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寶業集團股份有限公司

BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 2355)

RESIGNATION OF CHIEF FINANCIAL OFFICER

AND SECRETARY TO THE BOARD

AND APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Mr. Fung Ching Simon, the chief financial officer of Baoye Group Company Limited* ("Company") and secretary to the board of directors ("Board") of the Company, has tendered his resignation from the above positions with effect from 31 July 2010 for his personal career development.

The Board announced the nomination of Mr. Fung Ching Simon as the candidate for the position of non-executive director of the Company, and the term of office of Mr. Fung as non-executive director of the Company will come into effect from the date of approval of his appointment at the coming general meeting of the Company.

Mr. Fung Ching Simon, the chief financial officer of the Company and secretary to the Board, has tendered his resignation from the above positions with effect from 31 July 2010 for his personal career development. Mr. Fung confirmed that he has no disagreement with the Board and there is no other matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange Hong Kong Limited ("Stock Exchange").

The Board would like to take this opportunity to thank Mr. Fung for his contributions to the Company.

The Board is pleased to announce the nomination of Mr. Fung Ching Simon as the candidate for the position of non-executive director of the Company. The nomination will be submitted to the coming general meeting of the Company for approval. The term of office of Mr. Fung as a non-executive director of the Company will come into effect from the date of approval of his appointment at the coming general meeting of the Company.

Mr. Fung, aged 41, the chief financial officer of the Company and secretary to the Board joined the Company and its subsidiaries (“Group”) in 2004. During his service with the Group as the chief financial officer and secretary to the Board, apart from being in charge of the finance and accounting functions, he was also responsible for compliance, fund raising, mergers and acquisitions, and investor relations. He has participated in formulating major strategies and operational decisions of the Group. Prior to joining the Group, Mr. Fung has over 10 years of experience in auditing, accounting and business advisory with PricewaterhouseCoopers. Mr. Fung is currently an independent non-executive director of Hainan Meilan International Airport Company Limited, a company listed on the main board of the Stock Exchange (stock code: 00357). Mr. Fung has been appointed as the chief financial officer, the company secretary and an authorised representative of Greentown China Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 03900) with effect from 1 August 2010. Mr. Fung graduated from the Queensland University of Technology in Australia with a bachelor’s degree, majoring in accountancy. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the CPA Australia.

An appointment letter will be entered into between Mr. Fung and the Company and the term of office of Mr. Fung as a non-executive director of the Company will come into effect from the date of approval of his appointment at the coming general meeting of the Company. Mr. Fung’s appointment is for a fixed term of three years and subject to retirement by rotation and re-election at the general meetings of the Company pursuant to the articles of association of the Company. The emolument of Mr. Fung will be determined by the Board, with reference to his duties, responsibilities and the prevailing market conditions, as authorised by the shareholders of the Company.

As at the date of this announcement, save as disclosed above, Mr. Fung confirms that he does not (i) hold directorships in any other listed companies in the last three years; (ii) hold any other positions within the Company or other members of the Group; (iii) have any other major appointments and professional qualifications; (iv) have any relationship with any other directors,

senior management, substantial shareholders or controlling shareholders of the Company; and (v) have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to Mr. Fung's appointment and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to welcome Mr. Fung on joining the Board.

By Order of the Board
Baoye Group Company Limited
Pang Baogen
Chairman

Zhejiang Province, the People's Republic of China
20 July 2010

** For identification purpose only*

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Pang Baogen, Mr. Gao Lin, Mr. Gao Jiming, Mr. Zhou Hanwan and Mr. Wang Rongfu; and five independent non-executive directors, namely Mr. Wang Youwei, Mr. Yi Deqing, Mr. Hu Shaozeng, Mr. Chan Yin Ming, Dennis and Mr. Wang Youqing.