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中国忠旺控股有限公司*

China Zhongwang Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1333)

ANNOUNCEMENT

PURSUANT TO RULE 13.09(1) OF THE LISTING RULES

This announcement is made pursuant to Rule 13.09(1) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to the announcements of China Zhongwang Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 15 September 2009, 17 September 2009, 2 November 2009 and 31 December 2009 regarding, *inter alia*, certain independent review work. Unless the context requires otherwise, terms used in this announcement shall have the same meanings as referred to or defined in such previous announcements.

On 14 September 2009, a press article was published in the PRC by the Economic Observer (the “**Newspaper**”) with certain allegations against the Company about the accuracy of the information as set out in the Company’s prospectus dated 24 April 2009 (the “**Prospectus**”) and the Company has received a public letter of apology from the Newspaper in this respect. Also, the Group invited some management representatives from four of the Group’s major customers together to hold a video press conference with the media on 17 September 2009. The representatives confirmed the accuracy of transactions and their business relationship with the Group as disclosed in the Company’s Prospectus.

Appointment of Ernst & Young (China) Advisory Limited (“Ernst & Young”) as an independent professional service firm

In order to provide further assurance to the shareholders of the Company, the Board entrusted the audit committee of the Company (the “**Audit Committee**”) to engage Ernst & Young as an independent professional service firm to conduct an independent review of the sales transactions with the major 10 customers during the period from 1 January 2008 to 30 June 2009 and the annual corporate income tax filing documentation and the corporate income tax payment records for the financial year ended 31 December 2008.

The independent review

Ernst & Young has submitted the independent review report to the Audit Committee. The Audit Committee has reviewed the independent review report and the Audit Committee is in the opinion and confirms that: (i) there were no any deficiencies in the Group's sales transactions with the major 10 customers during the period from 1 January 2008 to 30 June 2009 in any material respect; and (ii) there were no any deficiencies in annual corporate income tax filing documentation and the corporate income tax payment records for the financial year ended 31 December 2008 in any material respect.

Quarterly internal controls review

Moore Rowland (Beijing) Certified Public Accountants (“**Moore Rowland**”) was engaged to test the effectiveness of the Company's material internal control measures on a quarterly basis for at least 12 months after the Company's listing on the Stock Exchange on 8 May 2009. Moore Rowland has reviewed the Company's material internal control measures (including internal controls on sales, trade receivables and prepaid income tax) for the third quarter of 2009 (1 July 2009 to 30 September 2009) and has not identified any material operating ineffectiveness of those controls.

As at the date of this announcement, the board of directors of the Company (the “**Board**”) has confirmed the accuracy of transactions and other information disclosed in the Prospectus.

The Board would like to stress that the Company aims at conducting its affairs in an open and transparent manner in a consistent way for the benefits of the public and that it commissioned the independent review on a voluntary basis to increase corporate transparency.

By Order of the Board
China Zhongwang Holdings Limited
Liu Zhongtian
Chairman

Hong Kong, 5 January 2010

As at the date of this announcement, the Board of the Company consists of:

Executive Directors

Mr. Liu Zhongtian, Mr. Lu Changqing, Mr. Chen Yan, Ms. Zhong Hong and Mr. Gou Xihui

Non-executive Director

Mr. Ma Xiaowei

Independent non-executive Directors

Mr. Wong Chun Wa, Mr. Wen Xianjun, Mr. Shi Ketong and Mr. Lo Wa Kei, Roy

* *For identification purpose only*