

2005 Major Events Calendar

January

- The Company's first extraordinary general meeting ("EGM") in 2005 was convened, where resolutions were considered and passed in relation to the appointment of members of the fifth board of directors of the Company (the "Board") and the supervisory committee (the "Supervisory Committee") of the Company.

March

- The Company and China Aerospace Foundation entered into a collaboration agreement in Shunde, by which the Company became the first household electrical appliances manufacturer in the nation to be a "partner of the Chinese aerospace cause", and products under the Group's brand names including "Kelon", "Ronshen" and "Huabao" were designated as "Special products for aerospace use in China".

April

- The "Kelon" brand name was selected as one of the 40 "CCTV Most Favorite Chinese Brand Names among Consumers".

June

- The Company's annual general meeting ("AGM") in 2004 was convened, where resolutions were considered and passed, of which one resolution was in relation to the change of the appointment of domestic and foreign auditors of the Company.

August

- The fifth Board considered and passed the dismissal of Mr. Gu Chu Jun as the chairman of the Board while the vice-chairman of the Board, Mr. Liu Cong Meng, carried out duties of the chairman of the Board.

September

- The Company's single largest shareholder Guangdong Greencool Enterprise Development Limited ("Guangdong Greencool") and Hisense Air-Conditioner entered into an equity transfer agreement and a supplemental agreement, to transfer 26.43% shares of the Company held by Guangdong Greencool.
- The fifth Board considered and passed the resolution in relation to the appointment of new senior management, where Mr. Tang Ye Guo would act as the president, Mr. Xiao Jian Lin, Mr. Su Yu Tao, Mr. Shi Yong Chang, Mr. Luo Jun, Mr. Lin Lan would act as the vice presidents. The Company's production resumed rapidly, while financial institutions, distributors and retailers also regained their confidence in the Company.

October

- The fifth Board considered and passed the resolution in relation to the establishment of the Remuneration and Evaluation committee. The Remuneration and Evaluation Committee is responsible for the assessing the qualifications and standards of the directors (the "Directors") and senior management, assessment and providing recommendations thereon as well as the research and review of remuneration policy and plans for the Directors and senior management of the Company.

November

- Since November, by making huge investment, Kelon has launched its "Thousand Shops Strive for Number One" movement, in which the Company renovated more than 1,200 refrigerator show corners in department stores throughout the nation, so as to brighten and promote the image of "Kelon" and "Ronshen" brand names.