

**FOR IMMEDIATE RELEASE**

***Vongroup signs Investment Agreement to enter Green Battery market for Electric Vehicles, By acquiring Leading Environmentally-Friendly Emission-Free Lithium-Ion Battery Manufacturer in China***

*Hong Kong, 6 July 2009* – Vongroup Limited (0318.HK) (“Vongroup”) today announced that it has signed an agreement to move into the manufacturing of environmentally-friendly and emission-free lithium-ion battery sector targeting the electric vehicle market and other heavy-duty energy power supply markets. Vongroup has entered into a formal share purchase and subscription agreement (the “Agreement”) to acquire 20.54% equity interest in Beijing Tecroad Energy Limited (“Beijing Tecroad”) for a total consideration of HK\$120 million. The consideration for the acquisition will be satisfied by HK\$91,304,348 in cash; and issuance of 126,635,000 Vongroup shares at HK\$0.2266 per share, representing a premium of 12.79% to the closing price of Vongroup shares on the date of the Agreement. The Agreement is expected to be completed on or before 3 August 2009, subject to conditions specified in the formal agreement. In addition, a call option is granted to Vongroup to permit it to increase its equity interest in Beijing Tecroad up to an aggregate of 60% for HK\$230,608,696, payable in a combination of cash and Vongroup shares, within 9 months or 3 months after the publication of Beijing Tecroad’s 2009 financial results, whichever is later.

Beijing Tecroad is principally engaged in the research and development, production and sales and distribution of technologically advanced environmentally-friendly emission-free lithium-ion batteries. Its existing and planned products portfolios cover a wide range of cylindrical lithium-ion battery products, from low-capacity batteries of a few Ah in power to high-capacity batteries of over 100Ah in power. Beijing Tecroad’s high-capacity cylindrical lithium-ion batteries mainly target the powering of environmentally-friendly electric buses, cars and other heavy vehicles. Beijing Tecroad currently has 12 products which have passed product tests and are accredited by China’s National Accreditation Services for Conformity Assessment (CNAS). Four of the 12 accredited battery products are of exceptional national standard and have power capacities of over 50Ah including one exceptionally powerful 95Ah single-cell cylindrical lithium-ion battery.

Leveraging on its advanced technology capabilities, Beijing Tecroad is pursuing the research and development of a 150-200Ah cylindrical lithium-ion battery, which is expected to be one of the most powerful single-cell cylindrical batteries commercially available in the PRC and in the world. Beijing Tecroad has confirmed that it has

already received sales orders covering its planned production for the second half of 2009, with more orders currently in negotiation with large corporations in China and international auto manufacturers. It is expected that the production capacity will need to be increased significantly to cope with the expected overflow of demand for reliable and high-capacity single-cell lithium-ion batteries. Given the significantly higher reliability and energy efficiency of single-cell lithium-ion batteries, Beijing Tecroad's lithium-ion batteries have received tremendous response from automobile manufacturers in the PRC and a number of other initially targeted markets, such as the United States, Germany, Russia and India. Beijing Tecroad's attention and dedication to quality control has resulted in securing CE product certification complying for use in Europe and ISO9001 certification.

Among all of the electric vehicle sectors in China, the electric bus sector is expected to be the fastest growing one. In February 2009, China's Ministry of Finance and Ministry of Science and Technology jointly issued provisional measures on the management of government subsidies in 13 cities for energy-saving and alternative energy vehicles, including subsidies for purchasing fully-electric buses. Beijing Tecroad is therefore encouraged by this initiative by the Chinese government to support development and growth in the potentially huge electric vehicle market in China.

Beijing Tecroad's Chairman Ji Kewei said, "We are very excited with the cooperation with Vongroup. The investment from Vongroup would lay firm foundations for our second phase expansion, expansion of production capacity and enhancement of profitability. Being the only Chinese company that manufactures single-cell large-capacity cylindrical lithium-ion batteries, we would benefit significantly from this cooperation. Leveraging on our advanced technology, I believe our products would make significant progress in terms of market share and generate fruitful return to the shareholders in the future."

Vongroup's Chief Executive Vong Tat leong David said, "With the shortage of non-renewable resources such as petroleum, as well as the improvement of environmental protection requirements in the future, the electric vehicle market will continue to expand significantly. Beijing Tecroad's production of single-cell large-capacity cylindrical lithium-ion batteries of over 100Ah in power using one of the most advanced imported production lines of its kind in China, will bring a new leap forward to the green energy sector, and Beijing Tecroad will continue to reinforce its leading position in the research and development, manufacturing and supply of lithium-ion batteries to the electric vehicle market."

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**About Beijing Tecroad**

Established in Beijing, Beijing Tecroad is one of China's most technologically advanced manufacturers of environmentally-friendly lithium-ion batteries, including high-capacity rechargeable cylindrical lithium-ion batteries for electric vehicles. Leveraging on its advanced technology and renowned research team, Beijing Tecroad's continuing R&D program includes work on a 150-200Ah single-cell cylindrical lithium-ion battery, which is expected to be one of the most powerful single-cell cylindrical batteries commercially available in China and globally. Website: [www.tecroad.com](http://www.tecroad.com)

**About Vongroup Limited**

Vongroup Limited (0318.HK) is a leading international group focused on highly-regulated high-growth investment businesses in the PRC. Vongroup's units include secured-lending consumer finance, RFID smart-card, real estate investment, securities investment, and food and beverage. Website: [www.thevongroup.com](http://www.thevongroup.com).

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