



Shanghai Jin Jiang International Hotels (Group) Company Limited*

上海錦江國際酒店(集團)股份有限公司

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

(Stock Code: 2006)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The following announcement will be released on 24 January 2007 in Shanghai by Shanghai Jin Jiang International Hotels Development Company Limited (the "Company"), a subsidiary of Shanghai Jin Jiang International Hotels (Group) Company Limited, whose A shares and B shares are listed on the Shanghai Stock Exchange:

Shanghai Jin Jiang International Hotels Development Company Limited Announcement in respect of the Resolutions of the Eighth Meeting of the Fifth Session of the Board of Directors

The Company and all members of the Board of Directors (the "Board") hereby warrant that the information contained in this announcement is true, accurate and complete and jointly and severally accept responsibility for any misleading statements, misrepresentations or material omissions herein.

The eighth meeting of the fifth session of the Board of the Company, which was attended by 15 directors, comprising 100% of the members of the Board, was convened by means of telephone conference on 23 January 2007. The following resolutions were considered and passed:

- I. Resolution in respect of the merger by absorption of Changjiang Securities Company Limited (In 2002, the Company injected RMB177,000,000 to acquire equity interests in Changjiang Securities Company Limited, representing 7.5% of its registered capital) by Shijiazhuang Refining & Chemical Co., Ltd. by the issuance of new shares

The particulars of the plan are as follows:

1. The reference date for the merger by absorption by way of the issuance of new shares is 31 December 2006. The basis for the exchange ratio of new shares to be issued shall be determined by the appraised market value of both parties. The price per share in Shijiazhuang Refining & Chemical Co., Ltd. ("Shijiazhuang Refining"), based on the arithmetic average of its closing prices for the last 20 trading days preceding the suspension of trading on 6 December 2006, has been determined to be RMB7.15/share. The price of the 100% equity interest in Changjiang Securities Company Limited ("Changjiang Securities") has been appraised to be RMB10.30172 billion, by reference to the valuation of domestic-listed securities companies. The price of the equity interests in Changjiang Securities held by each of the existing shareholders of Changjiang Securities shall be the portion of the price of the total equity interest in Changjiang Securities based on their respective shareholding in Changjiang Securities and the number of newly-issued

shares in Shijiazhuang Refining to be received by such shareholder shall be calculated by dividing the price of the equity interests held by it against the price per share in Shijiazhuang Refining.

2. Profit or gain and loss or depletion accrued to Changjiang Securities prior to the date of settlement shall be enjoyed and borne by all new and old shareholders of Shijiazhuang Refining together (after the merger).
 3. Subsequent to the completion of the share exchange and merger by absorption, all assets, creditors' rights and liabilities of Changjiang Securities shall be assigned to Shijiazhuang Refining, the existing businesses of Changjiang Securities shall be assumed by Shijiazhuang Refining and all of the employees of Changjiang Securities shall be transferred to Shijiazhuang Refining.
 4. The plan in respect of the merger by absorption by way of the issuance of new shares has been considered and passed by the respective general meetings of shareholders of Shijiazhuang Refining and Changjiang Securities. The implementation of such plan shall be subject to the examination and approval by the China Securities Regulatory Commission and other relevant competent authorities of the PRC.
 5. The validity period of the merger by absorption by way of the issuance of new shares shall be 12 months commencing from the date when the merger by absorption by way of the issuance of new shares is approved by the respective general meetings of shareholders of both parties to the merger.
- II. Resolution in respect of agreeing to participate in the matters relating to the share split reform of Shijiazhuang Refining & Chemical Co., Ltd.

It was agreed that, subsequent to the merger by absorption of Changjiang Securities by Shijiazhuang Refining by way of the issuance of new shares and the Company becoming a holder of non-tradable shares in Shijiazhuang Refining, the Company shall participate in the share split reform of Shijiazhuang Refining by giving shares to the existing holders of tradable shares of Shijiazhuang Refining for free on the basis of 1.2 share for every 10 shares held by such shareholders.

III. Resolution in respect of the request to the Board authorising the management of the Company to deal with the merger by absorption of Changjiang Securities Company Limited by Shijiazhuang Refining & Chemical Co., Ltd. by way of the issuance of new shares and to participate in the matters relating to the share split reform of Shijiazhuang Refining

The management of the Company is hereby authorised by the Board of the Company, pursuant to the requirements of the regulatory authorities, to formulate, adjust and implement the detailed proposal in respect of the merger by absorption of Changjiang Securities by Shijiazhuang Refining by way of the issuance of new shares and the participation in the matters relating to the share split reform of Shijiazhuang Refining based on the actual circumstances and to execute and amend the relevant agreements and documents thereof. Such authorisation shall be valid for a period of 12 months commencing from the date when such authorisation is passed by the Board of the Company.

By Order of the Board of
Shanghai Jin Jiang International Hotels Development Company Limited

Shanghai, the People's Republic of China
24 January 2007

By Order of the Board of
Shanghai Jin Jiang International Hotels (Group) Company Limited*
Kang Ming, Yuen Chin Yau
Joint Company Secretaries

Shanghai, the People's Republic of China
23 January 2007

As at the date of this announcement, the executive Directors are Mr. Yu Minliang, Ms. Chen Wenjun, Mr. Yang Weimin, Mr. Chen Hao, Mr. Yuan Gongyao, Mr. Xu Zurong, Mr. Han Min and Mr. Kang Ming, the non-executive Director is Mr. Shen Maoxing, and the independent non-executive Directors are Mr. Ji Gang, Mr. Xia Dawei, Mr. Sun Dajian, Mr. Rui Mingjie, Mr. Yang Menghua, Mr. Tu Qiyu, Mr. Shen Chengxiang and Mr. Lee Chung Bo.

* *This company is registered as an oversea company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name "Shanghai Jin Jiang International Hotels (Group) Company Limited".*

*Please also refer to the published version of this announcement in **South China Morning Post**.*