

**Dalian Refrigeration Co., Ltd.**  
**Public Notice on Related Transaction of Financial Assistance**  
**Provided by Controlling Shareholder to Subsidiary of the Company**

*Dalian Refrigeration Co., Ltd. (the “Company”) and its whole members of Board of Directors ensure that the public notice is real, accurate and complete, and there are no any important omissions, fictitious statements or serious misleading carried in this notice.*

**I. Introduction of related transaction**

**1. General information**

To ease the pressure of demand for construction funds of Wuhan New World Refrigeration Industrial Co., Ltd. (WNWRI), the subsidiary of the Company, Dalian Bingshan Group Co., Ltd. (“Bingshan Group”), the controlling shareholder of the Company, provided financial assistance to WNWRI by its own funds with the highest balance not exceeding 20 million yuan, period not exceeding 12 months, and service fee charged in accordance with the bank loan interest rate with the same period.

2. Bingshan Group held 21.34% equity of the Company, thus become related legal persons of the Company, and the above said transaction constitutes related transaction.

3. The 21<sup>st</sup> Meeting of 6<sup>th</sup> Session of the Board held on 20 October 2015 was deliberated the above said related transaction with voting results of 7 votes in favor, 0 vote against and 0 vote waived passed. Related directors Ji Zhijian and Xu Junrao were avoiding the votes. Independent directors showed prior approval for the above mentioned related transaction and air independent opinions.

4. The related transaction did not constitute material assets reorganization regulated in “Management Method of Material Assets Reorganization for Listed Company”, no need to approve by Shareholders’ General Meeting.

**II. General information of related party**

**1. General information of Bingshan Group**

Enterprise Nature: Limited Liability (Sino-foreign joint venture)

Registration location: No. 888, Xinan Road, Shahekou District, Dalian City

Legal representative: Motoma Zhero

Registered capital: RMB 140.6 million

Serial of business license: 210200400033329

Business scope: Research, development, manufacture, sales, service and installation of industrial refrigeration products, frozen and refrigerated products, medium and small air conditioner, petrochemical equipment, electronic control products, home appliances products and environmental protection equipment products.

Main shareholders: please see the annual report of the Company.

2. History of related party and development of main business in latest years

Dalian Bingshan Group established on 3 July 1985, it is a mixed ownership enterprise owned with a diversified investors. Bingshan Group mainly focus on thermal technology, business covers filed of industrial refrigerating and general petrochemical enterprise, food refrigeration and freezing, central and commercial air conditioning, spare parts business, engineering ·trading and service business.

3. Relationship between the Company and relate party

Bingshan Group holds 21.34% equity of the Company, and it is the first majority shareholder of the Company.

III. Particular about object of related transaction

The object of related transaction was financial assistance provided by Bingshan Group to WNWRI. The highest balance will not exceed 20 million yuan.

IV. Pricing policy and basis of pricing

The borrowing rate referred to the bank loan interest rate with the same period.

V. Purpose of transaction and impact on listed company

The financial assistance provided by Bingshan Group to WNWRI could ease the pressure of demand for construction funds of WNWRI, promote business development of WNWRI, thus protect the rights and interests of the Company.

VI. Total amount of vary related transactions incurred accumulatively with affiliated person from the year beginning to the disclosure date

Other related transactions incurred between the Company and Bingshan Group amounting to RMB 25.86 million.

VII. Prior approval and independent opinions from independent director

Independent directors of the Company showed prior approval for the proposal dated 15 October 2015 and agreed to submit for deliberation in 21<sup>st</sup> Meeting of 6<sup>th</sup> Session of the Board. They believed that the related transaction was fair without interest of Company and minority shareholders violated, and could ease the pressure of demand for construction funds of WNWRI; voting procedure of this related transaction was legally and related directors avoiding the vote and was in full accord for the transaction.

VIII. Documents available for reference

1. Resolution of 21<sup>st</sup> Meeting of 6<sup>th</sup> Session of the Board;
2. Independent directors' opinion.

Board of Directors of  
Dalian Refrigeration Co., Ltd.  
22 October 2015