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## **BEP INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2326)**

### **ANNOUNCEMENT PURSUANT TO RULE 13.10 AND RESUMPTION OF TRADING OF SHARES**

At the request of the Stock Exchange of Hong Kong Limited, this announcement is made by the Company pursuant to Rule 13.10 of the Listing Rules.

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 26 September 2008, pending the release of this announcement. Application has been made to the Stock Exchange for a resumption of trading in the Shares with effect from 9:30 a.m. on 29 September 2008.

At the request of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), this announcement is made by BEP International Holdings Limited (the “Company”) pursuant to Rule 13.10 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”)

The Company has noted the decrease in the price of its shares on 25 September 2008 and wish to state that it is not aware of any reason for such decrease save for the following information relating to it and its subsidiaries (collectively, the “Group”) which is of a price-sensitive nature.

#### **Conclusion of the Third Batch of Overtime Compensation Claims**

In its annual report dated 29 July 2008 (the “Annual Report”), the Company disclosed in note 7 to its consolidated financial statement that three batches of claims were received from a number of employees of the Group in China for underpayment of overtime compensation during the period from 1 September 2005 to 30 June 2007. The first and the second batches of claims had been decided by the Baoan’s People Court, whilst the third batch were not concluded at that time.

The third batch of claims were concluded in middle September 2008 and the court awarded approximately RMB2.432 million to the relevant employees.

Save for the three batches of claims disclosed above, the Group has not received any other claims for underpayment of overtime compensations from its employees.

### **Claims by Suppliers**

As stated in the Annual Report, the Group faces a demanding operating environment in view of a weak supply chain in the industry. In the light of the recent financial turmoil credit terms from its suppliers have also tightened. Between mid-June and mid-September 2008 a number of suppliers have commenced proceedings in the People's Republic of China (the "PRC") against 百靈達實業(深圳)有限公司 (Bailingda Industrial (Shenzhen) Co., Limited\*) and in Hong Kong against Better Electrical Products (HK) Company Limited respectively, both of which are operating subsidiaries of the Company. The claims are for monetary payment of approximately HK\$9.76 million in aggregate, of which claims for approximately HK\$6.44 million are being defended. The remaining claims, all being claims filed in the PRC, for approximately HK\$3.32 million have been settled through court mediation. Further announcement concerning these claims will be made as and when appropriate.

### **General**

The directors of the Company do not consider that the above claims will have a material impact on the current financial and liquidity position of the Group. Provisions have already been made in respect of the employees' overtime compensation claims and the claims by the suppliers are either being defended or have been compromised as disclosed above. The Group is also considering the possibility of amicable settlement of the remaining suppliers' claims. Nevertheless these disputes may adversely affect the Group's image within the industry, and the Company is considering appropriate measures to minimize these impacts.

Save as disclosed above, the Company confirms that there are no negotiations or agreements relating to intended acquisition or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Company aware of any matter discloseable under the general obligations imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

At the request of the Company, trading in the shares of the Company (the "Shares") on the Stock Exchange has been suspended from 9:30 a.m. on 26 September 2008, pending the release of this announcement. Application has been made to the Stock Exchange for a resumption of trading in the Shares with effect from 9:30 a.m. on 29 September 2008.

This announcement is made by the order of the Company the board of directors of which individually and jointly accept responsibility for its accuracy.

By Order of the Board  
**BEP INTERNATIONAL HOLDINGS LIMITED**  
**Zhang Xi**  
*Chairman*

Hong Kong, 28 September 2008

*At the date hereof, the Board comprises four executive Directors, namely Mr. Zhang Xi, Mr. Cai Duanhong, Mr. Chen Yang, Ms. Zhang Yu and three independent non-executive Directors, namely Mr. Hong Po Kui, Martin, Mr. Yam Tak Fai, Ronald and Mr. Wong Man Hin, Raymond.*

\* *for identification only*