



粵海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code : 1058)

CHANGE OF DIRECTORS

The Board announces that Mr. Deng Rongjun resigned as an Executive Director and the Managing Director of the Company and Mr. Ren Yingguo has been appointed as an Executive Director and the Managing Director of the Company, both with effect from 19 March 2008.

Resignation of Director

The board of directors (the "Board") of Guangdong Tannery Limited (the "Company") announces that Mr. Deng Rongjun resigned from his position as an Executive Director and the Managing Director of the Company with effect from 19 March 2008. Mr. Deng is taking up a senior management post with another subsidiary of GDH Limited ("GDH"), the immediate controlling shareholder of the Company.

Mr. Deng Rongjun has confirmed that he has no disagreement with the Board and there is no matter which needs to be brought to the attention of the shareholders of the Company in respect of his resignation.

The Board would like to express its appreciation to Mr. Deng for his contribution made to the Company during his tenure of office.

Appointment of Director

The Board also announces that Mr. Ren Yingguo has been appointed as an Executive Director and the Managing Director of the Company with effect from 19 March 2008.

Mr. Ren Yingguo, aged 54, is a Economist in the People's Republic of China ("PRC"). He was graduated from 中國成都電訊工程學院 (Chengdu Telecommunication Engineering College of PRC). Mr. Ren is also appointed certain posts of wholly-owned subsidiaries of the Company (including acting as a director and the general manager of 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.), 徐州港威皮革有限公司 (Xuzhou Gangwei Leather Co., Ltd.) and 粵海制革(徐州)有限公司 (Guangdong Tannery (Xu Zhou) Limited); and acting as a deputy project director of 粵海制革(徐州)有限公司 (Guangdong Tannery (Xu Zhou) Limited) and relocation project of 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.)). Prior to joining the Company, he was appointed the Managing Director of 深圳市東深投資控股有限公司 (Shenzhen Dongshen Investment Holding Co. Ltd.) ("Dongshen") in May

2003. Dongshen is a wholly-owned subsidiary of 廣東粵海控股有限公司 (Guangdong Holdings Limited) (formerly known as 廣東粵港投資控股有限公司 (Guangdong Yue Gang Investment Holdings Company Limited), the ultimate controlling shareholder of the Company. Mr. Ren has engaged in corporate management since 1982. He has nearly 30 years' experience in corporate works.

Other than the above, Mr. Ren is not related to any Director, senior management, substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Ren was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance.

There is no service contract between the Company and Mr. Ren. He will hold office until the first general meeting of the Company after his appointment and will be eligible for re-election in accordance with the Articles of Association of the Company. His current remuneration package entails total fixed annual remuneration of HK\$330,330, discretionary bonuses pegged to performance and a total annual payment of HK\$182,520 for his accommodation. Such emoluments are determined by reference to job responsibilities, prevailing market conditions and the Company's operating performance and profitability.

Save as described below, there is no enterprise, company or unincorporated enterprise that has been dissolved or put into liquidation (otherwise than by a member's voluntary winding up when the company was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it during the time when Mr. Ren was one of its directors or within 12 months after his ceasing to act as one of its directors.

- (1) Mr. Ren was appointed as director of Guangdong (H.K.) Tours Company Limited ("GD Tours") during the period from 25 March 2003 to 17 February 2004.

GD Tours was incorporated in Hong Kong on 24 April 1981. The principal businesses of GD Tours were tourism, traveling and related services. GD Tours was a wholly-owned subsidiary of Guangdong Investment Limited ("GDI") during the period from 6 January 1992 to 30 March 2003. GDI, which is a subsidiary of GDH, is listed on The Stock Exchange of Hong Kong Limited. GD Tours has become a wholly-owned subsidiary of GDH since 31 March 2003.

On 12 June 2003 a petition for the winding up of GD Tours was presented to the High Court of Hong Kong (the "Court") by two creditors of GD Tours for a total indebtedness of HK\$222,385,095.35 together with interest accrued thereon.

The petition was heard on 6 August 2003 whereupon the winding up order was granted by the Court. On 8 December 2003, liquidators of GD Tours were appointed. An order by the Court was made on 16 January 2004 for the winding up of GD Tours to be conducted as if it were a creditors' voluntary winding up. Total claims received by the liquidators are in the amount of approximately HK\$316,000,000. The winding up of GD Tours is currently still in progress.

- (2) Mr. Ren was appointed as director of Guangdong Tours Transportation Limited (“GTT”) during the period from 25 March 2003 to 24 February 2004.

GTT was incorporated in Hong Kong on 5 May 1987. The principal business of GTT was provision of passenger transportation services. GTT is a wholly-owned subsidiary of GD Tours.

GTT was placed into voluntary liquidation under Section 228(1)(c) of the Companies Ordinance on 7 July 2003. Total claims received by the liquidators are in the amount of approximately HK\$17,300,000. The winding up of GTT is currently still in progress.

- (3) Mr. Ren was appointed as director of Hong Kong Bus Company Limited (“HK Bus”) during the period from 25 March 2003 to 17 December 2004.

HK Bus was incorporated in Hong Kong on 2 June 1992. HK Bus was dormant before its commencement of liquidation. HK Bus is a wholly-owned subsidiary of GD Tours.

HK Bus was placed into voluntary liquidation under Section 228(1) (c) of the Companies Ordinance on 17 December 2004. Total claims received by the liquidators are in the amount of approximately HK\$530,000. On 20 July 2007, final meetings of members and creditors of HK Bus were held. HK Bus was dissolved on 24 October 2007.

- (4) Mr. Ren was appointed as director of Yau Fung Tours and Transportation Company Limited (“Yau Fung”) during the period from 25 March 2003 to 17 December 2004.

Yau Fung was incorporated in Hong Kong on 11 February 1977. The principal businesses of Yau Fung were provision of transportation services and investment holding. Yau Fung is a wholly-owned subsidiary of GD Tours.

Yau Fung was placed into voluntary liquidation under Section 228(1) (c) of the Companies Ordinance on 17 December 2004. Total claims received by the liquidators are in the amount of approximately HK\$1,800,000. A final meeting of members and creditors will be held in mid 2008.

Save as disclosed above, in relation to the appointment of Mr. Ren as an Executive Director and the Managing Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

The Board would like to express its warm welcome to Mr. Ren to join the Board.

By Order of the Board
Zhang Chunting
Chairman

Hong Kong, 19 March 2008

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Zhang Chunting and Mr. Ren Yingguo; three Non-Executive Directors, namely Mr. Zhang Yaping, Mr. Xiong Guangyang and Mrs. Ho Lam Lai Ping, Theresa; and three Independent Non-Executive Directors, namely Mr. Fung Lak, Mr. Choi Kam Fai, Thomas and Mr. Chan Cheong Tat.