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Welling

WELLING HOLDING LIMITED

威靈控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 382)

ANNOUNCEMENT

APPROVAL GRANTED FOR THE PREPARATION TO INCORPORATE THE FINANCE COMPANY

Reference is made to the announcement of Welling Holding Limited (the “Company”) dated 23 April 2009 (“Announcement”) in respect of the proposed formation of the Finance Company. The necessary approval for the preparation to incorporate the Finance Company has been obtained from the China Banking Regulatory Commission (the “CBRC”).

Reference is made to the Announcement in respect of the proposed formation of the Finance Company. Definitions and terms used in this announcement have the same meaning as defined in the Announcement unless otherwise specifies.

CBRC granted the “Approval of the Preparation to Incorporate a Finance Company of an Enterprise Group by Midea Group Co., Ltd.” (Yinjianfu[2009] No. 217) on 2 July 2009. Midea Group Co., Ltd. (“Midea”) has been approved to prepare for the incorporation of the Finance Company. The initial registered capital of the Finance Company will be RMB500 million (approximately HK\$567,022,000), which shall be contributed by Guangdong Welling Motor Manufacturing Co., Ltd. (“GD Welling”) (a wholly-owned subsidiary of the Company), Midea and GD Midea Holding Co., Ltd. (“GD Midea”) as to RMB25 million (approximately HK\$28,351,000), RMB275 million (approximately HK\$311,862,000) and RMB200 million (approximately HK\$226,809,000) respectively. The Finance Company will be owned as to 5% by GD Welling, 55% by Midea and 40% by GD Midea. The Group will assist Midea in completing all the preparatory works for the incorporation of the Finance Company within 6 months from the date of the approval. After completion of all the preparatory works, application materials for the commencement of business of the Finance Company will be submitted to the CBRC in accordance with the relevant regulations.

Should any definitive transaction be entered into, the Company will make further announcement as required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

This announcement is made on a voluntary basis by the Company.

For illustration purposes in this announcement, the amounts in RMB are translated to HK\$ at the rate of RMB0.8818=HK\$1.00. No representation is made that any amount in RMB has been or could be converted at the above rate or at any other rates or at all.

By order of the Board
Welling Holding Limited
Tang Wai Ying, Tracy
Company Secretary

Hong Kong, 10 July 2009

As at the date of this announcement, the directors of the Company are:

Executive directors: Mr. Cai Qiwu (*Chairman*), Mr. Jiang Deqing (*Chief Executive Officer*), Mr. Qu Fei, Mr. Gao Fazhong, Ms. Yuan Liqun, Mr. Li Jianwei and Mr. Zheng Weikang

Non-executive director: Ms. Tan Xuemei

Independent non-executive directors: Mr. Chan Wai Dune, Mr. Lam Ming Yung and Ms. Chen Chunhua