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重慶長安民生物流股份有限公司
Changan Minsheng APLL Logistics Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8217)

**REVISED CAPS FOR CERTAIN EXISTING CONTINUING
CONNECTED TRANSACTIONS
PROPOSED CHANGE IN SHAREHOLDING, AMENDMENTS TO
THE ARTICLES OF ASSOCIATION
AND
PROPOSED APPOINTMENT OF NEW DIRECTORS**

I. REVISED CAPS FOR CERTAIN EXISTING CONTINUING CONNECTED TRANSACTIONS

Reference is made to the framework agreement entered into by the Company with Zhuangbei Finance on 30 March 2009 for a period from 1 January 2009 to 31 December 2011. The continuing connected transactions under the framework agreement include settlements, deposits and loans and note discounting services provided by Zhuangbei Finance to the Group.

Changan Industry Co. is one of the promoters and a substantial Shareholder of the Company, holding 24.08% of the total issued share capital of the Company. As at the date of this announcement, Changan Industry Co. is wholly owned by CSG, which in turns holds 42.27% equity interest in Zhuangbei Finance. Therefore, according to the GEM Listing Rules, Zhuangbei Finance is a connected person of the Company. According to the GEM Listing Rules, the transactions which constitute connected transactions of the Company were approved by the Independent Shareholders of the Company at the Annual General Meeting held on 19 June 2009.

The Directors have been monitoring the continuing connected transactions between the Group and Zhuangbei Finance. However, with the continuing development and expansion of the business of the Group and based on internal estimates of the demand and the operating conditions

of the continuing connected transactions, the Directors note that the existing caps will not be sufficient for the Company's business needs, and on 26 April 2010 the Company entered into the Supplementary Agreement with Zhuangbei Finance. The Company therefore proposes to revise the existing caps for the relevant continuing connected transactions for two years from 1 January 2010 to 31 December 2011.

Since the highest of the applicable percentage ratios of the continuing connected transactions under the framework agreement and the Supplementary Agreement as calculated in accordance with Rule 19.07 of the GEM Listing Rules is above 2.5% (except for Profit ratio), the continuing connected transactions with Zhuangbei Finance are subject to the reporting, announcement and independent shareholders' approval requirements. The Company will seek the Independent Shareholders' approval at the forthcoming Annual General Meeting for the Revised Caps for Certain Existing Continuing Connected Transactions

II. PROPOSED CHANGE IN SHAREHOLDING, AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board has been notified that Changan Industrial will transfer its 796,512 promoter shares of the Company, representing 0.49% of the issued share capital of the Company as at the date of this announcement, to Changan Industry Co. Changan Industrial is a wholly-owned subsidiary of Changan Industry Co. With regard to the proposed transfer of promoter shares, an application accompanying with the resolutions from general meeting and the relevant approval documents from the superior departments of the two parties involved will be submitted to the relevant PRC government authorities. Subject to the obtaining of the approvals of the above transfer in shareholding, Article 18 of the Articles of Association of the Company will be amended to reflect the change in shareholding. The amendments of the articles of association need to be approved by the shareholders by way of special resolution and the relevant PRC government authorities.

The proposed transfer of the promoter shares and the proposed amendments to the Articles of Association will be tabled at the forthcoming Annual General Meeting of the Company for Shareholders' consideration.

III. PROPOSED APPOINTMENT OF NEW DIRECTORS

On 19 March 2010, the Board received from its substantial shareholder APLL the nomination of candidates of the directors. The Board has duly conducted the qualification verification of the relevant candidates. Mr. William K Villalon will be the candidate for executive director of the Company, whilst Mr. Danny Goh Yan Nan will be the candidate for non-executive director of the Company.

The INED Committee has been formed to advise the Independent Shareholders in connection with the Revised Caps for Certain Existing Continuing Connected Transactions. The Company will appoint Guangdong Securities as the Independent Financial Adviser to advise the INED Committee and the Independent Shareholders in relation thereto.

A circular containing, among other things, details regarding the Revised Caps for Certain Existing Continuing Connected Transactions, a letter from the INED Committee, an opinion from the Independent Financial Adviser together with a notice to convene the Annual General Meeting to approve the Revised Caps for Certain Existing Continuing Connected Transactions, Proposed changes in shareholding and the amendments to the Articles of Association, the appointment of the new directors of the Company and other proposals will be issued to the Shareholders as soon as practicable.

I. REVISED CAPS FOR CERTAIN EXISTING CONTINUING CONNECTED TRANSACTIONS

Background

Reference is made to the framework agreement entered into by the Company with Zhuangbei Finance on 30 March 2009 with a period from 1 January 2009 to 31 December 2011. The continuing connected transactions under the framework agreement include settlements, deposits and loans and note discounting services provided by Zhuangbei Finance to the Group.

Changan Industry Co. is one of the promoters and a substantial Shareholder of the Company, holding 24.08% of the total issued share capital of the Company. As at the date of this announcement, Changan Industry Co. is wholly owned by CSG, which in turns holds 42.27% equity interest in Zhuangbei Finance. Therefore, according to the GEM Listing Rules, Zhuangbei Finance is a connected person of the Company. According to the GEM Listing Rules, the transactions which constitute connected transactions of the Company were approved by the independent shareholders of the Company at the Annual General Meeting held on 19 June 2009.

The Directors have been monitoring the continuing connected transactions between the Group and Zhuangbei Finance. However, with the continuing development and expansion of the business of the Group and based on internal estimates of the demand and the operating conditions of the continuing connected transactions, the Directors note that the existing caps will not be sufficient for the Company's business needs, and on 26 April 2010 the Company entered into the Supplementary Agreement with Zhuangbei Finance. The Company therefore proposes to revise the existing caps for the relevant continuing connected transactions for the two years commencing from 1 January 2010 to 31 December 2011.

Pricing of the Non-exempt Continuing Connected Transactions

The terms of the framework agreement and the Supplementary Agreement with Zhuangbei Finance provide that in conducting the deposit, note discounting and loan advancement services between the Company and its subsidiaries and Zhuangbei Finance, the terms offered by Zhuangbei Finance in respect of such transactions to the Company and its subsidiaries shall be based on the normal commercial terms which shall in any event be no less favourable than those terms can be obtained by the Company and its subsidiaries from independent third parties. Zhuangbei Finance shall provide deposit interests, note discounting and loan advancement services based on those terms. Zhuangbei Finance shall follow the pricing principles as set out in the framework agreement and the Supplementary Agreement. Both parties will sign if necessary separate agreement(s) in writing for provision of the deposit interest, note discounting and loan advancement according to laws to ensure that payment of the relevant deposit interest be made to the Company and its subsidiaries and the relevant note discounting and loan advancement services can be processed in a timely manner. In respect of the provision of loan advancement to the Company and its subsidiaries by Zhuangbei Finance, such advancement shall be with or without pledges. If pledges are actually required for the relevant loan advancement, the assessment value of the asset to be pledged shall not exceed the amount of the loan.

The Company and its subsidiaries shall in accordance with the actual circumstances and within the scope of the framework agreement and the Supplementary Agreement

sign separate agreement(s) in writing containing detailed transaction terms with Zhuangbei Finance, and to pay and/or receive the relevant price, expenses or interest according to those terms.

The arrangements contemplated by the Framework Agreement and the Supplementary Agreement are non-exclusive to each other. The parties shall be at liberty to choose the counterparties for the relevant transactions.

Proposed revised caps for the Continuing Connected Transactions and the rationale

With the continuing development and expansion of the business of the Group and based on internal estimates of the demand and the operating conditions of the continuing connected transactions, the Board proposes the following revised caps in respect of the continuing connected transactions with Zhuangbei Finance be set as the maximum annual values of such on-going transactions for the two years from 1 January 2010 to 31 December 2011:

unit: RMB1.00 yuan

Continuing connected transactions	The existing annual cap approved by the Independent Shareholders (for the three years from 1 January 2009 to 31 December 2011)	Actual figures for the year of 2009	Actual figures for the period from 1 January 2010 to 31 March 2010	Proposed revised cap (for the two years from 1 January 2010 to 31 December 2011)
The maximum amount of loan outstanding (including interests) on a daily basis	100,000,000	50,608,000	0	300,000,000
The maximum amount of deposit (including interest) on a daily basis	100,000,000	98,856,000	97,189,312	300,000,000

Disclosure and Independent Shareholders' Approval Requirements

The Directors (excluding the independent non-executive directors), after reviewing the respective bases, are of the view that the framework agreement and the Supplementary Agreement were entered into : (1) in the ordinary and usual course of business of the Company; (2) on normal commercial terms (on arm's length basis or on terms no less favorable to the Company than terms available from independent third parties); and (3) that the terms thereof (including the proposed Revised Caps for Certain Existing Connected Transactions) are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Since the highest of the applicable percentage ratios of the continuing connected transactions under the framework agreement and the Supplementary Agreement as calculated in accordance with Rule 19.07 of the GEM Listing Rules is above 2.5% (except for Profit ratio), the continuing connected transactions with Zhuangbei

Finance are subject to the reporting, announcement and independent shareholders' approval requirements. The Company will seek the Independent Shareholders' approval at the forthcoming Annual General Meeting for the Revised Caps for Certain Existing Continuing Connected Transactions upon the following conditions:

1. The maximum amount of loan outstanding (including interests) on a daily basis as the loans service and the maximum amount of deposit (including interests) on a daily basis as the deposits service provided by Zhuangbei Finance to the Group shall not exceed the Revised Annual Caps:
2. (i) The continuing connected transactions will be entered into in the usual and ordinary course of business of the Company and either (A) on normal commercial terms or (B) if there is no available comparison, on terms no less favorable to the Company than terms available from independent third parties; and
(ii) The continuing connected transactions will be entered into in accordance with the relevant framework agreements and the Supplementary Agreement and on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Company will comply with relevant provisions of the GEM Listing Rules in relation to the Revised Caps for Certain Existing Continuing Connected Transactions.

According to the Articles of Association, the Directors who are connected with the parties interested and/or involved in the Revised Caps for Certain Existing Continuing Connected Transactions shall abstain from voting in relation to any resolutions regarding the relevant Revised Caps for Certain Existing Continuing Connected Transactions. In addition, the Directors who are independent from the connected persons of the relevant Revised Caps for Certain Existing Continuing Connected Transactions are obliged to monitor the conduct of the Non-Exempt Continuing Connected Transactions as part of their fiduciary duties for the best benefit and interest of the Company and the Independent Shareholders as a whole.

II. PROPOSED CHANGE IN SHAREHOLDING, AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board has been notified that Changan Industrial will transfer its 796,512 promoter shares of the Company, representing 0.49% of the issued share capital of the Company as at the date of this announcement, to Changan Industry Co. Changan Industrial is a wholly-owned subsidiary of Changan Industry Co.

With regard to the proposed transfer of promoter shares, an application accompanying with the resolutions from general meeting and the relevant approval documents from the superior departments of the two parties involved will be submitted to the relevant PRC government authorities.

Subject to the obtaining of the approvals to the above transfer of promoter shares from Changan Industrial to Changan Industry Co., Article 18 of the Articles of Association of the Company will be amended to reflect the change in shareholding. The proposed amendments to the Articles of Association of the Company require the approval of the shareholders of the Company by way of special resolution as well as the approval by the relevant PRC government authorities.

The proposed amendment to Article 18 of the Articles of Association is set out below:

Existing Article 18:

“After the Company was registered to be established, approved by the securities administration of the State Council, a total number of 55,000,000 overseas listed foreign shares (including 5,000,000 Transfer of Original Shares sold by the shareholders of State-owned shares) were issued by the Company in Hong Kong in February 2006 . The total number of ordinary shares of the Company in issue is 162,064,000. The shareholders of the Company and their respective shareholdings are as follow: Chongqing Changan Industry Company (Group) Limited, holds 39,029,088 shares, representing 24.08% of the total issued share capital; APL Logistics Ltd (Singapore), holds 33,619,200 shares, representing 20.74% of the total issued share capital; Minsheng Industrial (Group) Company Limited, holds 25,774,720 shares, representing 15.91% of the total issued share capital; Ming Sung Industrial Co., (HK) Limited, holds 7,844,480 shares, representing 4.84% of the total issued share capital; Chongqing Changan Industrial Company Limited holds 796,512 shares, representing 0.49% of the total issued share capital; Shareholders of the foreign capital share listed abroad, in aggregate hold 55,000,000 shares, representing 33.94% of the total issued share capital.”

To be amended to:

“After the Company was registered to be established, approved by the securities administration of the State Council, a total number of 55,000,000 overseas listed foreign shares (including 5,000,000 Transfer of Original Shares sold by the shareholders of State-owned shares) were issued by the Company in Hong Kong in February 2006. The total number of ordinary shares of the Company in issue is 162,064,000. The shareholders of the Company and their respective shareholdings are as follow: Chongqing Changan Industry Company (Group) Limited, holds 39,825,600 shares, representing 24.57% of the total issued share capital; APL Logistics Ltd (Singapore), holds 33,619,200 shares, representing 20.74% of the total issued share capital; Minsheng Industrial (Group) Company Limited, holds 25,774,720 shares, representing 15.91% of the total issued share capital; Ming Sung Industrial Co., (HK) Limited, holds 7,844,480 shares, representing 4.84% of the total issued share capital; Shareholders of the foreign capital share listed abroad, in aggregate hold 55,000,000 shares, representing 33.94% of the total issued share capital.”

The proposed transfer of the 796,512 promoter shares of the Company by Changan Industrial to Changan Industry Co. and the proposed amendments to the Articles of Association will be tabled by way of ordinary resolution and special resolution, respectively, at the forthcoming Annual General Meeting of the Company for Shareholders’ consideration. Changan Industry Co. and Changan Industrial are required to abstain from voting at the forthcoming Annual General Meeting in relation to the proposed transfer of the 796,521 promoter shares. No Shareholders are required to abstain from voting at the forthcoming Annual General Meeting in relation to the proposed amendments to the Articles of Association.

III. PROPOSED APPOINTMENT OF NEW DIRECTORS AND SUPERVISORS

Given that Mr. James Herbert McAdam and Mr. Joseph Frederick Lee will be resigned as directors of the Company with effect from the date of convening the 2010 annual general meeting of the Company (please refer to the Company’s

announcement published on 19 March 2010), the Board received from its substantial shareholders APLL the nomination of candidates of the directors. The Board has duly conducted the qualification verification of the relevant candidates. Mr. William K Villalon will be the candidate for executive director of the Company, whilst Mr. Danny Goh Yan Nan will be the candidate for non-executive director of the Company.

The biographical details of the candidates of the new directors are set out below:

Candidate for Executive Director

Mr. William K Villalon

Mr. William K Villalon, aged 61, was graduated from University of California, Berkeley in 1979, holding a MBA in Finance; and was graduated from Washington University, St. Louis in 1972, holding a BA in Political Science. Mr. William K Villalon has served for American President Lines/Logistics, now is the Vice President of Land Transportation Services / Global Automotive Logistics. Mr. William K Villalon had served different positions for American President Lines/Logistics, mainly including Vice President of Americas' Logistics, Vice President of American Consolidation Services, Vice President of Global Marketing, Vice President of Southeast Asia, Vice President of Stacktrain Service and Director of Stacktrain Marketing. Mr. William K Villalon served as General Manager, Intermodal of Southern Pacific Railroad (subsequently merged into UNION PACIFIC RAIROAD) before 1984.

Mr. William K Villalon has not held any directorship in any other listed public companies in the last three years. Save as disclosed above, Mr. William K Villalon does not hold any other positions with the Company or other members of the Group and does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company, nor had he any interests in the Shares within the meaning of Part XV of the SFO. If Mr. William K Villalon was elected as an executive director in the Annual General Meeting, the Company and Mr. William K Villalon will enter into a service agreement in relation to the appointment of Mr. William K Villalon as an executive director of the Company. Mr. William K Villalon will be entitled to director's emoluments which are determined by the Board from time to time with reference to his duties and responsibilities with the Company, the market benchmark and performance of the Group, subject to approval by the shareholders at general meeting.

Save as disclosed above, Mr. William K Villalon is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company, nor had he any information needed to be disclosed under GEM Listing Rules 17.50(2)(h) to (v).

Candidate for Non-Executive Director

Mr. Danny Goh Yan Nan

Mr. Danny Goh Yan Nan, aged 51, was graduated from University of Oregon, USA in 1986, holding a Bachelor of Science, Finance. Mr. Danny Goh Yan Nan has been served as Vice President of North Asia Region of APL Logistics since 2010. Mr. Danny Goh Yan Nan had been served different positions for APL Logistics, mainly including Vice President / Managing Director in Japan, Vice President of International Services and Global Operations, Vice President / Managing Director of Asia-Middle East Region, General Manager of South East and West Asia Region and Regional Operations Manager of South East and West Asia Region.

Mr. Danny Goh Yan Nan has not held any directorship in any other listed public companies in the last three years. Save as disclosed above, Mr. Danny Goh Yan Nan does not hold any other positions with the Company or other members of the Group and does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company, nor had he any interests in the Shares within the meaning of Part XV of the SFO. If Mr. Danny Goh Yan Nan was elected as a non-executive director in the Annual General Meeting, the Company and Mr. Danny Goh Yan Nan will enter into a service agreement in relation to the appointment of Mr. Danny Goh Yan Nan as a non-executive director of the Company. Mr. Danny Goh Yan Nan will be entitled to director's emoluments which are determined by the Board from time to time with reference to his duties and responsibilities with the Company, the market benchmark and performance of the Group, subject to approval by the shareholders at general meeting.

Save as disclosed above, Mr. Danny Goh Yan Nan is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company, nor had he any information needed to be disclosed under GEM Listing Rules 17.50(2)(h) to (v).

The nomination of the above proposed new directors will be tabled by way of ordinary resolution at the forthcoming Annual General Meeting of the Company for Shareholders' consideration. Shareholders are entitled to vote on resolution regarding the appointment of the above new directors at the forthcoming Annual General Meeting.

GENERAL INFORMATION

The Company is a foreign-invested limited liability company incorporated in the PRC and provides a variety of logistics services mainly for car manufacturers and car components and parts suppliers in China.

The principal businesses of Zhuangbei Finance are to accept enterprises deposits, process financial activities such as enterprise loan and fund raising as approved by CBRC.

A circular containing, among other things, details regarding the Revised Caps for Certain Existing Continuing Connected Transactions, a letter from the INED Committee, an opinion from the Independent Financial Advisor together with a notice to convene the Annual General Meeting to approve the Revised Caps for Certain Existing Continuing Connected Transactions, Proposed changes in shareholding and the amendments to the Articles of Association, the appointment of the new directors of the Company and other proposals will be issued to the Shareholders as soon as practicable. The voting at the Annual General Meeting will be taken by poll and the Company will make an announcement of the poll results. Chongqing Changan Industry Company (Group) Limited and its associates (holding an aggregate of 39,825,600 shares in the Company, representing approximately 24.57% of the total issued shares of the Company as at the date of this announcement) will abstain from voting at the Annual General Meeting in respect of the resolutions regarding the Revised Caps for Certain Existing Continuing Connected Transaction and the proposed changes in shareholding.

DEFINITIONS

"Annual General Meeting"	the annual general meeting for 2009 to be held by the Company to consider, inter alia, the approval of the Revised Caps for Certain Existing Continuing Connected Transactions, amendments to the Articles of Association regarding the change in shareholding and the appointment of Directors of the Company
"APLL"	APL Logistics Ltd., a company incorporated in Singapore with limited liability and a wholly owned subsidiary of NOL. It is one of our initial management shareholders
"Articles of Association"	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
"Associate"	has the meaning ascribed thereto in the GEM Listing Rules
"Board"	the board of directors of the Company
"CBRC"	China Banking Regulatory Commission
"Changan Industrial"	Chongqing Changan Industrial Company Limited (重慶長安實業有限公司)
"Changan Industry Co. "	Chongqing Changan Industry (Group) Co., Ltd., a limited liability company established in China on 28 October 1996, formerly named Changan Automobile Company (Group) Limited (長安汽車(集團)有限責任公司)
"China or PRC"	The People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
"Company"	重慶長安民生物流股份有限公司 (Changan Minsheng APLL Logistics Co., Ltd.)
"Connected person"	has the meaning ascribed thereto in the Listing Rules
"CSG"	China South Industries Group Corporation (中國南方工業集團公司), a company established in the PRC on 1 July 1999 with limited liability

"Directors"	directors of the Company
"GEM Listing Rules"	Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
"Guangdong Securities" or "Independent Financial Adviser"	Guangdong Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities as defined under the Securities and Futures Ordinance and the independent financial adviser to the INED Committee and the Independent Shareholders in relation to the Revised Caps for Certain Existing Continuing Connected Transactions
"Group"	the Company and its subsidiaries from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Shareholders"	shareholders that, in relation to the resolutions approving the Revised Caps for Certain Existing Continuing Connected Transactions, excluding Changan Industry Co., and Chongqing Changan Industrial Company Limited and their respective associates
"INED Committee"	a committee comprised of Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin, all of whom are independent non-executive directors of the Company, formed to advise the Shareholders in connection with the Revised Caps for Certain Existing Continuing Connected Transactions
"the Revised Caps for Certain Existing Continuing Connected Transactions"	the revised annual caps for the continuing connected transactions for the two years from 1 January 2010 to 31 December 2011, as set out under the paragraph headed "the Revised Caps for Certain Existing Continuing Connected Transactions" in this announcement
"RMB"	Renminbi, the lawful currency of the PRC

"SFO"	Securities and Futures Ordinance, Cap.517 of the laws of Hong Kong
"Shareholders"	shareholders of the Company
"Shares"	ordinary shares of the Company, with a par value of RMB1.00 each
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplementary Agreement"	The agreement signed between the Company and Zhuangbei Finance on 26 April 2010 for purposes of amending the existing annual caps of the continuing connected transactions for the two years from 1 January 2010 to 31 December 2011 as set out in Article 4 of the Framework Agreement signed between the parties on 30 March 2009
"Zhuangbei Finance"	Binqi Zhuangbei Group Financial Limited Liability Company (兵器裝備集團財務有限責任公司)

By Order of the Board
Changan Minsheng APLL Logistics Co., Ltd.
Executive Director
Shi Chaochun

Chongqing, the PRC, 26 April 2010

As at the date of this announcement, the board of the director of the Company comprises: (1) Mr. Yin Jiayu, Ms. Cui Xiaomei, Mr. Lu Xiaozhong, Mr. Shi Chaochun and Mr. James H McAdam as the Executive directors; (2) Mr. Lu Guoji, Mr. Zhang Lungang, Mr. Joseph Frederick Lee, Mr. Li Ming, Mr. Wu Xiaohua and Ms. Lau Man Yee, Vanessa as the Non-executive directors; (3) Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin as the Independent non-executive directors.

This announcement, 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 Company. The Directors, 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.

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** For identification purpose*