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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant, or other professional adviser.

**If you have sold or transferred** all your shares in the Company, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Exchange takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**GREENCOOL TECHNOLOGY HOLDINGS LTD.**

**格林柯爾科技控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**Stock Code: 8056**

**DISCLOSEABLE TRANSACTION**

**in relation to the acquisition  
of manufacturing and production facilities  
and machineries for refrigeration trucks,  
together with liabilities, Land and Property**

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This circular will remain on the “Latest Company Announcements” page of the GEM website and on the website of the Company at [www.greencool.com.hk](http://www.greencool.com.hk) for 7 days from the date of its posting.

\* *for identification purpose only*

30th August, 2004

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## CHARACTERISTICS OF GEM

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
<b>Appendix – General Information</b> .....	8

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## DEFINITIONS

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

“Acquisition”	the acquisition of the Assets pursuant to the Agreement
“Agreement”	the agreement dated 6th August, 2004 and entered into between the Purchaser and the Vendor in relation to the acquisition of the Assets and certain liabilities
“Assets”	certain assets of the Vendor including manufacturing and production facilities and machineries, the Land and Property
“Board”	the board of directors of the Company
“CFC”	chlorofluorocarbon
“Company”	Greencool Technology Holdings Limited, whose shares are listed on GEM
“Completion”	the completion of the Acquisition
“Directors”	the directors of the Company
“Exchange”	The Stock Exchange of Hong Kong Limited
“GEM”	the Growth Enterprise Market of the Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Greencool Refrigerants”	CFC-free refrigerants
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land and Property”	certain parcels of land and property in Shang Qiu City, Henan Province in the PRC which form part of the Assets and was valued at RMB201,000,000 (equivalent to approximately HK\$188,940,000) as at 30th June, 2004 in the Valuation Report

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## DEFINITIONS

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“Latest Practicable Date”	27th August, 2004 being that latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“PRC”	the People’s Republic of China
“Purchaser”	Shang Qiu Greencool Refrigeration Truck
“RMB”	Renminbi, the lawful currency of the PRC
“Shang Qiu Bing Xiong Refrigeration Equipment”	Shang Qiu Bing Xiong Refrigeration Equipment Corporation Limited, a company incorporated under the laws of the PRC, which is an integrated production company
“Shang Qiu Greencool Refrigeration Truck”	Shang Qiu Greencool Refrigeration Truck Corporation Limited, a company incorporated under the laws of the PRC and which is a wholly-owned subsidiary of the Company
“Share(s)”	shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares of the Company
“Valuation Report”	valuation report dated 23rd June, 2004 and prepared by Grant Sherman Appraisal Limited, an independent valuer, in respect of the Land and Property
“Vendor”	Shang Qiu Bing Xiong Refrigeration Equipment

*For the purpose of this circular, conversions of RMB into HK\$ are made, for illustration purposes only, at the rate of RMB1 = HK\$0.94. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at the above rates or at any other rates or at all.*

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## LETTER FROM THE BOARD

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### **GREENCOOL TECHNOLOGY HOLDINGS LTD.**

**格林柯爾科技控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

*Executive Directors:*

Gu, Chu Jun (*Chairman*)  
Hu, Xiao Hui (*Vice Chairman, CEO & President*)  
Zhang, Xi Han  
Liu, Cong Meng  
Xu, Wan Ping  
Chen, Chang Bei

*Registered Office:*

Century Yard, Cricket Square  
Hutchins Drive  
P.O. Box 2681GT  
George Town  
Grand Cayman  
British West Indies

*Independent Non-Executive Directors:*

Fan, Jia Yan  
Margaret Man

*Principal Place of Business  
in Hong Kong:*

Unit 1406-7, 14th Floor  
West Tower  
Shun Tak Centre  
168-200 Connaught Road  
Central  
Hong Kong

*Company Secretary:*

Mok, Henry Wing Kai

*Qualified Accountant:*

Mok, Henry Wing Kai

*Compliance Officer:*

Chen Chang Bei

30th August, 2004

*To Shareholders of the Company*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION**

**in relation to the acquisition  
of certain assets and liabilities**

### **INTRODUCTION**

Further to the announcement of the Company dated 11th August, 2004, the Board is pleased to announce that on 6th August, 2004, the Company's wholly-owned subsidiary, Shang Qiu Greencool Refrigeration Truck and the Vendor entered into the Agreement under

*\* for identification purpose only*

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## LETTER FROM THE BOARD

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which Shang Qiu Greencool Refrigeration Truck agreed to acquire the Assets and certain liabilities from the Vendor. The Acquisition would enable the Group to diversify its existing business into manufacturing of refrigeration trucks and thereby provide more integration to the Group's existing conversion engineering business and distribution business of Greencool Refrigerants.

The purpose of this circular is to provide the Shareholders with further information relating to the Agreement. This circular also includes details required to be given to the Shareholders pursuant to Rule 19.38 of the GEM Listing Rules in respect of discloseable transactions.

### **PARTICULARS OF THE AGREEMENT**

- Date: 6th August, 2004
- Parties:
- (i) Shang Qiu Greencool Refrigeration Truck (as purchaser), a wholly-owned subsidiary of the Company
  - (ii) Shang Qiu Bing Xiong Refrigeration Equipment (as vendor)
- Assets:
- (i) manufacturing and production facilities and machineries for refrigeration trucks, together with liabilities; and
  - (ii) Land and Property

The valuation of the Assets is based on the Valuation Report in respect of the Land and Property and net book value in respect of other manufacturing and production machinery. The value of the Assets prior to downward adjustments (if any) was approximately RMB13,312,879.35 (equivalent to approximately HK\$12,514,106.58) for Assets (other than Land and Property) as at 30th June, 2004, and based on the Valuation Report the value of the Land and Property as at 23rd June, 2004 was approximately RMB201,000,000 (equivalent to approximately HK\$188,940,000). Under the Agreement, depending on asset verification exercise to determine if there have been any further reduction in value of the Assets after 30th June, 2004, there may be downward adjustments to price. Pursuant to the Agreement the parties have agreed to limit the liabilities to a maximum of RMB8,642,860.84 (equivalent to approximately HK\$8,124,289.19).

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## LETTER FROM THE BOARD

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**Liabilities:** Under the agreement, the Purchaser has agreed to assume liabilities of up to RMB8,642,860.84 (equivalent to approximately HK\$8,124,289.19). These liabilities are primarily amounts due to suppliers to the Vendor in connection with inventory previously delivered to the Vendor. Some of the inventory is part of the assets acquired by the Purchaser, some have already been used by the Vendor. By agreeing to assume the liabilities, the Purchaser can, subject to agreement with the suppliers, discuss terms and timing of repayment and future terms of supply. To the extent that favourable credit terms can be negotiated with the suppliers, the Purchaser need not utilise cash on completion to pay the Vendor because if the Purchaser did not assume the liabilities it would simply have been reflected by a corresponding increase in price. This enables the Purchaser to better manage the cash outlay in this transaction and to build relationships with suppliers.

**Conditions:** Approval of the transfer of these Assets, liabilities, Land and Property by the relevant local municipal government of Shang Qiu City, and production of the verification exercise report in the form acceptable to the Company.

As at the Latest Practicable Date, approval of the transfer of these Assets, liabilities, Land and Property by the local municipals government of Shang Qin City has been obtained. It is expected that the other condition, being the production of the verification exercise report, will be fulfilled no later than 31st October, 2004.

**Consideration:** An aggregate of RMB185,000,000 equivalent to approximately HK\$173,900,000. The Consideration is payable in three stages whereby RMB18,500,000 (equivalent to approximately HK\$17,390,000) will be paid within 10 working days of signing, RMB74,000,000 (approximately HK\$69,560,000) will be paid within 10 working days of obtaining the certificate from the Land Administration Bureau confirming the value of the land to be acquired and the final payment of the balance, taking into account the downward adjustments (if any) in respect of the Assets and liabilities, will be paid within 10 working days of completion of verification of the Assets and liabilities.

As at the Latest Practicable Date, the first instalment of RMB18,500,000 (equivalent to approximately HK\$17,390,000) has been paid.



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## LETTER FROM THE BOARD

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### THE BASIS OF CONSIDERATION

The Consideration for the Acquisition, being RMB185,000,000 (equivalent to approximately HK\$173,900,000) prior to downward adjustments (if any), was arrived at based on arm's length negotiations between the Purchaser and the Vendor by reference to the book value of the Assets being RMB13,312,879.35 (equivalent to approximately HK\$12,514,106.58) for Assets (other than Land and Property) as at 30th June, 2004 and liabilities being no more than RMB8,642,860.84 (equivalent to approximately HK\$8,124,289.19) and valuation of the Land and Property, being approximately RMB201,000,000 (equivalent to approximately HK\$188,940,000). The aforesaid Consideration represents an amount which is approximately equal to a 10% discount of the net book value of the Assets (other than Land and Property) and the valuation of the Land and Property less the maximum liabilities. The Board considers that the Consideration is fair and reasonable as it represents a reasonable discount to book value, as explained above.

### INFORMATION ON THE COMPANY

The Group is engaged in the replacement of CFC refrigerants and certain types of less energy-efficient CFC-free refrigerants with Greencool Refrigerants in refrigeration and air-conditioning systems and the distribution of Greencool Refrigerants in the PRC. The replacement business generally includes the extraction of CFC refrigerants from and the injection of CFC-free refrigerants into the clients' refrigeration and air-conditioning systems and testing and maintenance services for the clients' systems after the replacement work. The distribution business generally includes the marketing and sale of CFC-free refrigerants to a number of authorized agents in the PRC.

### INFORMATION ON THE VENDOR

The Vendor is located in Shang Qiu City, Henan Province, PRC and is an integrated production company. The Assets to be sold to the Purchaser under the Agreement are for the manufacturing and production of refrigeration trucks.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owner, the local municipal government of Shang Qiu City, are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

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## LETTER FROM THE BOARD

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### REASONS FOR THE ACQUISITION

The Group is engaged in the replacement of CFC refrigerants and certain types of less energy-efficient CFC-free refrigerants with Greencool Refrigerants in refrigeration and air-conditioning systems and the distribution of Greencool Refrigerants in the PRC. As stated in the Company's first 2004 quarterly report, the Board has always been looking for new opportunities in order to further develop and diversify its existing businesses to refrigeration-related manufacturing business. The Board considers that the Acquisition provides a good opportunity for the Group to integrate its businesses by diversifying into the manufacturing of refrigeration trucks.

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of  
**Greencool Technology Holdings Limited**  
**Gu Chu Jun**  
*Chairman*

**RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in the circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

**DISCLOSURE OF INTERESTS**

As at the Latest Practicable Date, the interests of the Directors and the chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the

Company pursuant to Section 352 of the SFO or which were notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

**Aggregate long positions in shares and underlying shares**

Director	Name of company	Class of shares	Number of options held	Number of shares held			Aggregate percentage of long Position
				Personal interests	Family interests	Corporate interests	
Gu Chu Jun	The Company	Ordinary	10,000,000	10,000,000	–	625,940,000 shares	63.6%
			underlying shares representing 1% of the shares then in issue ( <i>Note 1</i> )	underlying shares representing 1% of the shares then in issue ( <i>Note 1</i> )		representing approximately 62.6% of the shares then in issue ( <i>Note 2</i> )	( <i>Note 3</i> )
Gu Chu Jun	Greencool Capital Limited	Ordinary		104 shares representing 100% of the shares then in issue	–	–	–

*Notes:*

1. These are the underlying shares of the Company in respect of which an option was granted to Mr. Gu Chu Jun (details of which are set out below). The percentage was calculated on the basis of 1,000,000,000 shares in issue as at the Latest Practicable Date.
2. These shares were held through Greencool Capital Limited, a company beneficially owned as to 100% by Mr. Gu Chu Jun.
3. Based on 1,000,000,000 shares in issue as at the Latest Practicable Date.

Pursuant to the Company's share option scheme adopted by the Company on 28th June, 2000, the following Directors of the Company have personal interests in options to subscribe for ordinary shares in the Company of HK\$0.10 each which have been granted to them for a consideration of HK\$1 as follows:

Name of Director	Date of grant	Percentage of vested options	Exercise price per share	Period	Outstanding number of share options at
					1st January, 2004 and 30th June, 2004
Gu Chu Jun	28/6/2000	100%	HK\$2.18	28/6/2000 to 27/6/2005	10,000,000
Liu Cong Meng	28/6/2000	100%	HK\$2.18	28/6/2000 to 27/6/2005	3,400,000
	26/9/2000	100%	HK\$1.68	26/9/2000 to 25/9/2005	20,000,000
Xu Wan Ping	28/6/2000	100%	HK\$2.18	28/6/2000 to 27/6/2005	3,400,000
	26/9/2000	100%	HK\$1.68	26/9/2000 to 25/9/2005	20,000,000
Zhang Xi Han	28/6/2000	100%	HK\$2.18	28/6/2000 to 27/6/2005	3,400,000
	26/9/2000	100%	HK\$1.68	26/9/2000 to 25/9/2005	20,000,000
Total					80,200,000

The abovementioned options were outstanding as at 1st January, 2004 and remained outstanding as at the Latest Practicable Date. Such options constitute unlisted physically settled equity derivatives.

Save as disclosed herein, none of the directors and chief executives or their associates has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of the SFO) as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any director or chief executive of the Company, the following substantial shareholder and person (other than a director or chief executive of the Company) who have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or, who is expected, directly or indirectly, to be interested in 10 per cent. or more of the nominal value of any class

of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group and the amount of each of such person's interest in such securities, together with particulars of any options in respect of such capital:

Name of Shareholder	Long position	Approximate percentage of shareholding
Greencool Capital Limited	625,940,000 shares in the Company	62.6%

Save as disclosed herein, no other person (other than a director or chief executive of the Company) has an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or, who is expected, directly or indirectly, to be interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

#### COMPETING INTEREST

The refrigerants used by the Group are exclusively sourced from Greencool Refrigerant (China) Co., Ltd. ("Tianjin Greencool Factory"), a limited liability company established in China and is controlled by Mr. Gu.

Pursuant to the exclusive distribution agreement dated 28th June, 2000 (the "Exclusive Distribution Agreement"), the Group obtained the exclusive distribution rights to obtain and sell Greencool Refrigerants and any further refrigerants invented by Mr. Gu in the future, manufactured by Tianjin Greencool Factory in China for a term of 20 years from 31st December, 1999.

The Group has priority over other customers of Tianjin Greencool Factory to purchase Greencool Refrigerants from Tianjin Greencool Factory if there is not enough supply.

The Exclusive Distribution Agreement also provides that if Tianjin Greencool Factory fails to supply sufficient Greencool Refrigerants as ordered by the Group, the Group has the non-exclusive right to produce or contract with a third party to produce the relevant Greencool Refrigerants. Under this circumstance, Mr. Gu and Tianjin Greencool Factory will be obliged to provide the necessary know-how to the Group or the Group's contractors free of charge to enable them to produce the relevant Greencool Refrigerants.

Tianjin Greencool Factory, under the exclusive distribution agreement with the Group dated 28th June, 2000, is the sole supplier of Greencool Refrigerants to the Group.

As the supply of Greencool Refrigerants constitutes continuing connected transactions of the Company under GEM Listing Rules as long as Mr. Gu remains a connected person of the Company (as defined under GEM Listing Rules), such transactions would normally require full disclosure and, depending on the value of the transactions, prior approval by the independent shareholders of the Company.

Since the transactions under Exclusive Distribution Agreement are conducted in the ordinary and usual course of business and on a regular basis, the Company had, at time of listing, applied for and was granted by the Exchange waivers from strict compliance with the relevant requirements of GEM Listing Rules in respect of the above transaction for the period ended 31st December, 2002. There have been no purchases under the Exclusive Distribution Agreement from 1st January, 2004 to the Latest Practicable Date as the Group has been utilising its inventory. For future potential purchases, the Company will comply with the GEM Listing Rules requirements.

Pursuant to a Deed of Non-competition Undertaking dated 28th June, 2000 entered into between Mr. Gu and the Company, Mr. Gu has undertaken that at any time during which securities of the Company are listed on the Exchange or any other stock exchange recognized under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong) and for so long as Mr. Gu and his associates (as defined in the GEM Listing Rules) hold, whether individually or taken together, 10 per cent. or more of the issued shares in the Company or are otherwise regarded as substantial shareholders of the Company under the GEM Listing Rules or the rules of the relevant securities exchange, he will not and will procure that his associates will not directly or indirectly carry on or be engaged or concerned or interested in: (a) the business of replacement of CFC and CFC-free refrigerants using Greencool Refrigerants in China; and/or (b) any other business in China that is similar to any member of the Group as described in the Company's prospectus dated 5th July, 2000.

Saved as disclosed above, none of the Directors or the management shareholders (as defined in the GEM Listing Rules) of the Company and their respective associates had an interest in a business which competes or may compete with the business of the Group and any other conflicts of interest with the Group in the PRC.

## **LITIGATION**

No member of the Group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known by the Directors to be pending or threatened against any member of the Group.

**SERVICE CONTRACTS**

All of the Directors had entered into service contracts with the Company for a fixed term of three years commencing on 1st June, 2000, which were extended for a further 3 years on 1st June, 2003. In respect of the executive Directors' service contracts, these may be terminated by either party thereto giving to the other six months' prior notice in writing, which notice period shall not expire until after the first two years. In respect of the independent non-executive directors, the terms of appointment are such that either party may terminate the appointment after the first two years by three months' prior notice in writing.

The following are the monthly salary details of the Directors:

(a)	Gu Chun Jun	HK\$206,000
(b)	Hu Xiao Hui	HK\$90,000
(c)	Liu Cong Meng	HK\$50
(d)	Zhang Xi Han	HK\$60,000
(e)	Xu Wan Ping	HK\$60,000
(f)	Chen Chang Bei	HK\$75,000
(g)	Fan Jia Yan	HK\$30,000
(h)	Margaret Man	HK\$30,000

Save as disclosed above, there are no other existing or proposed service contracts of the directors of the Company.

**GENERAL**

1. The registered office of the Company is at Century Yard, Cricket Square Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, British West Indies.
2. The principal place of business of the Company in Hong Kong is at Unit 1406-07, 14th Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.
3. The branch share registrar of the Company is Hong Kong Registrars Limited at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.



4. The company secretary and qualified accountant of the Company is Mr. Mok, Henry Wing Kai, FCCA, FHKSA, CPA.
5. The compliance officer of the Company is Mr. Chen Chang Bei.
6. The Company established an audit committee in 2000 with written terms of reference in compliance with the GEM Listing Rules at that time. The audit committee's terms of reference has been reviewed by reference to the new amendments for GEM Listing Rules which came into effect on 31st March, 2004 and the Company must comply with the new amendments for GEM Listing Rules by 30th September, 2004. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee until the Company's compliance with changes in the GEM Listing Rules comprises Mr. Fan Jia Yan (who is acting as the chairman of the audit committee) and Ms. Man Margaret, the two independent non-executive Directors and Mr. Hu Xiao Hui, an executive Director.

Mr. Hu Xiao Hui, aged 37, has been the vice-chairman since June 2000 and subsequently appointed the president and chief executive officer of the Company. Mr. Hu is responsible for execution of the Group's overall business strategies and managing the overall operations. He holds a bachelor's degree in engineering from the University of Science and Technology of China (中國科學技術大學). He has a wealth of experience in engineering thermophysics and refrigerant science. Being engaged in scientific research, engineering, marketing and management. Mr. Hu is also a director of Yangzhou Ya Xing Bus Joint Stock Company Limited (揚州亞星客車股份有限公司), a company listed on the Shanghai Stock Exchange, PRC.

Mr. Fan Jia Yan, aged 58, has been an independent non-executive director of the Company since June 2000. He was appointed as an executive director of The Hongkong Chinese Bank, Limited in 1993. Mr. Fan joined CITIC Group in 1980 and he had been in the management of CITIC Industrial Bank in Beijing for more than 10 years. He was also a director of The China Assets Management Limited, a company listed in Hong Kong. Mr. Fan graduated from the Institute of International Relations in Beijing in 1968. Mr. Fan Jia Yan is also a director of China Assets Holding Limited, a company listed on the Exchange.

Madam Margaret Man, aged 49, has been an independent non-executive director of the Company since June 2000. She joined CITIC Ka Wah Bank as Senior Vice President in October 1998 and is now Executive Vice President and Head of China Banking. Prior to that, Madam Man was a Deputy Managing Director of China Venturetechno International Co., Ltd was a Division Chief in People's Bank of China for seven years. Madam Man graduated from the College of Finance and Economy of Shanxi province with a bachelor's degree in finance and obtained a master's degree in banking and finance from the Graduate School of the People's Bank of China. Madam Man completed a legal studies programme at Columbia University Law School in the United States in 1986.

For her prior directorships in listed companies, Madam Man used to be an executive director of China Assets (Holdings) Limited from 1995 to 1998. She was also a non-executive director of Yaohan International Holdings Limited from February 1998 to November 1998 and a non-executive director of Kin Don Holdings Limited (now known as Polytec Asset Holdings Limited) from 1998 to 2000.

7. (a) Grant Sherman Appraisal Limited is an independent and qualified professional valuer that has no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;
- (b) Grant Sherman Appraisal Limited has given and has not withdrawn its consent to the issue of the circular with its statement included in the form and context in which it is included; and
- (c) The date of the Valuation Report was 23rd June, 2004 and it was made by Grant Sherman Appraisal Limited for incorporation in the circular.