HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED

海信科龍電器股份有限公司

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

(Stock Code: 0921)

FURTHER ANNOUNCEMENT ON MAJOR AND CONNECTED TRANSACTION

Reference is made to the Announcement and Circular of the Company. In accordance with the relevant laws and regulations of the PRC, the Company published the Acquisition Report in the PRC and its full text in Chinese by way of an overseas regulatory announcement in Hong Kong on 19 February 2008. This announcement sets out the Additional Information included in the Acquisition Report pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the Announcement and Circular of the Company. Unless otherwise defined, capitalised terms defined in the Circular shall have the same meanings when used in this announcement.

Acquisition Report

In accordance with the relevant laws and regulations of the PRC, the Company published the Acquisition Report in the PRC and its full text in Chinese by way of an overseas regulatory announcement in Hong Kong on 19 February 2008. This announcement sets out the Additional Information included in the Acquisition Report pursuant to Rule 13.09(1) of the Listing Rules.

The Acquisition Report includes the audited consolidated financial statements of the Target Group for the nine months ended 30 September 2007 prepared in accordance with PRC GAAP which have not been disclosed by the Company previously. Set out below is a summary of the key financial information extracted from such consolidated financial statements of the Target Group included in the Acquisition Report:

	Nine months ended 30 September 2007 *(RMB'000)* **Audited**
Revenue	4,561,265
Profit before taxation	124,508
Profit after taxation	84,051
Total assets	2,927,928
Total liabilities	2,281,899
Net assets	646,029

Trading in the H Shares of the Company

At the request of the Company, trading in the H Shares of the Company was suspended from 28 April 2005 to 10 May 2005, and has remained suspended since 10:00 a.m. on 16 June 2005, initially following various press releases regarding the investigation by the CSRC on Greencool Technology Holdings Limited in connection with the possible misappropriation of funds of the Company. Greencool Technology Holdings Limited was then an indirect shareholder of the Company controlled by Mr. Gu Chu Jun, who was the then executive director and chairman of the Company and the controlling shareholder of Guangdong Greencool Enterprise Development Company Limited, the then single largest shareholder of the Company.

The Company is currently reviewing the relevant documents in relation to the suspension of H Shares, the events leading to such suspension and the actions taken by the Company and has submitted a resumption proposal to the Stock Exchange for review.

Definitions

"Acquisition Report"	The summary report on the Acquisition (海信科龍電器股份有限公司收購報告書(摘要)) published by the Company in the PRC in accordance with the relevant laws and regulations of the PRC and in Hong Kong by way of an overseas regulatory announcement on 19 February 2008
"Additional Information"	certain material information included in the Acquisition Report which has not been disclosed by the Company previously
"Announcement"	the announcement of the Company dated 28 December 2007 in respect of, among others, the major and connected transaction of the Company
"Circular"	the circular of the Company dated 31 December 2007 in respect of, among others, the major and connected transaction of the Company

By order of the Board of
Hisense Kelon Electrical Holdings Company Limited
Tang Ye Guo
Chairman

As at the date of this announcement, the Company's executive directors are Mr. Tang Ye Guo, Mr. Yang Yun Duo, Mr. Wang Shi Lei, Ms. Yu Shu Min, Mr. Lin Lan and Ms. Liu Chun Xin; and the Company's independent non-executive directors are Mr. Zhang Sheng Ping, Mr. Lu Qing and Mr. Cheung Yui Kai, Warren.

Foshan City, Guangdong, the PRC, 19 February 2008