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senyuan

SENYUAN INTERNATIONAL HOLDINGS LIMITED

森源國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

APPOINTMENT AND RESIGNATION OF DIRECTORS

Following the closing of the voluntary conditional cash offer for all the issued shares of Senyuan International Holdings Limited (the “**Company**”) on 6 October 2006, the board of directors (the “**Board**”) of the Company wishes to announce the following appointment of directors to, and resignation of directors from, the Board, all of which have come into effect on 23 October 2006:

Mr. James Wells Mc Gill has been appointed as the chairman and an executive director of the Company. In addition, Mr. Victor Feng Gao, Mr. Shashi Dev Puthran, Ms. Deborah Ann Douglas and Mr. Louis Vernon Pinkham have been appointed as executive directors of the Company.

Mr. Lu Yan Sun has resigned as an independent non-executive director and as a member of the Audit Committee of the Company.

The Board further announces that Mr. Tsang Shui Ching, Patrick, has resigned as chairman, as an executive director and as a member of the Remuneration Committee of the Company. Mr. Zhou Anmin, Mr. Lou Chong Wei and Mr. Shu Yijin have resigned as executive directors of the Company.

Following the closing of the voluntary conditional cash offer for all the issued shares of the Company on 6 October 2006, the Board of the Company wishes to announce the following appointment of directors to, and resignation of directors from, the Board of the Company.

Appointment of Directors

Mr. James Wells Mc Gill, Mr. Victor Feng Gao, Mr. Shashi Dev Puthran, Ms. Deborah Ann Douglas and Mr. Louis Vernon Pinkham have been appointed as executive directors with effect from 23 October 2006. In addition, Mr. Mc Gill has been appointed as chairman of the Board with effect from 23 October 2006.

Mr. James Wells Mc Gill

Mr. James Wells Mc Gill, age 50, is the Vice President – Asia/Pacific of Eaton Corporation and Chairman of Eaton (China) Investments Co., Ltd. (“**Eaton China**”). Mr. Mc Gill has extensive experience in building and growing successful businesses in the industrial and commercial controls industry. Prior to being named to his current position, Mr. Mc Gill was the Vice President – Eaton Business System of Eaton Corporation, and led the effort to develop and deploy Eaton business practices and systems.

Mr. Mc Gill has no designated length of service with the Company. He is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. As at the date hereof, no service contract has been entered into between Mr. Mc Gill and the Company, and Mr. Mc Gill is not entitled to any emoluments (including any bonus payments, whether fixed or discretionary in nature) in his capacity as a director of the Company.

Save as disclosed above, Mr. Mc Gill does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Mc Gill does not have any interest in the 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 disclosed above, there is no information in relation to Mr. Mc Gill to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Mr. Mc Gill is not aware of any other matter that needs to be brought to the attention of the shareholders of the Company.

Mr. Victor Feng Gao

Mr. Victor Feng Gao, age 43, is the President of Eaton China. Mr. Gao’s background is in finance, mergers and acquisitions and he has experience in the telecommunications, telecommunications equipment, automotive and automotive parts industries. Prior to joining Eaton China, he was the Chief Financial Officer, Vice President and a director on the board of UTStarcom China.

Mr. Gao has no designated length of service with the Company. He is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. As at the date hereof, no service contract has been entered into between Mr. Gao and the Company, and Mr. Gao is not entitled to any emoluments (including any bonus payments, whether fixed or discretionary in nature) in his capacity as a director of the Company.

Save as disclosed above, Mr. Gao does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Gao does not have any interest in the 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 disclosed above, there is no information in relation to Mr. Gao to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and Mr. Gao is not aware of any other matter that needs to be brought to the attention of the shareholders of the Company.

Mr. Shashi Dev Puthran

Mr. Shashi Dev Puthran, age 61, is the Vice President of Eaton Electrical (Suzhou) Co., Ltd. (“**Eaton Electrical Suzhou**”) and is the General Manager of Eaton Group’s Asia Pacific Operations. Mr. Puthran has worked in a variety of businesses including the air-conditioning, elevators, transportation systems and electrical distribution and control industries.

Mr. Puthran has no designated length of service with the Company. He is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. As at the date hereof, no service contract has been entered into between Mr. Puthran and the Company, and Mr. Puthran is not entitled to any emoluments (including any bonus payments, whether fixed or discretionary in nature) in his capacity as a director of the Company.

Save as disclosed above, Mr. Puthran does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Puthran does not have any interest in the 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 disclosed above, there is no information in relation to Mr. Puthran to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and Mr. Puthran is not aware of any other matter that needs to be brought to the attention of the shareholders of the Company.

Ms. Deborah Ann Douglas

Ms. Deborah Ann Douglas, age 52, is the Regional Controller – Asia/Pacific of Eaton Corporation. Ms. Douglas has extensive experience in financial management and auditing. She has held various financial positions in the Eaton group and has also served as an Eaton Business Systems Auditor.

Ms. Douglas has no designated length of service with the Company. She is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. As at the date hereof, no service contract has been entered into between Ms. Douglas and the Company, and Ms. Douglas is not entitled to any emoluments (including any bonus payments, whether fixed or discretionary in nature) in her capacity as a director of the Company.

Save as disclosed above, Ms. Douglas does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Ms. Douglas does not have any interest in the 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 disclosed above, there is no information in relation to Ms. Douglas to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and Ms. Douglas is not aware of any other matter that needs to be brought to the attention of the shareholders of the Company.

Mr. Louis Vernon Pinkham

Mr. Louis Vernon Pinkham, age 35, is the General Manager of Eaton Electrical Suzhou. Mr. Pinkham's experience as a Business Development Manager focused on the aerospace and hydraulics industry. Prior to being named to his current position, Mr. Pinkham has held operational and business unit roles in Switzerland, New York and Pittsburgh.

Mr. Pinkham has no designated length of service with the Company. He is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. As at the date hereof, no service contract has been entered into between Mr. Pinkham and the Company, and Mr. Pinkham is not entitled to any emoluments (including any bonus payments, whether fixed or discretionary in nature) in his capacity as a director of the Company.

Save as disclosed above, Mr. Pinkham does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Pinkham does not have any interest in the 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 disclosed above, there is no information in relation to Mr. Pinkham to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and Mr. Pinkham is not aware of any other matter that needs to be brought to the attention of the shareholders of the Company.

Resignation of Directors

The Board further announces that Mr. Lu Yan Sun has resigned as an independent non-executive director and as a member of the Audit Committee of the Company with effect from 23 October 2006 due to personal reasons.

Mr. Lu Yan Sun has confirmed that there is no disagreement with the Board and there are no matters, that he is aware of, which ought to be brought to the attention of The Stock Exchange of Hong Kong Limited or the Company's shareholders in relation to his resignation. The Board would like to take this opportunity to express its gratitude for the contribution of Mr. Lu Yan Sun to the Company during his period of service.

Following the resignation of Mr. Lu Yan Sun as an independent non-executive director of the Company, there are only two independent non-executive directors on the Board. As a result, the Company does not currently comply with Rule 3.10(1) of the Listing Rules. In this regard the Board is looking for a replacement for Mr. Lu Yan Sun as an independent non-executive director of the Company.

The Board also wishes to announce that Mr. Tsang Shui Ching, Patrick, has resigned as chairman, as an executive director and as a member of the Remuneration Committee of the Company with effect from 23 October 2006 due to the change of control of the Company. In addition, Mr. Zhou Anmin, Mr. Lou Chong Wei and Mr. Shu Yijin have resigned as executive directors with effect from 23 October 2006 due to the change of control of the Company. Each of the resigning executive directors has individually confirmed that there is no disagreement with the Board and there are no matters relating to his resignation that need to be brought to the attention of the Company's shareholders. The Board would like to thank Mr. Tsang Shui Ching, Patrick, Mr. Zhou Anmin, Mr. Lou Chong Wei and Mr. Shu Yijin for their valuable contributions to the Company during their past service.

All time references contained in this announcement are to Hong Kong time.

By order of the Board of
Senyuan International Holdings Limited
James Wells Mc Gill
Chairman

Hong Kong, 24 October 2006

As at the date of this announcement, the Board comprises Mr. James W. Mc Gill, Mr. Victor F. Gao, Mr. Shashi D. Puthran, Ms. Deborah A. Douglas, Mr. Louis V. Pinkham, Mr. Keung Ping Yin, Raymond and Mr. Wong Yiu Sun, Peter.

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