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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: 01333)

DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHT

The Board is pleased to announce that on 10 February 2012, Daqing Zhongwang, a wholly-owned subsidiary of the Company, successfully bid for land use right of the Land in Daqing City, Heilongjiang Province, PRC at a total consideration of RMB363.08 million through the Auction. Daqing Zhongwang subsequently entered into an Auction Confirmation with Daqing Land Bureau on 10 February 2012 relating to the Land. The Land will be used for the construction of a new facility for the manufacturing of processed aluminium products in Daqing City.

When aggregated with the previous acquisition of land use right by Daqing Zhongwang in Daqing City in May 2011 in accordance with the Listing Rules, the Acquisition constitutes a discloseable transaction for the Company pursuant to Chapter 14 of the Listing Rules.

A. THE AUCTION

The Board is pleased to announce that on 10 February 2012, Daqing Zhongwang, a wholly-owned subsidiary of the Company, successfully bid for land use right of the Land in Daqing City, Heilongjiang Province, PRC through the Auction. Daqing Zhongwang subsequently entered into an Auction Confirmation with Daqing Land Bureau on 10 February 2012 in relation to the Land. The Land Use Right Transfer Contract will consequently be entered into between Daqing Zhongwang and Daqing Land Bureau.

B. THE ACQUISITION

The Land Use Right Transfer Contract

The principal terms of the Land Use Right Transfer Contract shall be substantially similar to the terms of the Auction Confirmation. The principal terms of the Auction Confirmation are summarised as follows:

Date: 10 February 2012

Parties: (a) Daqing Zhongwang; and

(b) Daqing Land Bureau

Daqing Land Bureau is a PRC Government Body and is not a connected person of the Group.

Information on the Land: The Land is situated in Daqing High and New Technology Industrial Development Zone, Daqing City, Heilongjiang Province, PRC, with a total site area of approximately 2,074,062 square metres. The term of the land use right of the Land is 50 years commencing on the date of delivery of the Land to Daqing Zhongwang upon signing of the Land Use Right Transfer Contract. The Land is permitted for industrial use.

The Land will be used for the construction of a new facility for the manufacturing of processed aluminium products.

Consideration: The total consideration for the land use right of the Land is RMB363.08 million which shall be paid in cash upon entering into of the Land Use Right Transfer Contract.

The consideration shall be equal to the bidding price made by Daqing Zhongwang in accordance with the applicable PRC laws and regulations having taken into account the location and size of the Land.

The consideration currently is contemplated to be funded by the Company's internal resources.

Reasons for the Acquisition and benefits expected to be accrued to the Group

The Group is principally engaged in the production of high precision, large section and high value-added industrial aluminium extrusion products which are widely used in such sectors as the transportation, machinery equipment and electric power engineering etc.

Given the rapid growth of the industrial aluminium extrusion product market in both China and the world as a whole in recent years, the Group believes that there is great potential for notable increases in the applications and consumption of processed aluminium products in the future as countries push for more light-weight development to conserve energy and reduce carbon emission. In anticipation of the growing demands for processed aluminium products, the Group is planning to use the Land, together with the four pieces of land acquired by the Group through auction in Daqing City, Heilongjiang Province, PRC in May 2011, for the construction of a new facility in Daqing City for the manufacturing of processed aluminium products.

The Directors are of the view that the Acquisition is in the interests of the Company and believe that the terms of the Acquisition are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

In May 2011, Daqing Zhongwang acquired four pieces of land in Daqing City, Heilongjiang Province, PRC with a total site area of approximately 5,781,599 square metres at an aggregate consideration of approximately RMB708.57 million through auction. When aggregated with the aforementioned previous acquisition of land use right by Daqing Zhongwang in Daqing City in accordance with the Listing Rules, the Acquisition constitutes a discloseable transaction for the Company pursuant to Chapter 14 of the Listing Rules.

C. DEFINITIONS

“Acquisition”	the acquisition of land use right for the Land as contemplated under the Auction Confirmation;
“Auction”	the public auction held by Daqing Land Bureau on 10 February 2012 during which the Land was offered for sale;
“Auction Confirmation”	the land use right bid confirmation (成交確認書) in respect of the Land dated 10 February 2012 and entered into between Daqing Land Bureau and Daqing Zhongwang;
“Board”	the board of directors of the Company;
“Company”	China Zhongwang Holdings Limited (中國忠旺控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Daqing Land Bureau”	the Bureau of Land and Resources of Daqing City (大慶市國土資源局), Heilongjiang Province, PRC;
“Daqing Zhongwang”	Daqing Zhongwang Aluminium Co., Ltd. (大慶忠旺鋁業有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Company;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Land”	two pieces of land situated in Daqing High and New Technology Industrial Development Zone (大慶高新技術產業開發區), Daqing City, Heilongjiang Province, PRC with a total site area of approximately 2,074,062 square metres, being the subject matter of the Acquisition;

“Land Use Right Transfer Contract”	the Land Use Right Transfer Contract to be entered into between Daqing Zhongwang and Daqing Land Bureau in respect of the Land pursuant to the Auction Confirmation;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan);
“PRC Government Body”	has the meaning ascribed to it under the Listing Rules;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholders”	the shareholders of the Company; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By order of the Board
China Zhongwang Holdings Limited
Cheung Lap Kei
Company Secretary

Hong Kong, 10 February 2012

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

Executive Directors

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

Independent Non-executive Directors

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

* *For identification purposes only*