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LONKING 龍工
LONKING HOLDINGS LIMITED
中國龍工控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3339)

PROPOSED CHANGE OF AUDITOR

The Board announces that Deloitte Touche Tohmatsu will retire as auditor of the Company with effect from the close of the AGM. On 14 April 2011, the Board resolved to propose the appointment of Ernst & Young as the new auditor of the Company to fill the vacancy following the retirement of Deloitte Touche Tohmatsu and to hold office until the next annual general meeting of the Company, subject to the approval by the shareholders of the Company at the AGM.

The board of directors (the “Board”) of Lonking Holdings Limited (the “Company”) announces that Deloitte Touche Tohmatsu, Certified Public Accountants (“Deloitte”), will retire as auditor of the Company with effect from the close of the forthcoming annual general meeting of the Company to be held on Friday, 20 May 2011 (the “AGM”).

On 14 April 2011, the Board resolved to propose the appointment of Ernst & Young, Certified Public Accountants (“Ernst & Young”) as the new auditor of the Company to fill the vacancy following the retirement of Deloitte Touche Tohmatsu and to hold office until the next annual general meeting of the Company, subject to the approval shareholders of the Company at the AGM.

The Board considers that it is the best interests of the Company and the shareholders of the Company (the “Shareholders”) as a whole if a professional firm will be rotated after more than five consecutive years of being a lead or reviewing auditor for the Company as a governance process. Therefore an ordinary resolution will be proposed at the AGM to appoint Ernst & Young, as the new auditor of the Company to fill the vacancy following the retirement of Deloitte Touche Tohmatsu and to hold office until the next annual general meeting of the Company, subject to the approval of shareholders of the Company at the AGM. The Board is of the view that it would be in the best interest of the Company and its shareholders as a whole to appoint Ernst & Young as the auditor of the Company.

* *For identification purposes only*

The Company has received a confirmation letter from Deloitte Touche Tohmatsu confirming that up to the date of this announcement there are no circumstances connected with its retirement that should be brought to the attention of shareholders or creditors of the Company. The Board has confirmed that there are no circumstances in respect of the change of auditor which shall be brought to the attention of shareholders of the Company.

By order of the Board
Lonking Holdings Limited
Li San Yim
Chairman

Hong Kong, 14 April 2011

As at the date of this announcement, Mr. Li San Yim, Mr. Qiu Debo, Mr. Luo Jianru, Dr. Mou Yan Qun, Mr. Chen Chao, Mr. Lin Zhong Ming, Ms. Fang Deqin are the executive directors of the Company; Ms. Ngai Ngan Ying is the non-executive directors of the Company; and Mr. Pan Longqin, Dr. Qian Shizheng and Mr. Han Xuesong are the independent non-executive directors of the Company.