

Stock Code: 000055, 200055

Stock ID: Fangda A, Fangda B

Announcement No. 2008-25

China Fangda Group Co., Ltd.

Public Notice on Irregular Fluctuation of Stock Price

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement.

I. Status of irregular stock trading

The accumulated departure value of closing prices of Fangda A stock (Code: 000055) has exceeded 20% in July 3, July 4, and July 7, 2008. It is regarded as irregular fluctuation according to Share Listing Rules of Shenzhen Stock Exchange.

II. Statements on the situation

At the onsite assessment meeting held recently by Shenzhen Fangda Guoke Optical – Electric Technologies Ltd. (Fangda Guoke), the “LED Light Key Technological Research and Demonstrative Project” has passed the assessment for the “Energy Saving and Renewable Energy Project”, which is one of the provincial key technologies projects. The expertise at the meeting deems that the LED power light technological development and demonstrative project in Guangzhou Metro is of great essentiality. The technical plans are feasible and with great expectation to be put into large scale production; The technical indices and performance are satisfying the requirement of the provincial standard.

The “LED Light Key Technological Research and Demonstrative Project” was raised by Fangda Guoke, Guangzhou Metro, Southern China Technologies and Science University, and China Institute of Science Guangzhou Energy Institute to apply for the “Energy Saving and Renewable Energy Project” of the province. The LED light adopts high power LED white chip as the light source. For example, a 12W LED light can make ground light equals to a 30W fluorescent lamp, namely will save

40% - 60% of energy. Its using life is 50000 – 80000 hours, which is 3-5 times greater than regular fluorescent lamp. LED light doesn't need a starter and a regulator, and start quickly, no stroboflash, which is good for eyes.

After consulted the controlling shareholder and the management, the Board of Directors deems that there is no major information undercover which should be discovered, and the Company is under normal operation.

The Board also confirms that there was not any issues, or related plans, negotiations, intentions, agreements that hasn't been disclosed, which should has been disclosed according to the "Share Listing Rules of Shenzhen Stock Exchange" and relative regulations. The Board was not informed with any information that is making major influence on the Company's stock and its extension financial instruments that hasn't been disclosed, which should has been disclosed according to the "Share Listing Rules of Shenzhen Stock Exchange" and relative regulations.

The Company will keep fulfilling its responsibilities on information disclosing according to the laws, regulations and the "Share Listing Rules of Shenzhen Stock Exchange". The official information disclosure medias are Securities Times, China Securities Journal, Shanghai Securities Daily, Hong Kong Commercial Daily and www.cninfo.com.cn.

III. Whether there is any violation on equal access of information, and statement of self-investigation

Through self-investigation, the Board confirms that there was no behavior that infracts the equal access of information. However the Company draws the investors attention on the risks of stock investment.

The above is for the attention of the shareholders.

**The Board of Directors of
China Fangda Group Co., Ltd.**

July 8, 2008