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## **INTERCHINA HOLDINGS COMPANY LIMITED**

**國 中 控 股 有 限 公 司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 202)**

### **DISCLOSEABLE TRANSACTION**

#### **The Acquisition**

The Board wishes to announce that, after trading hours on 2 March 2011, the Purchaser, being a wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares and the Shareholder's Loan at the Consideration (being a total of HK\$800 million).

The Sale Shares represent the entire issued share capital of the Target and the Shareholder's Loan shall represent all amounts due and owing to the Vendor by the Target immediately prior to Completion. The Target is principally engaged in investment holding which, upon Completion, shall be directly interested in 65% equity interest in SLP, a company incorporated in the Republic of Indonesian, which is principally engaged in the exploration, mining, processing and sale of Manganese resources in the Republic of Indonesia. To the best of the Directors' knowledge information and belief, having made all reasonable enquiries, the Vendor is a third party independent of the Group and its connected persons.

Completion is subject to fulfilment or waiver of certain conditions precedent set out in the paragraph headed "Conditions precedent" of this announcement.

Upon Completion, the Target shall become a wholly-owned subsidiary of the Company, which in turn directly holds 65% equity interest in SLP.

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

**Completion of the Agreement is subject to a number of conditions precedent which are detailed in this Announcement, the Acquisition may or may not be completed. Investors are reminded to exercise caution when dealing in the Shares.**

## THE AGREEMENT DATED 2 MARCH 2011

### 1 Parties:

Purchaser : the Purchaser, a wholly owned subsidiary of the Company

Vendor : the Vendor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the Vendor is a third party independent of the Group and its connected persons.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, there was no previous transaction entered into between the Group and the Vendor before the date of this announcement that was subject to aggregation under Rule 14.22 of the Listing Rules.

### 2 Assets to be acquired:

- (i) the Sale Shares, representing the entire issued share capital of the Target, which in turn will hold 65% equity interest in SLP upon Completion.
- (ii) the Shareholder's Loan, being the aggregate sum due and owing by the Target to the Vendor immediately prior to Completion.

### 3 Consideration:

The aggregate Consideration is HK\$800 million, of which the consideration for the Shareholder's Loan is equivalent to its face value and the consideration for the Sale Shares shall be the balance of the Consideration after deducting the consideration for the Shareholder's Loan. The Consideration will be satisfied in cash in the following manners:

- (i) HK\$400 million (the "**Deposit**"), representing 50% of the Consideration shall be payable by the Purchaser to the Vendor (or its nominee(s)) as deposit and part payment of the Consideration within 7 days after the signing of the Agreement; and
- (ii) the remaining HK\$400 million shall be payable by the Purchaser to the Vendor (or its nominee(s)) upon Completion.

As disclosed in the section headed "Information of the Target Group and the Project" of this announcement, the Measured Resource and the Indicated Resource estimate as disclosed in the draft technical report prepared by Roma Mining and Oil Associates Limited, an independent technical expert in accordance with the JORC Code, was approximately 8 million tonnes. Based on the draft valuation report prepared by Roma Appraisals Limited, an independent competent evaluator, the valuation in respect of the mineral assets held by SLP using the income-based approach is approximately HK\$1,026,000,000.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser taking into account the valuation of SLP and other factors including the market price of Manganese resources, mining potential and both of the Measured Resource and the Indicated Resource estimate of the Project as disclosed in the section headed "Information of the Target Group and the Project – Resources estimation" of this announcement. The Board is of the view that the Consideration (including the payment method and the default penalty as set out below) is fair and reasonable.

#### **4 Conditions precedent:**

Completion shall be conditional on the following conditions precedent being fulfilled or waived (as the case may be):

- (a) all necessary consents, licences and approvals required to be obtained on the part of the Purchaser in respect of the Agreement and the transactions contemplated thereby having been obtained and remained in full force and effect;
- (b) the Target having become the registered and beneficial owner of 65% equity interest in SLP;
- (c) the obtaining of an Indonesian legal opinion (in form and substance satisfactory to the Purchaser) from a firm of Indonesian legal advisers appointed by the Purchaser and acceptable to the Vendor in relation to the Agreement and the transactions contemplated thereby (including but not limited to (a) SLP's due and proper incorporation and valid existence under the laws of the Republic of Indonesia; (b) the power and authority of SLP to carry its business as set forth in SLP's constitutional document; (c) the obtaining by SLP and the validity of the IUP Exploration and IUP Operation Production; (d) the ownership of the Target and the share capital of SLP; and (e) any other matter as may reasonably be required by the Purchaser;
- (d) the obtaining of a valuation report (in form and substance satisfactory to the Purchaser and the Vendor) from a firm of independent professional competent evaluator appointed by the Purchaser showing the valuation to be not less than HK\$1 billion;
- (e) the obtaining of a technical report (in form and substance satisfactory to the Purchaser and the Vendor) issued by a qualified technical adviser appointed by the Purchaser which indicates that the Mining Blocks has an aggregate Manganese deposits (including Measured Resource and Indicated Resource) of mean estimate of not less than 8 million tonnes;
- (f) all necessary consents, licences (including but not limited to the IUP Exploration and IUP Operation Production) and approvals required to be obtained on the part of the Vendor and the Target Group in respect of the Agreement and the transactions contemplated thereby having been obtained and remained in full force and effect;
- (g) the Purchaser being reasonably satisfied with the results of the due diligence review to be conducted; and

(h) the Purchaser having received the audited financial statements including the balance sheet, profit and loss accounts together with the notes thereon, the cash flow statement and the auditors' and directors' reports of SLP for the years ended 31 March 2009 and 2010 and the period from 1 April 2010 to 31 Dec 2010, in respect of which the auditors' report must be unqualified.

The Purchaser may at its absolute discretion at any time waive in writing any of the conditions set out in paragraphs (c), (g) and (h). Other conditions cannot be waived.

In the event that the above conditions cannot be fulfilled (or waived, as the case may be) before 4:00 p.m. on 31 August 2011 or such later date as the Purchaser and the Vendor may agree in writing, the Agreement will automatically cease and the Vendor shall within 7 Business Days from the cessation and termination of the Agreement refund the Deposit to the Purchaser without interests, and thereafter neither party shall have any obligations and liabilities towards each other hereunder save for any antecedent breaches of the terms hereof.

## **5 Completion:**

Completion shall take place on the third Business Day after the conditions precedent have been fulfilled (or waived, as the case may be) or on such other date as may be agreed between the Vendor and the Purchaser in writing.

Upon Completion, the Target shall become a wholly-owned subsidiary of the Company, which in turn directly holds 65% equity interest in SLP.

## **6 Default Penalty:**

If the conditions precedent have been fulfilled or waived on or before 31 August 2011, but the Purchaser shall fail to complete the purchase of the Sale Shares and the Shareholder's Loan, the Vendor may forthwith determine the Agreement by giving notice of termination in writing to the Purchaser to such effect, in which event the Vendor shall have the right to forfeit HK\$40 million out of the Deposit and shall forthwith refund to the Purchaser the balance of the Deposit (without interest) after such forfeiture. Thereafter, neither party shall have any obligations and liabilities under the Agreement nor take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

If the conditions precedent have been fulfilled or waived on or before 31 August 2011, but the Vendor shall fail to complete the sale of the Sale Shares and the Shareholder's Loan, the Purchaser may forthwith determine the Agreement by giving notice of termination in writing to the Vendor to such effect, in which event the Vendor shall forthwith refund to the Purchaser the Deposit (without interest) together with HK\$200 million. Thereafter, neither party shall have any obligations and liabilities under the Agreement nor take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

**Investors should note that Completion is subject to a number of conditions precedent which are detailed in this announcement, the Acquisition may or may not be completed. Investors are reminded to exercise caution when dealing in the Shares.**

## **INFORMATION OF THE TARGET GROUP AND THE PROJECT**

The following is based on the information represented by the Vendor or information contained in the draft preliminary reports currently available to the Company:

### **1. Universe Glory**

Universe Glory was incorporated in the British Virgin Islands on 12 April 2010 with limited liability and is engaged in investment holding which, upon Completion, shall be directly interested in 65% of the issued share capital of SLP. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the remaining shareholding interest of SLP are held by parties independent of the Group and its connected persons.

### **2. SLP and the Project**

SLP was incorporated in the Republic of Indonesia on 8 October 2005 with limited liability and is a mining company, focused on the exploration and mining of Manganese, which is licensed by the Indonesian Government for exploration, exploitation, refining and processing of Manganese ore. The mining concession is situated in the surrounding area of Kupang Nusa Tenggara Timur (the western part of Timor Island), located in the sub-districts of South Amfoang and Takari, Kupang Regency. The flagship asset of SLP is South Amfoang and Takari, located 130 km east of Kupang City Nusantara Timor Tenggara, Indonesia, a region renowned globally as a major source of high grade Manganese ore.

Exploration permits and licenses hold by SLP:

Under the Mining and Coal Law No.4 of 2009 (the "New Mining Law") of the Republic of Indonesia, the previous mining license Kuasa Pertambangan ("KP") will need to be converted to a new form of mining license called Ijin Usaha Pertambangan ("IUP"). IUPs are divided into IUP Exploration and IUP Operation Production. Once the IUP Operation Production is being issued, the IUP Operation Production holder will automatically possess the rights to mine, process, transport, market and export the mineral ores.

At the date of this announcement, SLP is the holder of 2 Exploitation KP, 2 Transportation and Sales KP and 2 Processing and Refinery KP in respect of Manganese as follows:

- (1) Exploitation KP Number 525/SKEP/HK/2008 dated 18 December, 2008 issued by Head of Regency of Kupang covering an aggregate area of approximately 1,000 hectares located at Oelnineno Village, Takahari District, Kupang Regency for 5 years;
- (2) Exploitation KP Number 14/SKEP/HK/2009 dated 6 January, 2009 issued by Head of Regency of Kupang to covering an aggregate area of approximately 1,000 hectares located at Fatumetan Village, Amfoang Selatan District, Kupang Regency for 5 years;
- (3) Transportation and Sales KP Number 48/SKEP/HK/2009 dated 7 February, 2009 issued by Head of Regency of Kupang, to allow sell and transport of manganese produced from the mining area in Oelnineno Village, Takahari District, Kupang Regency for 5 years;
- (4) Transportation and Sales KP Number 49/SKEP/HK/2009 dated 7 February, 2009 issued by Head of Regency of Kupang, for sell and transport of manganese produced from the mining area in Fatumetan Village, Amfoang Selatan District, Kupang Regency for 5 years;
- (5) Processing and Refinery KP Number 46/SKEP/HK/2009 dated 7 February, 2009 issued by Head of Regency of Kupang, to allow process and refine of manganese produced from the mining area in Oelnineno Village, Takahari District, Kupang Regency for 5 years; and
- (6) Processing and Refinery KP Number 47/SKEP/HK/2009 dated 7 February, 2009 issued by Head of Regency of Kupang, to allow process and refine of manganese produced from the mining area in Fatumetan Village, Amfoang Selatan District, Kupang Regency for 5 years.

SLP has submitted application for converting the mining license from KP Exploitation to IUP Operation Production in accordance to the New Mining Law. This means reports on complete exploration, feasibility study, environmental study (“AMDAL”) have already been submitted and accepted by the relevant authorities, with plans on reclamation and post-mining rehabilitation. According to the Vendor, the above six KPs will be converted into one IUP Operation Production with a total area of not less than 2,000 hectares.

Subject to the issue of IUP Operation Production, it is currently expected that the Mining Block will commence production in mid of 2011 with expected average annual production of Manganese of not less than 750,000 tonnes starting from 2013.

## ***Resources estimation***

Based on the preliminary technical report prepared by Roma Mining and Oil Associates Limited, it is estimated that the Mining Block has the following resources:

	<b>Resources</b> <i>(Tonnes)</i>
Measured	3,749,338
Indicated	5,047,018
Inferred	10,041,640
	<hr/>
Total	<u>18,837,996</u>

## ***Risk Factors***

### *1. Relevant permits for the mining activities*

Mining activities are subject to extensive governmental regulations, policies and controls. There is no assurance that SLP will be able to obtain the relevant permits to conduct the mining activities. Any delays or denial in obtaining such permits for conducting the mining activities or non-compliance of existing and future environments, laws and regulations will adversely affect the commercial production of the mines and operation and financial performance of the Group.

### *2. Uncertainty about the mineral resources*

It is anticipated that the Measured Resources and Indicated Resources to be stated in the Technical Reports would be based on a number of assumptions on principal factors and variables, which may prove to deviate from the actual state of the mines, and which would be beyond the Company's control. Consequently, the actual amount of resources derived from the mines may deviate materially from the amount to be stated in the Technical Reports.

There is no guarantee that the mines contain sufficient mineral resources for commercial production.

### *3. Fluctuation of metal prices*

The value of the mines and the profitability of the Group's mining operations and earnings may be affected by fluctuations in the market prices of metal, in particular, the prices of Manganese resources, and the cyclical nature of the international market. These fluctuations may be influenced by numerous factors which are beyond the control of the Group, including global productions of and industrial demands for metals, in particular, Manganese resources, and the global economic conditions. Any sustained adverse movements in metal prices are expected to have a negative impact on the Group's financial condition and results of operation of the mines.

#### 4. *Significant and continuous capital investment*

The mining business requires significant and continuous capital investment. The major mine exploration and production projects may exceed the original budgets and may not be completed as planned and may not achieve the intended economic results or commercial viability. Actual capital expenditures for the new business may significantly exceed the Group's budgets because of various factors beyond the Group's control, which in turn may affect the Group's financial condition.

#### 5. *Risks relating to operation and development of mines*

Exploration drilling to establish productive reserves is inherently speculative. The techniques presently available to technical specialists to identify the existence and location of resources subject to a wide variety of variables which are subjective in nature. Mineral exploration is highly speculative in nature. The Target Group's exploration projects involve many risks, and success in exploration is dependent upon a number of factors, including, but not limited to, quality of management, quality and availability of geological expertise and availability of exploration capital.

There is no assurance that its future exploration efforts will result in the discovery of a mineral resource, or that its current and future exploration programs will result in the expansion or replacement of current production with new resources and reserves. Furthermore, there is no assurance that its exploration programmes will be able to extend the life of its existing mines or result in the discovery of new producing mines.

The production phase by its nature also involves significant risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, unexpected labour shortages and compensatory claims, disputes or strikes, cost increases for contracted and/or purchased goods and services, shortages of required materials and supplies, electrical power interruptions, mechanical and electrical equipment failure, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes, encountering unusual or unexpected climatic conditions which may or may not result from global warming, and encountering unusual or unexpected geological conditions. The occurrence of any of these hazards can delay or interrupt production, increase production costs and result in liability to the Target Group. The Target Group could become subject to liability for pollution or other hazards against which it has not insured or cannot be insured, including those in respect of past activities for which it was not responsible.



## Financial information of the Target Group

The Target Group comprises the Target and SLP, the financial information of which are illustrated below separately.

Set out in the below is the unaudited financial information on the Target for the period from 12 April 2010 (being date of incorporation) up to 31 December 2010 prepared in accordance with the Hong Kong Financial Reporting Standards:

**For period from 12 April 2010  
(date of incorporation) to  
31 December 2010  
(HKD'000)**

Loss before taxation	(54)
Loss for the period	(54)

The unaudited net assets of the Target as at 31 December 2010 were approximately HK\$336,000.

Set out below is the unaudited financial information on SLP for the year ended 31 March 2009 and 2010 and for the nine months ended 31 December 2010 prepared in accordance with the Indonesia GAAP:

	<b>For the year ended 31 March</b>		<b>For the nine months ended 31 December</b>
	<b>2009</b>	<b>2010</b>	<b>2010</b>
	<i>(US\$'000)</i>	<i>(US\$'000)</i>	<i>(US\$'000)</i>
Net assets	26	33	33
	(as at	(as at	(as at
	31 March 2009)	31 March 2010)	31 December 2010)
Loss before taxation	—	—	—
Loss after taxation	—	—	—

SLP has not been in operation since incorporation.

## REASONS FOR THE ACQUISITION

The Company is principally engaged in environmental protection and water treatment operation, property investment operation and securities and financial operation. As set out in the annual report of the Company for the year ended 31 March 2010, the Company intends to develop more new business such as nature resources, so as to capture new opportunities with potentials, which will bring strong and stable return to the Shareholders in the long run. The Group has been continuously looking for appropriate investment opportunities in the natural resources business. As disclosed in the announcement of the Company dated 10 January 2011, the Company entered into the memorandum of understanding relating to the formation of a joint venture (“JV”) with Northwest Nonferrous International Investment Co. Ltd. (“NWII”) in Hong Kong for the purpose of seeking favourable mineral resources exploration projects worldwide, conducting evaluation and feasibility studies for potential projects, providing consultation and management, and/or investment in potential projects. The Company considers that given the cooperation party is experienced in investment, development, exploration and construction of mining resources projects in the PRC and overseas, forming the JV with NWII will not only provide a solid technical support to the Group for the project, but also assist the Group in developing the natural resources business, so as to strengthen the Group’s profit in the long run.

The Directors consider that it is beneficial for the Group to seek suitable investment opportunities to diversify its existing business portfolio and to broaden its revenue sources. The Company has identified the Target Group as an appropriate acquisition target to the Group and is of the view that the Acquisition would allow the Group to diversify into a new line of business with significant growth potential. Given that Indonesia is well known for its possession of abundant natural resources, it is expected that it will provide a great opportunity for the Group’s business to grow if the Group is able to break into the natural resources market in Indonesia. Manganese is one of many important elements found in nature and is the most widely used and versatile chemical elements in the world. Manganese is the fourth most consumed element in the world, following iron, aluminum and copper. In light of the expected continuous growth in demand for manganese in the world, the Directors consider that the Group may broaden its revenue sources by diversifying its business to include manganese exploration, mining, processing and trading through the Acquisition.

Despite that the Project may involve substantial investment in addition to the payment of the Consideration, the Directors considered that the Project shows development potential to the Company. The Consideration and the capital investment will be satisfied by internal resources and banking facilities available to the Company.

The terms of the Agreement have been negotiated on an arm’s length basis. The Directors believe that the terms of the Agreement are fair and reasonable and the Acquisition is in the interest of the Company and the Shareholders as a whole.

## General

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Completion of the Agreement is subject to a number of conditions precedent which are detailed in this Announcement, the Acquisition may or may not be completed. Investors are reminded to exercise caution when dealing in the Shares.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	the acquisition by the Purchaser of the entire issued share capital of the Target and Shareholder’s Loan pursuant to the terms and conditions of the Agreement
“Agreement”	the sale and purchase agreement dated 2 March 2011 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Interchina Holdings Company Limited, a company incorporated in Hong Kong with limited liabilities, the issued Shares of which are listed on the Main Board
“Completion”	completion of the Acquisition
“connected person”	has the meaning ascribed to it in Rule 1.01 and as extended under Rule 14A.11 of the Listing Rules

“Consideration”	HK\$800 million, being the aggregate consideration payable for the Acquisition by the Purchaser to the Vendor
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“IUP Exploration”	the mining business licence (Ijin Usaha Pertambangan – IUP) for exploration issued by the Head of Regency of Kupang, Nasantara Timor Tenggara provinces, Indonesia, under which SLP is licensed to conduct exploration and feasibility study in the Mining Block
“IUP Operation Production”	the mining business licence (Ijin Usaha Pertambangan – IUP) for production and operation issued by the Head of Regency of Kupang, Nasantara Timor Tenggara provinces, Indonesia, under which SLP is licensed to conduct construction, mining, processing and refining activities in the Mining Block, transporting and selling as well as post mining activities
“Indicated Resource”	as defined by reference to the JORC Code, that the tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed. An Indicated Resource has a lower level of confidence than that applying to a Measured Resource, but has a higher level of confidence level than that applying to an Inferred Resource
“Inferred Resource”	as defined by reference to the JORC Code, that the tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability. An Inferred Resource has a lower level of confidence than that applying to an Indicated Resource

“JORC”	Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
“JORC Code”	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources as prepared by JORC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Manganese”	chemical element and metal resources in the Mining Block
“Measured Resource”	as defined by reference to the JORC Code, that tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity
“Mining Block”	the manganese element and mineral prospects which are located in the field of Kupang City, Nasantara Timor Tenggara provinces, Indonesia, the mining block of approximately 2,000 hectare is in and around the sub-district of Amfoang Selatan, sub-district of Takari and sub-district of Fatuleu
“Project”	means all mining activities within the Mining Block, including but not limited to the exploration, development, exploitation, production, sale and transportation of the mining products of the Mining Block
“PRC”	the People’s Republic of China
“Purchaser”	Interchina Resources Holdings Limited, a company incorporated in Hong Kong with limited liabilities and a wholly-owned subsidiary of the Company
“Sale Shares”	50,000 shares of US\$1.00 each in the capital of the Target, being the entire issued share capital of the Target as at the date of this announcement

“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shareholder’s Loan”	being the aggregate amount owned by the Target to the Vendor immediately prior to Completion, which is interest free, unsecured and repayable on demand
“SLP”	P.T. Satwa Lestari Permai, a company incorporated in the Republic of Indonesian on 8 October 2005
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	the Target and SLP
“Target”	Universe Glory Limited, a company incorporated in the British Virgin Islands on 12 April 2010
“Vendor”	Zhou Yuning, the legal and beneficiary owner of the entire issued share capital of the Target
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent.

On behalf of the Board  
**Interchina Holdings Company Limited**  
**Lam Cheung Shing, Richard**  
*Executive Director and Chief Executive Director*

Hong Kong, 2 March 2011

*As at the date of this announcement, the executive Directors are Mr. Zhang Yang, Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun and Mr. Zhang Chen and the independent non-executive Directors are Ms. Ha Ping, Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward and Dr. Fu Tao.*