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瀋陽公用發展股份有限公司
Shenyang Public Utility Holdings Company Limited

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 747)

HOLDING ANNOUNCEMENT

Reference is made to the announcement of Shenyang Public Utility Holdings Company Limited (the “**Company**”) dated 26 September 2008 (the “**Announcement**”) in relation to the update on the litigations against the Company.

On 26 February 2009, the Company received a copy of [2007] Yi Zhong Zhi Zi No.1192-3, *Civil Judgment*, [民事裁定書（2007）一中執字第1192-3號] issued by the Intermediate People's Court of Beijing (the “**Court**”) on 24 February 2009 (the “**Judgment**”). The Judgment indicated that the 600,000,000 domestic shares of the Company (representing approximately 58.8% equity interest of the issued share capital of the Company as at the date of this announcement) held by Shenyang Public Utility Group Company Limited (“**SPU**”) (the “**Domestic Shares**”) were put under an auction pursuant to the Court's order dated 13 February 2009. The Domestic Shares are then being transferred to Beijing Mingde Guangye Investment Consultant Company Limited (北京明德廣業投資諮詢有限公司) (“**Beijing Mingde Guangye**”) at a consideration of RMB102,520,000, representing RMB0.17 per Domestic Share as a result of the aforesaid auction.

The Judgment indicated that on 10 July 2007, Beijing Beida Jade Bird Company Limited (“**Beida Jade Bird**”) transferred its creditor's right for its claim against SPU and Shenzhen Jingmei Industrial Development Limited (“**Shenzhen Jingmei**”) to Beijing Teli Investment Management Company Limited (“**Beijing Teli**”). The Domestic Shares were sequestrated by the Court on 21 July 2008.

The Judgment indicated that due to the fact that the SPU and Shenzhen Jingmei did not implement the required relevant repayment, Beijing Teli applied to the Court to dispose the Domestic Shares by an auction. The Domestic Shares were put under an auction pursuant to the Court's order on 13 February 2009. The Domestic Shares are being transferred to Beijing Mingde Guangye at a consideration of RMB102,520,000,

representing RMB0.17 per Domestic Share as a result of the aforesaid auction.

SUPPORT FOR RESUMPTION PROPOSAL

Trading in the H Shares was suspended with effect on 23 December 2004 and has remained suspended pending the release of announcement relating to the outstanding financial statements of the Company and the submission of a viable resumption proposal to demonstrate, among other things, that the Company (i) complies with Rule 13.24 of the Listing Rules; (ii) has in place adequate financial reporting system and internal control procedures; and (iii) has sufficient working capital for the operation to seek its approval for the resumption of trading in the H Shares. Further announcement will be made in this regard in compliance with the Listing Rules. Trading in the shares of the Company will remain suspended until further notice.

Beijing Mingde Guangye has indicated in a letter to the Company on 26 February 2009 that it fully supports the resumption of trading of H-shares of the Company.

TAKEOVERS CODE IMPLICATION

Pursuant to Rule 26 of the Code, Beijing Mingde Guangye, which will hold 58.8% equity interest of the Company after the transfer of Domestic Shares, will be under an obligation to make a general offer for all the shares of the Company. The Company is given to understand that Beijing Mingde Guangye is in the process of engaging relevant professional parties in respect of its obligation to make a general offer under the Code.

As advised by Beijing Mingde Guangye, Beijing Mingde Guangye is also in the process of seeking legal and professional advice on whether the obtaining of approvals from relevant PRC government departments is required for making the Offer. Further announcement(s) setting out details of the Offer will be published as and when appropriate.

DISCLOSURE OF DEALINGS

The associates of the Company are hereby reminded to disclose their dealings in any securities of the Company under Rule 22 of the Code.

In accordance with Rule 3.8 of the Code, reproduced below is the full text of Note 11 to Rule 22 of the Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding

stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

By order of the Board of
Shenyang Public Utility Holdings Company Limited
An Mu Zong
Chairman

Shenyang, PRC 24 March 2009

As at the date of this announcement, the directors of the Company are as follows:

Executive directors: Mr. An Mu Zong, Mr. Wang Zai Xing and Mr. Chow Ka Wo Alex

Non executive directors: Mr. Deng Yan Bin, Mr. Lin Dong Hui and Mr. Wang Hui

Independent non executive director: Mr. Cai Lian Jun, Mr. Lam Tsan Wing Alexander, Mr. Wong Kai Tat and Mr. Chan Ming Sun Jonathan

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.