

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 PUBLIC PROCUREMENT LIMITED

中國公共採購有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1094)

FURTHER UPDATE ON COMPANY'S STATUS

INTRODUCTION

Reference is made to:

- (i) the announcement (“**Tri-Party Agreement Announcement**”) of China Public Procurement Limited (“**Company**”) dated 28 April 2011 in relation to, among others, the cooperation agreement (“**Tri-Party Cooperation Agreement**”) dated 23 December 2010 entered into between 國采科技股份有限公司 (Guocai Science & Technology Company Limited*) (“**PRC Partner**”), 國采(北京)技術有限公司 (Guocai (Beijing) Technology Company Limited*) (“**EJV**”) and Public Procurement Limited (“**Subsidiary**”) regarding the transfer of ownership of the rights and obligations under certain energy performance contracting projects (合同能源管理項目) which the PRC Partner had entered into with government entities in certain provinces in the People’s Republic of China (“**EMC Projects**”);
- (ii) the announcement (“**2010 Final Results Announcement**”) of the Company dated 28 April 2011 in relation to the final results of the Company for the year ended 31 December 2010;
- (iii) the announcement (“**Resumption Condition Announcement**”) of the Company dated 29 April 2011 in relation to, among others, the resumption conditions of the Company;
- (iv) the circular (“**Circular**”) of the Company dated 24 August 2011 in relation to, among others, the Tri-Party Cooperation Agreement; and
- (v) the announcement (“**Update Announcement**”) of the Company dated 29 December 2011 in relation to (1) the supplemental agreement (“**Disposal Supplemental Agreement**”) dated 29 December 2011 to the disposal agreement (“**Disposal Agreement**”) dated 21 December 2010 entered into between the Subsidiary and the transferee in the transfer of the ownership of the EMC Projects (“**Transferee**”) regarding the payment of the total consideration; and (2) the supplemental agreement (“**Tri-Party Supplemental Agreement**”) dated 29 December 2011 to the Tri-Party Cooperation Agreement entered into between the PRC Partner, the Subsidiary and the EJV regarding the payment of service fee.

FURTHER UPDATE OF THE COMPANY'S STATUS

As stated in the Update Announcement, on 29 December 2011, the Subsidiary and the Transferee entered into the Disposal Supplemental Agreement and agreed that the remaining balance of the total consideration of HK\$280 million shall be settled as to HK\$240 million by 22 January 2012 and as to HK\$40 million by 30 June 2012.

The board (“**Board**”) of directors of the Company would like to announce that on 30 December 2011, HK\$20 million out of the remaining balance of the total consideration was received from the Transferee. As at the date of this announcement, HK\$140 million in aggregate has been received from the Transferee.

On 20 January 2012, the Subsidiary and the Transferee entered into another supplemental agreement to the Disposal Agreement and agreed that the remaining balance of the HK\$220 million to be settled by 22 January 2012 pursuant to the Disposal Supplemental Agreement shall be settled by 31 March 2012 and HK\$40 million by 30 June 2012. Pursuant to such supplemental agreement, the Transferee also agreed to pay to the Subsidiary, starting from 23 January 2012, interest at the rate of 5% per annum which shall be calculated on a daily basis in respect of the outstanding balance of the HK\$220 million payable to the Subsidiary until such amount was settled in full. Pursuant to such supplemental agreement, the aggregate amount of such interest shall be fully paid on or before 31 March 2012.

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

Hong Kong, 26 January 2012

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 purposes only*