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魏橋紡織股份有限公司
WEIQIAO TEXTILE COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2698)

**LISTING RULE 13.09 ANNOUNCEMENT
PRICE SENSITIVE INFORMATION
CLOSEDOWN OF THE WEIQIAO FIRST THERMAL POWER PLANT**

This announcement is made by Weiqiao Textile Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Under the policies laid down by the relevant authorities of the People’s Republic of China, the Weiqiao First Thermal Power Plant (the “**Plant**”) of the Company, located at Weiqiao Town, Zhouping County, which has a capacity of 78 megawatt and commenced operation in October 1999, was notified by the Binzhou Development and Reformation Committee (the “**Committee**”) to close down by 30 June 2008. According to the Committee, closedown of the Plant (the “**Closedown**”) would reduce coal consumption by 460,000 tons and emission of 11,520 tons of sulphur dioxide each year.

The Plant is one of the six power plants (the “**Six Plants**”) owned by the Company and its subsidiaries (the “**Group**”) and has the smallest capacity amongst the Six Plants. The capacity of the Plant accounts for approximately 6.2% of the total capacity of the Six Plants. It is expected that the Closedown would not have material adverse effect on the production and operation of the Company.

The Closedown would cause a loss of approximately RMB296 million in terms of net asset value of the Group if no other proposals are adopted. It would also cause a reduction of 45 million kilowatt hour of power generation per month.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Company is notified by the Committee that, in accordance with the policies and mandates embedded in the *Notice of the State Council for Approval of Certain Opinions of the State Development and Reformation Commission and the Energy Resources Office as to Expedited Closedown of Small Thermal Power Generator Units*, and the *Opinions of Shandong Provincial People's Government as to Implementation of the Guo Fa [2007] No. 2 Document for Quicker Closedown of Small Thermal Power Generator Units*, as well as the order of Shandong Provincial Government to Binzhou City for closedown of small thermal power generators, Binzhou People's Government has decided to close down certain small fuel power generators on phases during the period of the Eleventh Five-year National Economic Development Program and to cause the capacity of such closed generators to be employed for the development of clean energy projects of Shandong Province and relevant cities (the "**Policy**"). The purpose of the Policy was to save energy and reduce sulphur dioxide emission, so as to promote the economy and the development of the society.

Under the Policy, the Plant, located at Weiqiao Town, Zhouping County, which has a capacity of 78 megawatt and commenced operation in October 1999, was notified to close down by 30 June 2008. According to the Committee, the Closedown would reduce coal consumption by 460,000 tons and emission of 11,520 tons of sulphur dioxide each year.

The Company is required by the Committee to prepare a work plan for proceeding with the Closedown. The Company is also requested to submit a proposal for development of the regional public thermal power facility and clean energy development projects for the replenishment of the supply shortage caused by the Closedown, and to report in accordance with the relevant policy.

The Plant is one of the Six Plants and has the smallest capacity amongst the six plants. The capacity of the Plant merely accounts for approximately 6.2% of the total capacity of the Six Plants. It is expected that the Closedown would not have material adverse effect on the production and operation of the Group. At present, the Group is operating under normal condition.

The Closedown would cause a loss of approximately RMB296 million in terms of net asset value of the Group if no other proposals are adopted. It would also cause a monthly reduction of 45 million kilowatt hour of power generation of the Group. For the interests of the shareholders of the Company, the Company will negotiate with relevant authorities for a proposal to avoid or reduce the loss that would be incurred by the Company pursuant to the Closedown as far as possible. The Company would make further announcement on the progress as and when necessary in accordance with the Listing Rules.

On behalf of the Board
Weiqiao Textile Company Limited
Zhao Suwen

Executive Director and Company Secretary

Hong Kong, 8 May 2008

As at the date of this announcement, the board of directors of the Company (the “**Board**”) comprises 9 directors, namely Ms. Zhang Hongxia, Mr. Qi Xingli, Ms. Zhao Suwen and Ms. Zhang Yanhong as executive Directors, Mr. Zhang Shiping and Mr. Wang Zhaoting as non-executive Directors and Mr. Wang Naixin, Mr. Xu Wenying and Mr. George Chan Wing Yau as independent non-executive Directors.

* The Company is registered in Hong Kong as a non-Hong Kong company under the English name Weiqiao Textile Company Limited.