

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.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

This announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Placing Shares have not been and will not be registered under the US Securities Act and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the US Securities Act. No public offering of the Shares will be made in the United States.



CHIHO-TIANDE GROUP LIMITED

齊合天地集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 976)

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION FOR NEW SHARES

Bookrunner

Morgan Stanley

Co-lead Manager



Placing Agents

Morgan Stanley



THE PLACING AND SUBSCRIPTION AGREEMENT

On 15 April 2011 (after trading hours), HWH and Delco as the Vendors, the Guarantors and the Placing Agents entered into the Placing and Subscription Agreement with the Company. As at the date of this announcement, each of HWH and Delco directly holds 345,000,000 Shares and pursuant to the Placing and Subscription Agreement, the Vendors agreed to place, through the Placing Agents, on a reasonable efforts basis, 60,000,000

Placing Shares to not less than six Placers at the Placing Price of HK\$6.60 per Share. Each of the Placing Agents shall use all reasonable efforts to ensure that their respective Placers are Independent Third Parties. On completion of the Placing, the Vendors will, pursuant to the Placing and Subscription Agreement, each conditionally subscribe for such number of Subscription Shares as equal to the number of Placing Shares respectively placed by them under the Placing at the Subscription Price of HK\$6.60 per Subscription Share.

Completion of the Subscription is subject to (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, all of the Subscription Shares (and such listing and permission not being subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); (ii) completion of the Placing; and (iii) the Executive granting the Vendors a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code as a result of the Subscription (where applicable). The Subscription Shares are proposed to be issued pursuant to the existing general mandate given to the Directors to allot and issue Shares and therefore the Subscription does not require specific approval of the Shareholders.

The number of Placing Shares (or the Subscription Shares) of 60,000,000 Shares represent (i) 6% of the existing issued share capital of the Company; and (ii) approximately 5.66% of the issued share capital of the Company as enlarged by the Subscription.

The Placing Price (and the Subscription Price) are fixed with reference to the market price of the Shares. The Placing Price (and the Subscription Price) of HK\$6.60 per Share represent:–

- (i) a discount of approximately 11.41% to the closing price of HK\$7.45 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 11.43% to the average closing price per Share of HK\$7.452 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; and
- (iii) a discount of approximately 11.21% to the average closing price per Share of HK\$7.433 as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date.

The gross proceeds from the Subscription will be HK\$396 million. The net proceeds of approximately HK\$385.7 million from the Subscription is intended to be used for general working capital of the Group.

1. THE PLACING AND SUBSCRIPTION AGREEMENT

- Date:** 15 April 2011 (after trading hours)
- Parties:**
- (a) HWH Holdings Limited and Delco Participation B.V. as the Vendors;
 - (b) Mr. Fang, Mr. de Leeuw and Mr. van Ooijen as the Guarantors;
 - (c) the Company;
 - (d) Morgan Stanley as the Bookrunner and First Shanghai as the Co-lead Manager; and
 - (e) Morgan Stanley and First Shanghai as the Placing Agents. The obligations of the Placing Agents under the Placing and Subscription Agreement shall be several and not joint, nor joint and several.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agents are independent of the Company and its connected persons.

1.1 THE PLACING

Placees: The Placing Shares will be placed by the Placing Agents, on a reasonable efforts basis, to not less than six Placees and each of the Placing Agents shall use its reasonable endeavours to ensure that such Placees will be Independent Third Parties. It is expected that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after the Placing.

Number of Placing Shares: Each of the Vendors agreed to place 30,000,000 Shares.

Placing Price: The Placing Price of HK\$6.60 per Share (exclusive of Hong Kong stamp duty, brokerage, if any, Stock Exchange trading fees and SFC transaction levies) represents (i) a discount of approximately 11.41% to the closing price of HK\$7.45 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 11.43% to the average closing price per Share of HK\$7.452 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; and (iii) a discount of approximately 11.21% to the average closing price per Share of HK\$7.433 as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date.

The Placing Price was determined with reference to the market price of the Shares and was negotiated on arm's length basis between Company, the Vendors and the Placing Agents.

Commission payable to the Placing Agents: A commission calculated as 2.5% of the aggregate Placing Price of the Placing Shares shall be payable to the Placing Agents.

Nature of the Placing Shares: 60,000,000 Placing Shares represent (i) 6% of the existing issued share capital of the Company of 1,000,000,000 Shares as at the date of this announcement; and (ii) approximately 5.66% of the issued share capital of the Company of 1,060,000,000 Shares as enlarged by the Subscription. The Placing Shares will rank *pari passu* with the existing Shares, will be free and clear of encumbrances and will carry the right to dividends or other distribution declared, made or paid at any time on or after the date of the Placing and Subscription Agreement.

Completion: Completion of the Placing is expected to take place on or before 19 April 2011.

Guarantee: Under the Placing and Subscription Agreement, each of the Guarantors unconditionally and irrevocably (i) undertook to the Placing Agents that it will procure the due and punctual performance, observance and compliance by the relevant Vendor of all of its obligations, agreement, commitments and undertakings under or pursuant to the Placing and Subscription Agreement (the “**Vendor’s Obligations**”), notwithstanding any dispute between the Placing Agents and the relevant Vendor; and (ii) guaranteed, as sole or principal obligor and not merely a guarantor, to the Placing Agents the due and punctual performance, observance and compliance by the relevant Vendor of the Vendor’s Obligations and the due and punctual payment by the relevant Vendor of any moneys payable by the relevant Vendor for any breach of the Placing and Subscription Agreement.

The Guarantors’ obligations under the Placing and Subscription Agreement are several and not joint in which Mr. Fang’s obligation is only with respect to HWH’s obligations and performance under the Placing and Subscription Agreement while Mr. van Ooijen’s and Mr. de Leeuw’s obligations are only with respect to Delco’s obligations and performance under the Placing and Subscription Agreement.

1.2 THE SUBSCRIPTION

Parties:

- (a) HWH Holdings Limited and Delco Participation B.V. as the subscribers; and
- (b) the Company as the issuer.

- Subscription Price:** The Subscription Price is HK\$6.60 per Share, which is equivalent to the Placing Price and was negotiated on arm's length basis between the Company and the Vendors with reference to the Placing Price.
- Number of Subscription Shares:** Each of the Vendors will subscribe for such number of new Shares which is equivalent to the number of Placing Shares placed by them respectively. The total number of the Subscription Shares will therefore be 60,000,000 Shares.
- Ranking of the Subscription Shares:** The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the existing issued Shares.
- Conditions of the Subscription:** The Subscription is conditional upon:
- (a) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, all of the Subscription Shares (and such listing and permission not being subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
 - (b) completion of the Placing in accordance with the Placing and Subscription Agreement; and
 - (c) the Executive granting the Vendors a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code as a result of the Subscription (where applicable).
- Termination of the Placing and Subscription Agreement:** Notwithstanding anything contained in the Placing and Subscription Agreement, if at any time prior to 10:00 a.m. (Hong Kong time) on the Closing Date:
- (a) there develops, occurs or comes into force:
 - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations which in the sole judgement of Morgan Stanley (for itself and on behalf of First Shanghai) has had or is likely to have a material adverse effect on the financial position, business, results of operation or prospects of the Company and/or of the Group as a whole; or

- (ii) any significant event, development or change or prospective change (whether or not permanent or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing and Subscription Agreement) in local, national or international monetary, fiscal, industrial, economic, financial, regulatory, political or military conditions which in the sole judgement of Morgan Stanley (for itself and on behalf of First Shanghai) is or would be materially adverse to the success of the Placing or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
- (iii) any significant event, development or change or prospective change (whether or not permanent or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) in local, national or international securities market conditions or currency exchange rates or foreign exchange rates or exchange controls which in the sole judgement of Morgan Stanley (for itself and on behalf of First Shanghai) is or would be materially adverse to the success of the Placing or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
- (iv) a general moratorium on commercial banking activities in Hong Kong, the PRC, London or New York declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the PRC, the United Kingdom or the United States; or
- (v) a change or development involving a prospective change in taxation adversely affecting the Company, the Placing Shares or the transfer thereof; or
- (vi) any outbreak or escalation of hostilities or act of terrorism or any event in the nature of force majeure (such as earthquake and tsunami) involving or affecting Hong Kong, the PRC, Japan, the United Kingdom or the United States or the declaration by Hong Kong, the PRC, the United Kingdom or the United States of a national emergency or war or other calamity or crisis; or
- (vii) any suspension of dealings in the Shares for any period whatsoever (other than as a result of the Placing); or

- (viii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange, the Tokyo Stock Exchange or Nasdaq due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or
- (b) any breach of any of the representations, warranties and undertakings by the Company and/or the Vendors set out in the Placing and Subscription Agreement comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date of the Placing and Subscription Agreement and prior to the Closing Date which if it had occurred or arisen before the date of the Placing and Subscription Agreement would have rendered any of such representations, warranties and undertakings untrue, misleading or incorrect in any respect or in the sole judgement of Morgan Stanley (for itself and on behalf of First Shanghai) is or would materially and adversely affect the financial position or business of the Company and/or of the Group as a whole or is or would be materially adverse to the success of the Placing, or there has been a breach of, or failure to perform, any other provision of the Placing and Subscription Agreement on the part of the Vendors and/or the Company; or
- (c) there is any such adverse change, or development involving a prospective adverse change, in the general affairs, condition, results of operations or prospects, management, business, stockholders' equity or in the financial or trading position of the Company or the Group as a whole which in the sole judgement of Morgan Stanley is materially adverse to the success of the Placing;

then and in any such case, Morgan Stanley (for itself and on behalf of First Shanghai) in its sole judgement may terminate the Placing and Subscription Agreement without liability to the Vendors and the Company by giving notice in writing to the Vendors and the Company, which notice may be given at any time on or before 10:00 a.m. (Hong Kong time) on the Closing Date.

Application for Listing: Application will be made by the Company to the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

General Mandates: The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors pursuant to the written resolutions of all Shareholders passed on 23 June 2010. As at the date of this announcement, no Shares have been issued and allotted under such general mandate. The Subscription Shares will utilize 30% of the 200,000,000 Shares that are allowed to be allotted and issued under the general mandate. Therefore, the Subscription does not require specific approval of the Shareholders.

Completion of the Subscription: Completion of the Subscription shall take place on the second Business Day after the date upon which the last of the conditions of the Subscription set out above to be satisfied shall have been so satisfied (provided that it shall take place on a date no later than a date falling 14 days after the date of the Placing and Subscription Agreement) or such other time and/or date as the Vendors and the Company may agree in writing.

Under Rule 14A.31(3)(d) of the Listing Rules, the Subscription must be completed within 14 days from the date of the Placing and Subscription Agreement, that is, on or before 29 April 2011, otherwise the exemption under Rule 14A.31 of the Listing Rules will not apply.

2. REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

The gross proceeds from the Subscription will be HK\$396 million and the net proceeds from the Subscription (after deducting the commission for the Placing and other expenses relating to the Placing and the Subscription) of approximately HK\$385.7 million will be entirely used for the general working capital of the Group.

As disclosed in the announcement of the Company dated 11 March 2011 regarding the audited annual results of the Group for the year ended 31 December 2010, the Group has implemented various expansion plans, each of which will require further investment and working capital to grow. The Directors have considered the amount of funds from the net proceeds raised from the Global Offering that can be applied towards the working capital of the Group and believe that it is in the interest of the Company and the Shareholders to further enhance the working capital base of the Group to undertake new business opportunities.

The Directors have considered various ways of raising funds and believe that the Placing and the Subscription represent an opportunity to raise capital for the Company while broadening and enhancing the shareholder and capital base of the Company. Considering the lower costs and shorter time involved in the Placing and the Subscription when compared with other means of fund raising exercises such as rights issue or open offer, the Directors believe that the Placing and the Subscription exercise is the most appropriate method for raising funds. The Directors consider that the terms (including the Placing Price and the commission payable to the Placing Agents) of the Placing and Subscription Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

3. FUND RAISING DURING THE PAST 12 MONTHS

Other than the Global Offering, the Company has not conducted any equity fund raising activities in the past twelve month period immediately before the date of this announcement.

4. SHAREHOLDING STRUCTURE

On the basis that 60,000,000 Placing Shares are placed under the Placing and Subscription Agreement and 60,000,000 Subscription Shares are subscribed under the Placing and Subscription Agreement by the Vendors, the shareholding of the Company will be as follows:

	As at the date of this announcement		Immediately after the Placing but before the Subscription		Immediately after the Placing and the Subscription	
	Number of Shares	%	Number of Shares	%	Number of Shares	Approx. %
HWH	345,000,000	34.5	315,000,000	31.5	345,000,000	32.55
Delco	345,000,000	34.5	315,000,000	31.5	345,000,000	32.55
Green Elite (<i>Note</i>)	60,000,000	6	60,000,000	6	60,000,000	5.66
Public	250,000,000	25	310,000,000	31	310,000,000	29.24
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	1,000,000,000	100	1,000,000,000	100	1,060,000,000	100
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Note: Green Elite is beneficially owned as to 50% by HWH and 50% by Delco respectively.

5. IMPLICATIONS UNDER THE TAKEOVERS CODE

As at the date of this announcement, each of the Vendors holds 345,000,000 Shares, representing 34.5% of the entire issued share capital of the Company. Green Elite holds 60,000,000 Shares, representing 6% of the entire issued share capital of the Company. Green Elite is owned in equal shares by the Vendors and is therefore an associate of each of the Vendors.

On the assumption that 60,000,000 Shares have been placed under the Placing (of which 30,000,000 Placing Shares have been placed by each of the Vendors), immediately after completion of the Placing, the aggregate voting rights of the Company held by each of the Vendors and Green Elite will be reduced by 3%, from 40.5% to 37.5%. On the assumption that 60,000,000 Shares have been placed under the Placing (of which 30,000,000 Placing Shares have been placed by each of the Vendors) and subscribed under the Subscription, following the completion of the Subscription, the aggregate voting rights of the Company held by each of the Vendors and Green Elite will be increased by approximately 0.7%, from 37.5% to approximately 38.2%. Therefore, the Subscription will not trigger the obligations of each of the Vendors to make a mandatory general offer under Rule 26 of the Takeovers Code.

6. LOCK-UP UNDERTAKING

The Vendors jointly and severally undertake to the Placing Agents that (except for the sale of the Placing Shares pursuant to the Placing and Subscription Agreement and that the Vendors shall be entitled to have the option to pledge up to 100,000,000 Shares to financial institutions approved by Morgan Stanley as security for a loan) for a period of 120 days from the Closing Date, each of the Vendors will not and will procure that none of its nominees and companies controlled by it (for the avoidance of doubt, including Green Elite) and trusts associated with it (whether individually or together and whether directly or indirectly) will (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Subscription Shares) or any interests therein beneficially owned or held by such Vendor or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above, unless with the prior written consent of Morgan Stanley (for itself and on behalf of First Shanghai).

The Company undertakes to the Placing Agents, and each of the Vendors undertakes to the Placing Agents to procure, that for a period of 120 days from the Closing Date, the Company will not, except for (a) the Subscription Shares, (b) the grant of any options under the Company's share option scheme and (c) any issue of Shares pursuant to the exercise of any options granted under the Company's share option scheme, (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares or (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above without first having obtained the written consent of Morgan Stanley (for itself and on behalf of First Shanghai).

7. GENERAL

The Group principally engages in mixed metal scrap recycling, reuse and processing which involves breaking-down, demolition and separation of mixed metal scrap such as motor scrap and electric wire and cable scrap into their respective metal constituents, comprising mainly copper scrap, steel scrap, aluminum scrap and iron scrap.

8. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“acting in concert”	has the meaning ascribed in the Takeovers Code;
“associate”	has the meaning ascribed in the Takeovers Code;
“Board”	the board of Directors;
“Business Day(s)”	any day (excluding a Saturday or Sunday or public holiday) on which banks are generally open for business in Hong Kong;
“Closing Date”	19 April 2011 or such other date as the Vendors and Morgan Stanley (for itself and on behalf of First Shanghai) may agree in writing;
“Company”	Chiho-Tiande Group Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 976);
“Completion”	completion of the obligations of the Placing Agents, the Company and the Vendors under the Placing and Subscription Agreement;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Delco”	Delco Participation B.V., a company incorporated in the Netherlands and the legal and beneficial owner of 345,000,000 Shares immediately before the signing of the Placing and Subscription Agreement;
“Directors”	the director(s) of the Company;
“Executive”	the executive director of the Corporate Finance Division of the SFC and any of its delegates;
“First Shanghai” or “Co-lead Manager”	First Shanghai Securities Limited, a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities, acting as the co-lead manager of the Placing and one of the Placing Agents;

“Global Offering”	the global offering of 25,000,000 new Shares for subscription by the public in Hong Kong and the placing of 225,000,000 new Shares for subscription and/or purchase by the international underwriter, as described in the Prospectus;
“Green Elite”	Green Elite Limited, a company incorporated in the British Virgin Islands with limited liability and held in equal shares by the Vendors. As at the date of this announcement, Green Elite is the legal and beneficial owner of 60,000,000 Shares;
“Group”	the Company and its subsidiaries;
“Guarantor”	together, Mr. de Leeuw, Mr. Fang and Mr. van Ooijen, the guarantors under the Placing and Subscription Agreement, and a “Guarantor” shall mean any one of them;
“HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HWH”	HWH Holdings Limited, a company incorporated in the British Virgin Islands and the legal and beneficial owner of 345,000,000 Shares immediately before the signing of the Placing and Subscription Agreement. HWH is wholly-owned by Mr. Fang;
“Independent Third Parties”	any persons who and whose ultimate beneficial owners are third parties (a) independent of and not acting in concert with any of the Vendors and parties acting in concert with any of them; and (b) independent of the Company and its connected persons;
“Last Trading Day”	15 April 2011;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Morgan Stanley” or “Bookrunner”	Morgan Stanley & Co. International plc acting as the bookrunner of the Placing and one of the Placing Agents and, in so far as Morgan Stanley & Co. International plc is “dealing in securities” as defined in Schedule 5 of the SFO, Morgan Stanley & Co. International plc shall be doing so through its agent, Morgan Stanley Asia Limited, and only in circumstances such that none of the sub-provisions (I), (II), (III), (IV) and (V) in sub-paragraph (iv) to the definition of “dealing in securities” in Part 2 of Schedule 5 of the SFO are applicable;

“Mr. de Leeuw”	Mr. Herman Maurits de Leeuw, one of the Company’s Controlling Shareholders;
“Mr. Fang”	Mr. Fang Ankong, an executive Director and Chief Executive Officer and one of the Company’s Controlling Shareholders;
“Mr. van Ooijen”	Mr. Stephanus Maria van Ooijen, an executive Director and one of the Company’s Controlling Shareholders;
“Placees”	any professional, institutional or other investor(s) selected and procured by or on behalf of the Placing Agents to subscribe for any of the Placing Shares pursuant to the Placing and Subscription Agreement;
“Placing”	the placing and sale of 60,000,000 existing Shares legally and beneficially owned by the Vendors to the Placees by the Placing Agents on a reasonable efforts basis pursuant to the terms of the Placing and Subscription Agreement;
“Placing Agents”	Morgan Stanley and First Shanghai;
“Placing Agreement”	the placing and subscription agreement entered into between the Vendors, the Guarantors, the Placing Agents and the Company dated 15 April 2011 in respect of the Placing and the Subscription;
“Placing Price”	HK\$6.60 per Share;
“Placing Shares”	60,000,000 existing Shares legally and beneficially owned by the Vendors and to be placed and sold to the Placees by the Placing Agents on a reasonable efforts basis pursuant to the Placing and Subscription Agreement;
“PRC”	The People’s Republic of China;
“Prospectus”	the prospectus of the Company published on 28 June 2010 in relation to the Global Offering;
“SFC”	The Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	the shareholder(s) of the Company;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription of the Subscription Shares by the Vendors pursuant to the terms of the Placing and Subscription Agreement;
“Subscription Price”	HK\$6.60 per Share;
“Subscription Shares”	60,000,000 new Shares to be subscribed by the Vendors pursuant to the Placing and Subscription Agreement;
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers;
“United States”	the United States of America;
“US Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
“Vendors”	collectively HWH and Delco, and “Vendor” shall mean any one of HWH or Delco; and
“%”	per cent.

By Order of the Board
Chiho-Tiande Group Limited
Fang Ankong
Chairman

Hong Kong, 15 April, 2011

As at the date of this announcement, the Board comprises:

<i>Executive Directors:</i>	Fang Ankong, Stephanus Maria van Ooijen, Gu Liyong
<i>Non-executive Director:</i>	Ralph Sytze Ybema
<i>Independent non-executive Directors:</i>	Loke Yu, Li Xikui, Zhang Jingdong