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CHINA PUBLIC PROCUREMENT LIMITED

中國公共採購有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1094)

APPOINTMENT OF DIRECTORS AND RE-DESIGNATION OF CHAIRMAN

The Board announces that each of Mr. Wang, Mr. Peng and Ms. Liu has been appointed as executive director of the Company and Mr. Xu has been appointed as independent non-executive director and a member of the audit committee and the remuneration committee of the Company with effect from 30 December 2011.

The Board also announces that Mr. Wang has also been appointed as the chief operating officer of the Company with effect from 30 December 2011.

The Board further announces that Mr. Ho has been re-designated from the chairman of the Company to the honorary chairman of the Company with effect from 30 December 2011, and Mr. Cheng has been re-designated from the vice chairman of the Company to the chairman of the Company with effect from 30 December 2011.

APPOINTMENT OF DIRECTORS

The board of directors (the “**Board**”) of China Public Procurement Limited (the “**Company**”) is pleased to announce that each of Mr. Wang Dingbo (“**Mr. Wang**”), Mr. Peng Ru Chuan (“**Mr. Peng**”) and Ms. Liu Jie (“**Ms. Liu**”) has been appointed as executive director of the Company and Mr. Xu Haigen (“**Mr. Xu**”) has been appointed as independent non-executive director and a member of the audit committee and the remuneration committee of the Company with effect from 30 December 2011.

The Board also announces that Mr. Wang has also been appointed as the chief operating officer of the Company with effect from 30 December 2011.

Mr. Wang

Mr. Wang, aged 49, graduated with a bachelor degree in Economics from Beijing Technology and Business University (北京工商大學) in 1983. In 1985, he was employed by China National Offshore Oil Corporation (中國海洋石油總公司) engaging in financial work. In 1989, he served as the general manager of the financial department of China Ocean Oilfields Services (Hong Kong) Limited (中國近海石油(香港)有限公司). Mr. Wang possesses significant experience in investment, market operation and promotion. In 1992, he was the general manager of Bestat Investments Limited, which has assisted Compaq Computer Corporation in its entry to the market of the People's Republic of China ("PRC") and has invested in the pharmaceutical industry and the property market in the PRC since 1994. Since 2008, he has served as an executive director of Favor Mind Holdings Limited ("**Favor Mind**").

Mr. Wang entered into a formal service contract with the Company for a term of three years commencing from 30 December 2011, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Mr. Wang is entitled to a monthly director's fee of HK\$100,000, which was determined by the Board with reference to his experience, duties and responsibilities in the Company as well as the current market conditions.

Mr. Wang and his associates had the following interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**") as at the date of this announcement:

Capacity	Nature of interest	Number of shares interested
Held by Favor Mind	Entitlement to preferred shares	801,118,210
Beneficially owned	Shares	1,000,000
Held by his spouse	Shares	1,100,000
	Total:	<u>803,218,210</u>

Save as disclosed above, (i) Mr. Wang has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Wang does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Wang does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Wang does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Wang that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules ("**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") and there is no other matter that needs to be brought to the attention of the shareholders of the Company ("**Shareholders**") in relation to Mr. Wang's appointment.

Mr. Peng

Mr. Peng, aged 63, currently serves as a director of Brescia International Ltd., Brescia International (Hong Kong) Ltd. and Artemis International Group Ltd. Mr. Peng had been a non-executive director of China Resources and Transportation Group Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 269)) from November 2010 to December 2010 and an independent non-executive director of China Coal Energy Company Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 1898)) from August 2006 to December 2010 and the independent non-executive director of China Galaxy Asset Management Co., Ltd.. He has a Master of Arts degree in statistics and a Master of Science degree in biostatistics from the University of California, the United States. He served as a senior adviser of the Nomura International (Hong Kong), a director of The Stock Exchange of Hong Kong (China), a senior vice president of the China and International Development Department of the Stock Exchange, and has engaged in investment and research work in entities such as China National Aviation Corporation in China and the Los Amigos Research and Education Institute in the United States.

Mr. Peng entered into a formal service contract with the Company for a term of three years commencing from 30 December 2011, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Mr. Peng is entitled to a monthly director's fee of HK\$120,000, which was determined by the Board with reference to his experience, duties and responsibilities in the Company as well as the current market conditions.

Save as disclosed above, (i) Mr. Peng has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Peng does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Peng does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Peng does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Peng that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Peng's appointment.

Ms. Liu

Ms. Liu, aged 26, graduated with a bachelor degree in Computer Science from PLA University of Science and Technology (中國人民解放軍理工大學) in 2008 and obtained a Master of Science degree in International Marketing from University of Newcastle upon Tyne in 2011. After graduation, she has served as the chairman's assistant and the vice president of 上海無戒空間信息技術有限公司 (Shanghai Blackspace Information Technology Co., Ltd.*), where she developed a good understanding of the next-generation software platform and application environment which integrate personal computer, network and wireless mobile technologies. Ms. Liu also has substantial experience in investment and project management. In late 2009, Ms. Liu acted as the chairman of 阿拉善盟三江創業投資有限責任公司 (Alashan League Sanjiang Venture Capital Limited*), where she was principally engaged in the provision of investment services, investment advisory services and consultancy service for small and medium enterprises, agencies and individuals. Since November 2011, Ms. Liu has served as the vice president of the organising committee of 中國物流與採購聯合會公共採購專業委員會 (Public Procurement Professional Committee of the China Federation of Logistics & Purchasing*). She has also participated in the research activities of the task group on the application of e-receipt in e-business under 中央財經領導小組辦公室 (Office of the Central Leading Group on Financial and Economic Affairs*) as a member of the task group.

Ms. Liu entered into a formal service contract with the Company for a term of three years commencing from 30 December 2011, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Ms. Liu is entitled to a monthly director's fee of HK\$50,000, which was determined by the Board with reference to his experience, duties and responsibilities in the Company as well as the current market conditions.

Save as disclosed above, (i) Ms. Liu has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Ms. Liu does not hold other positions in the Company or any of its subsidiaries; (iii) Ms. Liu does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Ms. Liu does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Ms. Liu that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Ms. Liu's appointment.

Mr. Xu

Mr. Xu, aged 63, graduated with a bachelor degree in Economics from Shanghai University of Finance and Economics (上海財經大學) and obtained a master degree in Economics from Shanghai University of Finance and Economics and a doctoral degree in Economics from Graduate School, the Chinese Academy of Social Sciences (中國社會科學院研究生院). Mr. Xu is currently a registered accountant at 上海宏大東亞會計師事務所 (Shanghai Hongda Certified Public Accountants Co., Ltd.*) and a part-time postgraduate tutor at Shanghai University of Finance and Economics. Prior to joining the Company, he has been an associate professor at Shanghai University of Finance and Economics, a part-time registered accountant at 上海長信會計師事務所 (Shanghai Changxin Certified Public Accountants Co., Ltd.*), a part-time Shanghai agent of 中國經濟技術諮詢公司 (China Economic and Technical Consulting Co., Ltd.*), the director of 上海中創會計師事務所 (Shanghai Zhongchuang CPA Co., Ltd.*), the general manager of 上海中申投資管理諮詢有限公司 (Shanghai Zhongshen Investment Management Consulting Co., Ltd.*), the vice president of Banco Delta Asia S.A.R.L. (澳門匯業銀行) of Delta Asia Financial Group (匯業財經集團), an independent director (part-time) of China Television Media Ltd. (中視傳媒股份有限公司), the deputy director of the Shanghai representative office of China Cinda Asset Management Corporation (中國信達資產管理公司), the director and the general manager of the Beijing branch of Deloitte Consulting (Shanghai) Co., Ltd. (德勤諮詢(上海)有限公司) and the general manager (Shanghai) of the China market division of Ernst & Young (安永會計師事務所).

Mr. Xu entered into a formal service contract with the Company for a term of three years commencing from 30 December 2011, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Mr. Xu is entitled to a monthly director's fee of HK\$10,000, which was determined by the Board with reference to his experience, duties and responsibilities in the Company as well as the current market conditions.

Save as disclosed above, (i) Mr. Xu has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Xu does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Xu does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Xu does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Xu that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Xu's appointment.

RE-DESIGNATION OF CHAIRMAN

The Board further announces that Mr. Ho Wai Kong (“**Mr. Ho**”) has been re-designated from the chairman of the Company to the honorary chairman of the Company with effect from 30 December 2011, and Mr. Cheng Yuanzhong (“**Mr. Cheng**”) has been re-designated from the vice chairman of the Company to the chairman of the Company with effect from 30 December 2011.

Mr. Ho

Mr. Ho, aged 55, is an executive director of the Company. He is an entrepreneur whom for the last 30 years has been actively involved in China/Hong Kong cross border business development and affairs. Mr. Ho was raised and educated in the PRC, has a good understanding of the intricacies of business and government culture and practices. He has maintained good relationship in these circles. Since 1980's, he was engaged in business ventures involving several industries including construction, property investments and the hospitality business. His extensive experience, network and business acumen are invaluable for the Company to develop business in the PRC. Mr. Ho is a director of several subsidiaries of the Company.

Mr. Ho has entered into a formal service contract with the Company for a term of three years commencing from 11 January 2010, and is entitled to director's emoluments of HK\$230,000 per month as determined by the Board by reference to the prevailing market price and the Company's remuneration policy.

Mr. Ho and his associates had the following interest in the Company within the meaning of Part XV of the SFO as at this announcement:

Capacity	Nature of interest	Number of shares interested
Held by Master Top Investments Limited	Entitlement to preferred shares	1,954,284,725
Held by Master Top Investments Limited	Shares	236,888,901
Held by Similan Limited	Shares	500,000
Beneficially owned	Share options	23,000,000
Beneficially owned	Shares	14,800,000
Held by his spouse	Shares	29,348,000
	Total:	<u>2,258,821,626</u>

Save as disclosed above, (i) Mr. Ho has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Ho does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Ho does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Ho does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Ho that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Ho's re-designation.

Mr. Cheng

Mr. Cheng, aged 55, holds a bachelor degree in philosophy from Wuhan University. He was an executive director of the Company from April 2009 to February 2010 and the chief executive officer of the Company from April 2009 to October 2009. He was appointed as the executive director, vice chairman and chief executive officer of the Company with effect from 15 September 2011.

Mr. Cheng commenced his career at the Development Research Centre of the State Council (國務院發展研究中心) (the "DRC"), the PRC where he was engaged in various research activities in macroeconomics, international economics and foreign trade policy with particular emphasis on the issues related to the General Agreement on Tariffs and Trade ("GATT").

He has made extensive efforts on the research of public management as well as e-government and its application. In 2002, he liaised with United Nations Economic and Social Council (ECOSOC) and other organisations to hold an international conference in Beijing in relation to e-government and public administration.

Since 2006, Mr. Cheng has been the chief researcher of the Oriental Comprehensive Research Institute of Public Administration (東方公共管理綜合研究所) of the DRC and the chief coordinator of the Government Procurement Management Reformation Research Team (政府採購管理體制改革研究課題組) of the DRC. With the support from various PRC government offices, he implemented and arranged the public e-procurement pilot programme in China and as a result, he has become the chairman of Guocai Science & Technology Company Limited* (國采科技股份有限公司) (the "PRC Partner"), a company jointly formed by the School of Software of Tsinghua University (清華大學軟件學院), China Electronic Chamber of Commerce (中國電子商會), the China Federation of Logistics and Purchasing (中國物流與採購聯合會), etc. The PRC Partner is a connected person of the Company (being a substantial shareholder of Guocai (Beijing) Technology Company Limited* (國采(北京)技術有限公司) (the "EJV"), an indirect non-wholly-owned subsidiary of the Company).

Prior to joining the Company, Mr. Cheng was the section head of the Government Office Administration of the State Council, the PRC (中國國務院機關事務管理局), the deputy officer of the Service Centre (機關服務中心) of the DRC and the deputy managing director of the Oriental Comprehensive Research Institute of Public Administration of the DRC. Mr. Cheng has also published several writings on the issues between GATT and the PRC and he was the chief editor of The Guideline for Small and Medium Enterprises in the PRC to List Overseas (《中國中小企業海外上市指南》).

He is currently a director and the chairman of the EJV. He is also the chairman of the PRC Partner and the vice president of the China Federation of Logistics and Purchasing (中國物流與採購聯合會).

Mr. Cheng entered into a formal service contract with the Company for a term of three years commencing from 15 September 2011, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Mr. Cheng is entitled to a monthly director's fee of HK\$150,000, which was determined by the Board with reference to his experience, duties and responsibilities in the Company as well as the current market conditions.

Mr. Cheng and his associates had the following interest in the Company within the meaning of Part XV of the SFO as at this announcement:

Capacity	Nature of interest	Number of shares interested
Held by Metro Factor Limited	Entitlement to preferred shares	1,200,000,000
Held by Top Blast Limited	Entitlement to preferred shares	<u>1,754,280,000</u>
	Total:	<u><u>2,954,280,000</u></u>

Save as disclosed above, (i) Mr. Cheng has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Cheng does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Cheng does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Cheng does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Cheng that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Cheng's re-designation.

GENERAL

The Board would like to take this opportunity to express its warmest welcome to Mr. Wang, Mr. Peng, Ms. Liu and Mr. Xu in joining the Company.

By order of the Board
CHINA PUBLIC PROCUREMENT LIMITED
Cheng Yuanzhong
Chairman and Chief Executive Officer

Hong Kong, 30 December 2011

At the date of this announcement, the Board comprises seven executive directors, Mr. Cheng Yuanzhong (Chairman), Mr. Ho Wai Kong (Honorary Chairman), Mr. Wang Dingbo, Mr. Wu Xiaodong, Mr. Peng Ru Chuan, Mr. Lu Xing and Ms. Liu Jie; two non-executive directors, Ms. Cheng Zhuo and Mr. Wang Ning; and four independent non-executive directors, Mr. Wu Fred Fong, Mr. Chan Tze See, Kevin, Mr. Chen Bojie, and Mr. Xu Haigen.

* *for identification purpose only*