

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**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)

**Financial adviser to
China Overseas Land &
Investment Limited**

J.P.Morgan



**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)

**Financial adviser to
Shell Electric Mfg. (Holdings)
Company Limited**

 **SOMERLEY LIMITED**

**RED DYNASTY
INVESTMENTS LIMITED**

*(Incorporated in BVI with
limited liability)*

**Financial adviser to
Red Dynasty
Investments Limited**

**Access
Capital** 

ANNOUNCEMENT IN RELATION TO COMPLETION OF THE SUBSCRIPTION AGREEMENT

All conditions precedent to the Subscription Agreement having been fulfilled or waived on 10th February, 2010 and as agreed by the parties, Completion took place on 10th February, 2010.

As a result of the Completion and as announced in the Joint Announcement, J.P. Morgan will make the COLI Offer, which will be unconditional, on behalf of the Offeror for all the Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with them at HK\$5.00 per Share, the COLI Offer Document is required to be despatched to the Shareholders on or before 17th February, 2010 in accordance with the Takeovers Code. COLI has applied for an extension of time for the despatch of the COLI Offer Document. Further announcement(s) will be made in this regard.

Following Completion and as announced in the Joint Announcement, Access Capital will make the Privateco Offer, which will be unconditional, on behalf of Red Dynasty for all the Privateco Shares not already owned or agreed to be acquired by Red Dynasty and parties acting in concert with them at HK\$1.80 per Privateco Share, the Privateco Offer Document is required to be despatched to the Privateco Shareholders on or before 17th February, 2010 in accordance with the Takeovers Code. Red Dynasty has applied for an extension of time for the despatch of the Privateco Offer Document. Further announcement(s) will be made in this regard.

Shares of the Company have been suspended at the request of the Company with effect from 9:30 a.m. on Tuesday, 9th February, 2010 and remain suspended pending the release of an announcement in relation to notifiable and connected transactions.

Reference is made to the Joint Announcement dated 29th September, 2009, the circular of the Company dated 8th December, 2009 (the “**Circular**”), the announcements of the Company dated 13th January, 2010, 25th January, 2010 and 1st February, 2010 and the joint announcement dated 2nd February, 2010 issued by COLI and the Company. Unless otherwise defined, the capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

COMPLETION OF THE SUBSCRIPTION AGREEMENT

All conditions precedent to the Subscription Agreement having been fulfilled or waived on 10th February, 2010 and as agreed by the parties, Completion took place on 10th February, 2010.

As part of the procedures for Completion, on 10th February, 2010, Mr. Billy Yung and the Company have jointly and severally undertaken to the Subscriber, among other things, that:

- (i) until the posting of the COLI Offer Document, the closing deliverables (including but not limited to company chops, seals, statutory records and cheque books) delivered by the Company to COLI for Completion on 10th February, 2010 should be kept in a designated room at the Company’s registered office locked with two sets of keys safekept by COLI and the Company respectively;
- (ii) on 10th February, 2010, each of COLI and the Company has nominated two representatives to be the authorised signatories for designated bank accounts of the Company, and until the posting of the COLI Offer Document, signatures from at least one of the representatives from each of COLI and the Company will be needed for operating such bank accounts;
- (iii) the Company shall appoint two representatives nominated by the Subscriber as the chief financial officer and the chief executive officer of the Company respectively, who shall be accountable to the Board;
- (iv) unless with the consent of the Subscriber, the Company and Mr. Billy Yung will not do such things as prescribed under clause 6.2(a) to (n) of the Subscription Agreement including but not limited to, the entering into material contracts or the making of any changes on the memorandum and articles of association of the Company which will have substantial impact on the Remaining Group; and
- (v) given that the payment made by the Company to the Privateco for the settlement of 50% of the Shareholder’s Loan according to the terms of the Subscription Agreement will exceed the portion of non-entrustment loan amount repaid on the Completion Date by HK\$30,729,632.00 (the “**Amount**”), Privateco shall return the Amount to the Company immediately after the repayment of all entrustment loans by the Remaining Group.

Pursuant to a supplemental deed entered into between COLI, the Company and Mr. Billy Yung on 10th February, 2010, COLI, the Company and Mr. Billy Yung further confirmed that, among other things, Completion has taken place on 10th February, 2010.

As a result of the Completion and as announced in the Joint Announcement, J.P. Morgan will make the COLI Offer, which will be unconditional, on behalf of the Offeror for all the Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with them at HK\$5.00 per Share, the COLI Offer Document is required to be despatched to the Shareholders on or before 17th February, 2010 in accordance with the Takeovers Code. COLI has applied for an extension of time for the despatch of the COLI Offer Document. Further announcement(s) will be made in this regard.

As a result of the Completion, the Offeror is interested in 157,045,368 Shares representing approximately 23.08% of the issued share capital of the Company as enlarged by the Subscription. As disclosed in the section titled “the Undertaking” in the Joint Announcement, Mr. Billy Yung has irrevocably undertaken that he will, and will procure Ms. Hsu and the Trust to, and will use his best endeavours to procure Madam Yung and Mr. Simon Yung to, accept the COLI Offer to the extent that the Offeror will own no less than 50.1% of the issued share capital of the Company as enlarged by the Subscription upon closing of the COLI Offer. Pursuant to the Undertaking, Mr. Billy Yung (together with Ms. Hsu and the Trust) will in any event accept the COLI Offer as to a minimum of approximately 94.33 million Shares held by them. Pursuant to Madam Yung’s Undertaking, Madam Yung has undertaken to Mr. Billy Yung and COLI to accept the COLI Offer in respect of the 53,246,300 Shares beneficially owned by her.

Following the Completion and as announced in the Joint Announcement, Access Capital will make the Privateco Offer, which will be unconditional, on behalf of Red Dynasty for all the Privateco Shares not already owned or agreed to be acquired by Red Dynasty and parties acting in concert with them at HK\$1.80 per Privateco Share, the Privateco Offer Document is required to be despatched to the Privateco Shareholders on or before 17th February, 2010 in accordance with the Takeovers Code. Red Dynasty has applied for an extension of time for the despatch of the Privateco Offer Document. Further announcement(s) will be made in this regard.

As a result of the Completion, Red Dynasty and parties acting in concert with it is interested in a total of 329,756,784 Privateco Shares representing approximately 62.99% of the issued share capital of the Privateco.

Privateco Shareholders should note that the share certificates of Privateco will be posted after the close of the Privateco Offer and only to the Privateco Shareholders who do not accept the Privateco Offer.

EXCHANGE OF SHARE CERTIFICATES

While the par value of each existing Share has become HK\$0.01 following completion of the Capital Reorganisation, existing certificates for the Shares with the old par value of HK\$0.50 will continue to be good evidence of legal title (including for the purpose of accepting the COLI Offer) and be acceptable for dealing purposes.

The Shareholders can submit their existing certificates for the Shares to the Company’s share registrar, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, in exchange for new certificates for the Shares free of charge during the business hours (from 9 a.m. to 4 p.m., Monday to Friday, excluding public holidays) from

17th February, 2010 to 17th March, 2010 (both dates inclusive). After the expiry of such period, existing certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new certificate for the Shares issued or each existing share certificate submitted, whichever number of share certificates involved is higher. The new share certificates will be issued in light green colour in order to distinguish them from existing share certificates which are in pink colour.

SUSPENSION OF TRADING

Shares of the Company have been suspended at the request of the Company with effect from 9:30 a.m. on Tuesday, 9th February, 2010 and remain suspended pending the release of an announcement in relation to notifiable and connected transactions.

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
Director

By Order of the board of
**RED DYNASTY
INVESTMENTS LIMITED**

Billy K Yung
Sole director

Hong Kong, 12th February, 2010

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 Red Dynasty, its associates and parties acting in concert with Red Dynasty and the Group) 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 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 (except for Mr. Simon YUNG Kwok Choi who is not contactable by the Company) jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror and Red Dynasty, their respective associates and parties acting in concert with each of the Offeror and Red Dynasty) 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. Billy Yung is the sole director of Red Dynasty. Mr. Billy Yung accepts full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror, its associates and parties acting in concert with the Offeror (save for Mr. Billy 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.

The English text of this announcement shall prevail over its Chinese text.