



交大昆機科技股份有限公司
JIAODA KUNJI HIGH-TECH COMPANY LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 0300)

CESSATION OF APPOINTMENT OF AUDITORS

The Board wishes to announce that Messrs Deloitte Touche Tohmatsu have ceased to act as the Company's auditors in Hong Kong with effect from 29 June 2007.

Reference is made to the annual general meeting (“**AGM**”) of Jiaoda Kunji High-Tech Company Limited (“**Company**”) held on 29 June 2007 and the related AGM and class meetings voting results announcement of the Company dated 29 June 2007 (“**Voting Results Announcement**”). Capitalised terms used in this announcement have the same meanings as defined in the Voting Results Announcement unless the context otherwise requires.

The Board wishes to announce that Messrs Deloitte Touche Tohmatsu have ceased to act as the auditors of the Company in Hong Kong with effect from 29 June 2007. As set out in the Voting Results Announcement, Messrs Deloitte Touche Tohmatsu was not re-appointed in the AGM as the Company's auditors in Hong Kong for the year ending 31 December 2007.

A meeting of the Board will shortly be held to nominate and recommend another international firm of certified public accountants to fill the vacancy left by Messrs Deloitte Touche Tohmatsu.

As at the date of this announcement, the Board is not aware of any matters (other than the finalisation of the amount of fees and expenses payable by the Company to Messrs Deloitte Touche Tohmatsu for services rendered to the Company and its subsidiaries (“**Group**”), including any disagreement or any unresolved issues between the Company and Messrs. Deloitte Touche Tohmatsu, that should be brought to the attention of the shareholders and creditors of the Group.

A further announcement will be made by the Company in relation to (a) Messrs Deloitte Touche Tohmatsu's confirmation as to whether there are any circumstances which they consider should be brought to the attention of the shareholders and creditors of the Group; and (b) the appointment of new auditors of the Company in Hong Kong to fill the vacancy left by Messrs Deloitte Touche Tohmatsu.

By order of the Board
Jiaoda Kunji High-Tech Company Limited
Gao Minghui
Director

Kunming, the PRC, 3 July 2007

As at the date of this announcement, the Company's executive directors are Mr. Gao Minghui, Mr. Zhang Hanrong, Mr. Pi Jianguo; non-executive directors are Mr. Song Xingju, Mr. Sun Kai, Mr. Wang Sheng, Mr. Wang Xing, Mr. Shen Guorong; and the Company's independent non-executive directors are Mr. Wayne Yu, Mr. Liu Minghui, Mr. Chen Ying and Ms Li Dongru.