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GREENCOOL TECHNOLOGY HOLDINGS LIMITED

格林柯爾科技控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8056)

ANNOUNCEMENT

The Company makes this announcement in response to various newspaper articles in Hong Kong published earlier this week relating to (a) its Chairman, Mr. Gu and Guangdong Kelon and (b) its COO, Mr. Zhang.

The Board has established a working committee to, among other things, (a) investigate the impact on the Group of recent events relating to Mr. Gu and Guangdong Kelon; and (b) for the working committee to make direct contact with the Company's major subsidiaries to ascertain the status of delivery of management accounts as these are vital to the preparation of its interim accounts.

In the circumstances, the Company is very likely to have to delay the publication of its interim financial statements for the six months ended 30 June, 2005.

On 1 August, 2005, the Company had requested a suspension in the trading of its shares commencing from 10 a.m. that day pending the publication of this announcement. Suspension in the trading of the shares of the Company will continue until the Company makes further announcement about the Group's financial and trading position.

Greencool Technology Holdings Limited (the "Company") notes various newspaper articles in Hong Kong published earlier this week relating to the arrest of its Chairman, Mr. Gu Chu Jun ("Mr. Gu") and certain senior management of Guangdong Kelon Electrical Holdings Company Limited ("Guangdong Kelon") and the alleged disposal by Mr. Gu of his shares in the Company. Other than Mr. Gu, the other persons named in the announcement dated 1st August, 2005 by Guangdong Kelon in this matter do not have management positions in the Company and its subsidiaries (the "Group"). The Company has been unable to contact Mr. Gu since the evening of 29th July, 2005 and therefore it is unable to verify the accuracy of the newspaper articles.

The Company also notes certain press reports in Hong Kong published on 2 August, 2005 which reports that the Group's chief operating officer ("COO"), Mr. Zhang Xi Han ("Mr. Zhang") has also been the subject of current investigations by PRC regulatory authorities. Since 1 August, 2005, the Company has been unable to contact Mr. Zhang. Apart from Mr. Gu and Mr. Zhang, all directors of the Company are contactable.

Mr. Zhang, as COO, had overall responsibility for the operations of the Group and been coordinating the submission of financial reports by the Company's subsidiaries to its offices in Shenzhen as part of the Company's preparation of the Group's interim financial statements for the six months ended 30 June, 2005. In the absence of its COO, the Board has established a working committee to, among other things, (a) investigate the impact on the Group of recent events relating to Mr. Gu and Guangdong Kelon; and (b) for the working committee to make direct contact with the Company's major subsidiaries to ascertain the status of delivery of management accounts as these are vital to the preparation of its interim accounts.

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The Company will, subject to the applicable laws and regulations, also make further announcement if it receives notice from any PRC regulatory authority that it is the subject of any PRC regulatory investigation.

By Order of the Board
Greencool Technology Holdings Limited
Hu, Xiao Hui
Vice Chairman, CEO & President

Hong Kong, 3 August, 2005

Executive Directors

Gu, Chu Jun (*Chairman*)

Hu, Xiao Hui

Zhang, Xi Han

Liu, Cong Meng

Xu, Wan Ping

Chen, Chang Bei

Independent non-executive Directors

Fan, Jia Yan

Margaret Man

Wang Jing Shi

This announcement, for which the directors of the Company (other than Mr. Gu and Mr. Zhang who cannot be contacted) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The aforementioned directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least 7 days from the day of its posting and the Company's website at <http://www.greencool.com.hk>.

* For identification purposes only