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## **SHELL ELECTRIC MFG. (HOLDINGS) COMPANY LIMITED**

### **蜆壳電器工業(集團)有限公司**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

**(Stock code: 00081)**

## **ANNOUNCEMENT**

Reference is made to the announcements of Shell Electric Mfg. (Holdings) Company Limited (the “**Company**”) dated 29 July 2009 in relation to, amongst other things, the suspension of trading in shares of the Company (the “**Shares**”) pending the release of an announcement which contains price sensitive information.

The board of directors of the Company (the “**Board**”) would like to update the shareholders of the Company on the current status of the Company. The Company is currently in negotiation with an independent third party (the “**Subscriber**”) regarding possible group reorganization of the Company and possible issue of new Shares which, if materialize, may lead to a change in control of the Company (the “**Transaction**”). It is intended that a general offer will be extended by the Subscriber following the completion of the Transaction. No legally binding agreements have been entered into in respect of the Transaction as at the date of this announcement. The negotiation is still in progress and the Transaction may or may not proceed.

As at the date of this announcement, the Company has a total of 523,484,562 Shares of HK\$0.50 each in issue. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”)) as at the date hereof.

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

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers 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 HK\$1 million. This dispensation does not alter the obligations 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 cooperation.”

Trading in the Shares was suspended with effect from 9:30 a.m. on 29 July 2009, and will remain suspended pending the release of the announcement regarding the details of the Transaction.

By Order of the Board  
**Billy K Yung**  
*Group Chairman and Chief Executive*

Hong Kong, 10 August 2009

*As at the date of this announcement, the Board comprises eight Directors, of which four are executive Directors, namely Mr. Billy K YUNG, Madam YUNG HO Wun Ching, Mr. LEUNG Chun Wah and Mr. Eddie HURIP; one non-executive Director being Mr. Simon YUNG Kwok Choi and three independent non-executive Directors, namely Mr. Peter WONG Chung On, Mr. Peter LAM and Mr. Lawrence LEUNG Man Chiu.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, 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.*