Gao Yi Shan and Mr Cai Chuan Bing; and (ii) with effect from 2 January 2007 (following the resignation of Mr Yu Zheng Hua and Mr Gao Yi Shan), Mr Cui Shu Ming (as Chairman of the committee, an independent non-executive Director), Mr Dong Li Yong (an executive Director) and Mr Cai Chuan Bing (an independent non-executive Director).

## **CHANGE OF COMPANY SECRETARY**

The Board announces that Mr Andrew Liu resigned from the office of company secretary of the Company with effect from 2 January 2007. Mr Qian Jinbiao will continue to assume the office of the company secretary.

## **CHANGE OF AGENT FOR THE SERVICE OF PROCESS IN HONG KONG**

The Board also announces that with effect from 2 January 2007, Mr Gao Yi Shan has ceased to act as the Process Agent and Mr Dong Li Yong has been appointed to replace Mr Gao to act as such.

## **GENERAL**

The Board would like to take this opportunity to express its appreciation for the efforts of all the outgoing Directors and company secretary and their valuable contributions to the Group during their tenure of office and extend its warm welcome to the new Directors and senior executives for taking the new positions.

As at the date of this announcement, the Board comprises the following members: (a) as executive Directors, Mr Hu You Lin, Mr Dong Li Yong and Mr Chen Gang; (b) as non-executive Directors, Mr Liu Xiaoguang and Mr Qi Guangya; and (c) as independent non-executive Directors, Mr Cai Chuan Bing, Ms Leung Mei Han, Mr Cui Shu Ming and Mr Han Runsheng.

By order of the Board  
**Yue Da Holdings Limited**  
**Hu You Lin**  
*Chairman*

Hong Kong, 3 January 2007

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