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China Hongqiao Group Limited
中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)
(Stock Code: 1378)

VOLUNTARY ANNOUNCEMENT

The board of directors (“**Board**”) announces that Shandong Weiqiao Aluminum and Power Co., Ltd.* (“**Aluminum & Power**”), a wholly-owned subsidiary of China Hongqiao Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), 中信戴卡股份有限公司 (CITIC Dicastal Co. Ltd.* (“**CITIC Dicastal**”)) and 濱州盟威集團有限公司 (Binzhou Mengwei Group Co. Ltd.* (“**Mengwei Group**”)) entered into a strategic cooperation framework agreement (“**Strategic Cooperation Framework Agreement**”) on 2 January 2014, forming a guidance document and foundation of any future cooperation among Aluminum & Power, CITIC Dicastal and Mengwei Group, pursuant to which Aluminum & Power will provide the most favorable terms of supply and priority of supply to CITIC Dicastal and Mengwei Group under the same conditions of other customers, and CITIC Dicastal, by developing new or expanding existing production capacity, is expected to purchase approximately 800,000 tons per year to 1,000,000 tons per year of aluminum alloy products from Aluminum & Power in the next three to five years and supports Aluminum & Power for optimization and upgrading of its aluminium industrial chain and the development of high-end aluminum industrial clusters in Binzhou, Shandong Province, the People’s Republic of China (“**PRC**”).

CITIC Dicastal, a joint stock company established in the PRC on 26 May 1988 with limited liability, is principally engaged in manufacturing of aluminum wheels, molds, casting machinery and auto parts. Mengwei Group, a limited liability company established in the PRC on 2 February 2004, is primarily engaged in designing, manufacturing and sales of aluminum wheels, parts, such as pistons and other aluminum alloy products. To the best of the knowledge, information and belief of the directors of the Company, and after having all reasonable enquiries, CITIC Dicastal and Mengwei Group and their ultimate beneficial owners are independent third parties of the Company and its connected persons.

Aluminum & Power is principally engaged in manufacturing and sales of aluminum products. The Strategic Cooperation Framework Agreement entered into by with CITIC Dicastal and Mengwei Group will be conducive to strengthen the Group's customer base and is expected to have positive effect on the sales volume and income of the Group in the future, however, there is uncertainty on the level of the effect. Since the purposes of signing the Strategic Cooperation Framework Agreement are to express the three parties' cooperation intention and the results of the initial negotiation, the specific quantity of aluminium products supply will be conditional upon the formal supply agreement entered into by Aluminum & Power with CITIC Dicastal or Mengwei Group. The Board considers that the Strategic Cooperation Framework Agreement is fair and reasonable and in the interests of the Company and its shareholders as a whole.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China Hongqiao Group Limited
Zhang Shiping
Chairman

Shandong, the PRC
7 January 2014

As at the date of this announcement, the Board comprises nine directors, namely Mr. Zhang Shiping, Ms. Zheng Shuliang, Mr. Zhang Bo, Mr. Qi Xingli as executive directors, Mr. Yang Congsen, Mr. Zhang Jinglei as non-executive directors, and Mr. Chen Yinghai, Mr. Xing Jian and Mr. Han Benwen as independent non-executive directors.

* *For identification purposes only.*