



CHINA BEST GROUP HOLDING LIMITED
國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

CLARIFICATION ANNOUNCEMENT

The board of directors (the “**Board**”) of China Best Group Holding Limited (the “**Company**”) refers to the English version of Annual Results Announcement for the year ended 31 December 2007 of the Company dated 29 April 2008 (the “**Results Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Results Announcement.

The Board would like to clarify that with reference to the note 1 for Basis of Preparation of Financial Statement that “rights issue to the qualifying shareholders (the “**right issue**”)” to “Open Offer to the qualifying shareholders (the “**Open Offer**”)” and “right issue can be successfully completed” to “Open Offer can be successfully completed”.

The Board would also like to clarify that with reference to the sections of the Results Announcement that in order to avoid any possible risks of confusion and misunderstanding, set out below are the complete section (a) “Audit Committee and Summary of auditors’ report” and (b) “Closure of register of members” section:

(a) AUDIT COMMITTEE AND SUMMARY OF INDEPENDENT AUDITOR’S REPORT

The Board has established the Audit Committee in accordance with the Listing Rules. The Committee comprises Ms. Chung Kwo Ling, Mr. Sun Yeung Yeung and Mr. Lee Yuen Kwong, the three independent non-executive directors.

Summary of duties and works of the Audit Committee is set out in the “Corporate Governance Report” in annual report.

The annual results of the Group has already been reviewed by both the Audit Committee and the Company’s independent auditor Messrs. Deloitte Touche Tohmatsu.

In the independent auditors’ report, the auditor has included the following paragraph in the auditor’s opinion to draw the shareholders’ attention:

“Without qualifying our opinion, we draw attention to note 1 for the Basis of Preparation of financial statements, which indicates that as of 31st December, 2007 the Group had total liabilities which exceeded its total assets by approximately HK\$14.3 million and incurred loss

of approximately HK\$81.4 million for the year then ended. These conditions, along with other matters as set forth in note 1 for the Basis of Preparation of financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

(b) CLOSURE OF REGISTER

The Register of Members will be closed from Tuesday, 27th May, 2008 to Friday, 30th May, 2008 (both days inclusive) during which period no transfer of share can be registered. In order to ascertain the right to attend the Company's annual general meeting to be held on Friday, 30 May 2008, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Branch Share Registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 May 2008.

A separate announcement on the Closure of Register of Members will be published on or before 8 May 2008.

On behalf of the Board
China Best Group Holding Limited
Ma Jun Li
Chairman

Hong Kong, 2 May 2008

As at the date of this announcement, the Board comprises 6 executive Directors, namely, Ms. Ma Jun Li, Mr. Ng Tang, Mr. Zhang Da Qing, Mr. Ren Zheng, Ms. Cheung Hoi Ping and Mr. Zhang Jun; and 3 independent non-executive Directors, namely, Ms. Chung Kwo Ling, Mr. Sun Yeung Yeung and Mr. Lee Yuen Kwong.

* *For identification purpose only*