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**CHINA OVERSEAS LAND &  
INVESTMENT LIMITED**  
中國海外發展有限公司  
*(Incorporated in Hong Kong with limited liability  
under the Companies Ordinance)*  
**(Stock code: 688)**



**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: 81)**

## **JOINT ANNOUNCEMENT**

This joint announcement is made by China Overseas Land & Investment Limited (“**COLI**”) and Shell Electric Mfg. (Holdings) Company Limited (“**SMC**”) pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”).

Reference is made to the two announcements of SMC dated 29 July and 10 August 2009, respectively.

On 9 September 2009, COLI, SMC and Mr. Billy K Yung (“**Mr. Yung**”) entered into a conditional subscription agreement in relation to, amongst other things, (i) a possible group restructuring (involving, amongst other things, a distribution in specie) and capital reorganisation of SMC; (ii) a possible subscription of new shares of SMC by COLI (or one or more special purpose vehicles wholly-owned by COLI), the completion of which is subject to certain conditions precedent including, amongst other things, satisfactory results of the due diligence to be conducted by COLI; (iii) a possible cash offer to be extended by COLI (or one or more special purpose vehicles wholly-owned by COLI) following completion of such subscription (the “**COLI Cash Offer**”); and (iv) a possible cash offer to be extended by Red Dynasty Investments Limited (“**Red Dynasty**”) of which Mr. Yung, Ms. Vivian Hsu (the spouse of Mr. Yung) and Madam Yung Ho Wun Ching (the mother of Mr. Yung) are shareholders, on the shares of the private company holding the distributed business following completion of the subscription (the “**Proposal**”).

The possible subscription and the COLI Cash Offer together will constitute a discloseable transaction for COLI under the Rules Governing Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

A further announcement will be made jointly by COLI, SMC and Red Dynasty (the “**Joint Announcement**”) as soon as practicable to disclose details of the Proposal in accordance with the Takeovers Code and the Listing Rules.

Trading in the shares of SMC was suspended with effect from 9:30 a.m. on 29 July 2009, and will remain suspended pending the release of the Joint Announcement.

**As the Proposal is subject to a number of conditions, the Proposal may or may not proceed. Investors and shareholders of COLI and SMC are urged to exercise caution when dealing in the shares of COLI and SMC.**

By Order of the board of  
**CHINA OVERSEAS LAND &  
INVESTMENT LIMITED**  
**Kong Qingping**  
*Chairman*

By Order of the board of  
**SHELL ELECTRIC MFG. (HOLDINGS)  
COMPANY LIMITED**  
**Billy K Yung**  
*Group Chairman and Chief Executive*

Hong Kong, 16 September 2009

*As at the date of this announcement, Messrs. Kong Qingping (Chairman), Hao Jian Min (Vice Chairman and Chief Executive Officer), Xiao Xiao (Vice Chairman), Chen Bin, Dong Daping, Nip Yun Wing, Luo Liang and Lin Xiaofeng are executive directors of COLI; Mr. Wu Jianbin (Vice Chairman) is the non-executive director of COLI; and Messrs. Li Kwok Po, David, Lam Kwong Siu, Wong Ying Ho, Kennedy and Madam Fan Hsu Lai Tai, Rita are the independent non-executive directors of COLI.*

*The directors of COLI jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to SMC, or Red Dynasty or any of their respective associates or parties acting in concert with each of them) 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.*

*As at the date of this announcement, the board of SMC 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 SMC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to COLI or Red Dynasty or any of their respective associates or parties acting in concert with each of them) 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.*

*As at the date of this announcement, Mr. Yung is the sole director of Red Dynasty.*

*Mr. Yung accepts full responsibility for the accuracy of the information contained in this announcement (other than that relating to COLI, its associates and parties acting in concert with COLI (save for Mr. Yung himself)) and confirms, having made all reasonable inquiries, that to the best of his 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.*