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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)**

#### **DISCLOSEABLE TRANSACTION DISPOSAL OF SUBSIDIARIES**

The Board announces that on 8 June 2009, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Sale Shares at a cash consideration of HK\$10,000.00.

As certain percentage ratios for the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company under Rule 14.06 of the Listing Rules.

#### **THE AGREEMENT**

**Date:** 8 June 2009

**Parties:** (1) Appraise Asia Investments Limited as the Vendor;  
(2) Winner Best International Invest Limited as the Purchaser;

The Board announces that on 8 June 2009, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Sale Share at a cash consideration of HK\$10,000.00.

The Vendor, a wholly-owned subsidiary of the Company, is incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holdings.

The Purchaser is incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its associates as defined in the Listing Rules.

## **Assets for the Disposal**

Pursuant to the Agreement, the Vendor has agreed to sell the Sale Share of one share of US\$1.00 each in the issued share capital of the Joy Century, representing 100% of the entire issued share capital of Joy Century as at the date of the Agreement. Joy Century is interested in 80% shareholding of Digiworld Network Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in trading of computer components and the operation of internet protocol television platform.

## **Consideration**

The consideration is HK\$10,000.00, which shall be satisfied by cash by the Purchaser upon Completion.

The Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor. The Consideration was agreed with reference to the financial position of Joy Century, including its net liabilities of HK\$105,000 as at 31 May 2009 according to Joy Century's unaudited management account as at 31 May 2009. Joy Century recorded no revenue for the period from 1 January 2009 to 31 May 2009. Having considered the above and the factors described under the section headed "Reasons for the Disposal" below, the Directors are of the view that the terms of the Agreement and the Disposal are fair and reasonable and on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

## **Conditions and Completion**

Completion is conditional upon, among other things, the Vendor and the Purchaser obtaining all necessary approvals and the passing of all necessary resolutions by their respective shareholders and/or directors consenting and approving the sale and purchase of the Sale Share (as the case may be) within 7 Business Days of the date of execution of the Agreement.

## **INFORMATION OF JOY CENTURY GROUP**

Joy Century, a company incorporated in the British Virgin Islands with limited liability, is a wholly-owned subsidiary of the Vendor. Joy Century together with Digiworld, its 80% owned subsidiary, are principally engaged in trading of computer components and the operation of internet protocol television platform.

As stated in the management financial statements of Joy Century Group as at 31 May 2009, Joy Century had unaudited net liabilities of approximately HK\$ 105,000. The attributable loss before and after taxation of Joy Century Group for the year ended 31 December 2008 are both approximately HK\$955,224. The attributable loss before and after taxation of Joy Century Group for the fifteen months ended 31 December 2007 are both approximately HK\$6,059,943.

## **REASONS FOR THE DISPOSAL**

The Company and its subsidiaries are principally engaged in the information technology business including the provision of system integration services, facility management services and information technology related business in the PRC and Hong Kong.

The Directors considered that the business of Joy Century Group has materially deteriorated due to the global economic downturn. The Company would concentrate its resources to develop a nationwide online public procurement platform for suppliers and public procurers in the PRC including central and local government and public authorities.

Having considered the terms of the Agreement and the above reasons for the Disposal, the Directors are of the view that the terms of the Agreement and the Disposal are fair and reasonable and on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

## **USE OF PROCEEDS**

The Company expected that the net proceeds from the Disposal after deducting the relative expenses of the transaction is minimal.

## **FINANCIAL EFFECT OF THE DISPOSAL**

Upon Completion, the Company expects to record a profit on disposal of approximately HK\$115,000 calculated with reference to the Consideration and the estimated net asset deficit value of Joy Century and its subsidiary at Completion. Upon Completion, the Company will cease to hold any interests in Joy Century Group which will cease to be subsidiary of the Company. The results of Joy Century Group will no longer be consolidated into the Group's accounts after Completion.

## **GENERAL**

As certain percentage ratios for the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company under Rule 14.06 of the Listing Rules. Accordingly, circular and shareholders' approval are not necessary.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Agreement”	the Agreement dated 8 June 2009 and entered into between the Vendor and the Purchaser for the sale and purchase of the Sale Shares
“Board”	the board of Directors from time to time
“Business Day”	a day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	China Public Procurement Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the Agreement
“Consideration”	the consideration of HK\$10,000.00 for the Disposal
“Digiworld”	Digiworld Network Limited, a company incorporated in Hong Kong with limited liability
“Directors”	directors of the Company

“Disposal”	the disposal of the Sale Shares under the Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	Winner Best International Invest Limited, a company incorporated in the British Virgin Islands
“Sale Shares”	One issued share of Joy Century, representing 100% of the entire issued share capital of Joy Century as at the date of the Agreement, which are fully paid up or credited as fully paid and are beneficially owned by the Purchaser
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Joy Century”	Joy Century Holding Limited, a company incorporated in the British Virgin Islands with limited liability
“Joy Century Group”	Joy Century and its subsidiary
“Vendor”	Appraise Asia Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“%”	per cent.

By order of the Board  
**China Public Procurement Limited**  
**Liu Bo**  
*Executive Director*

Hong Kong, 8 June 2009

*As at the date of this announcement, Messrs. Cheng Yuanzhong, Dai Zhongcheng, Li Chun Tak, Liu Bo, Wong Hin Shek, Wu Xiaodong and Zhao Peilai are the executive Directors, Ms. Cheng Zhuo and Mr. Wong Kam Fat, Tony are the non-executive Directors, and Messrs. Au Tin Fung and Chan Chun Wai and Ms. So Wai Yee, Betty are the independent non-executive Directors.*