

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.



CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

- (1) PROPOSED RIGHTS ISSUE OF NOT LESS THAN 607,051,490 RIGHTS SHARES AND NOT MORE THAN 616,021,490 RIGHTS SHARES OF HK\$0.1 EACH AT HK\$0.33 PER RIGHTS SHARE PAYABLE IN FULL ON ACCEPTANCE (IN THE PROPORTION OF THREE RIGHTS SHARES FOR EVERY TEN EXISTING SHARES HELD ON THE RECORD DATE)**
- (2) APPLICATION FOR WHITEWASH WAIVER**
- (3) POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTION: PROPOSED ACQUISITION OF 30% INTEREST IN A 70% SUBSIDIARY FROM A CONNECTED PERSON**
- (4) PROPOSED REFRESHMENT OF GENERAL MANDATE**
- (5) PROPOSED GRANT OF SPECIFIC MANDATE**

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board is pleased to announce that CIMB-GK has been appointed by the Company as the independent financial adviser to advise, inter alia, the independent board committee and the relevant Independent Shareholders as to whether the terms of the Whitewash Waiver and the Rights Issue are fair and reasonable and whether the Whitewash Waiver and the Rights Issue are in the interests of the Company and the Shareholders as a whole, and to advise the relevant Independent Shareholders on how to vote.

Reference is made to the announcements (“**Announcements**”) of China Chengtong Development Group Limited (“**Company**”) dated 9 and 30 January 2007 in relation to, among other matters, the proposed Rights Issue and application for Whitewash Waiver. Unless the context otherwise requires, words defined in the Announcements have the same meanings when used in this announcement.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board is pleased to announce that CIMB-GK Securities (HK) Limited (“**CIMB-GK**”) has been appointed by the Company as the independent financial adviser to advise, inter alia, the independent board committee and the relevant Independent Shareholders as to whether the terms of the Whitewash Waiver and the Rights Issue are fair and reasonable and whether the Whitewash Waiver and the Rights Issue are in the interests of the Company and the Shareholders as a whole, and to advise the relevant Independent Shareholders on how to vote. The appointment of CIMB-GK as the independent financial adviser as aforesaid has been approved by the independent board committee.

By Order of the Board
China Chengtong Development Group Limited
Wang Hongxin
Executive Director

Hong Kong, 13 February 2007

As at the date of this announcement, the executive Directors are Mr. Zhang Guotong and Mr. Wang Hongxin; the non-executive Directors are Mr. Ma Zhengwu, Mr. Hong Shuikun, Mr. Gu Laiyun and Ms. Xu Zhen; and the independent non-executive Directors are Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Lao Youan.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.