



HAYWOOD INVESTMENTS LIMITED

(Incorporated in Cayman Islands with limited liability)

Stock Code: 905

APPOINTMENT OF CHAIRMAN AND EXECUTIVE DIRECTOR

The Board of Directors (the "Board") of Haywood Investments Limited (the "Company") is pleased to announce that Mr. Zhou Chao (周超) ("Mr. Zhou") has been appointed as executive director and Chairman of the Company with effect from 1 June 2005.

Mr. Zhou, aged 31, is the deputy general manager of Xiyang Corporation (西洋集團) and the general manager of 遼寧西洋特肥股份有限公司 (Liaoning Xiyang Fertilizer Joint Stock Company Limited). Mr. Zhou has been the director of (i) Xiyang International Limited (西洋國際有限公司) and Ding Yang Trading Limited (鼎洋貿易有限公司) since 1997; (ii) 海城市西洋進出口公司 (Haicheng Xiyang Import & Export Company) since 2001; (iii) 貴州西洋鐵運有限公司 (Guizhou Xiyang Transportation Company Limited), 海城市西洋鋼鐵有限公司 (Haicheng Xiyang Steel & Iron Company Limited), 海城市海興運輸有限公司 (Haicheng Haixing Transportation Company Limited), 黑山金洋淨水劑有限公司 (Heishan Jinyang Water Purification Agent Company Limited) and 瀋陽西洋鋼鐵有限公司 (Shenyang Xiyang Steel & Iron Company Limited) since 2003; (iv) 海城市西洋集團設計研究有限公司 (Haicheng Xiyang Group Design and Research Company Limited) and 黑山西洋特肥運輸有限公司 (Heishan Xiyang Fertilizer Transportation Company Limited) since 2004; and (v) 內蒙放漢旗西洋礦業有限公司 (Inner Mongolia Aohanqi Xiyang Mining Company Limited) and 寧夏西洋恒力集團有限公司 (Ningxia Xiyang Heng Li Group Limited) since 2005.

Mr. Zhou is now the member of All China Youth Federation (中華全國青年聯合會委員), member of the Jinzhou Committee of Chinese Political Consultative Conference (錦州市政協委員), the Vice-chairman of Jinzhou Youth Federation (錦州市青年聯合會副主席) and the Vice-chairman of Sole Proprietorship Business Association of Jinzhou (錦州市個體工商協會副會長).

As at the date of this announcement, Mr. Zhou has not entered into any service contract with the Company. The appointment of Mr. Zhou will be for a term of 3 years commencing from the date of appointment and shall continue unless and until terminated by either Mr. Zhou or the Company by one month's notice. The remuneration of Mr. Zhou comprises of an annual salary of HK\$ 520,000, which will be reviewed annually by the Board, and discretionary bonus. The amount of remuneration of Mr. Zhou is determined with reference to his experiences and efforts to be contributed to the Company.

As at the date of this announcement, Mr. Zhou is not connected with any directors, senior management, substantial or controlling shareholders of the Company. As at the date of this announcement, Xiyang International Limited is holding 42,710,400 shares in the Company. Since Mr. Zhou is interested in 90% of the entire issued share capital of Xiyang International Limited, he is deemed to be interested in 42,710,400 shares in the Company under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), representing approximately 26.69% of the total issued share capital of the Company. Save as disclosed in this announcement and his directorship in the Company, Mr. Zhou does not hold any positions with the Company and other members of the Company, and did not hold any directorships in other listed public companies in the last three years.

The Board and Mr. Zhou are not aware of any other matters that need to be brought to the attention of holders of securities of the Company in relation to the appointment of Mr. Zhou as executive director and Chairman of the Company.

As at the date of this announcement, the Board is comprised of Mr. Zhou Chao, Mr. Tai Ah Lam, Michael, Mr. Phang Yul Cher Yeow, Mr. Tham Ming Yong and Mr. Tsun Kok Chung, Richard as executive directors, Dr. Wong Yun Kuen, Edward, Mr. Hsieh Dominick and Ms. Lam Lin Chu as independent non-executive directors.

By Order of the Board
Haywood Investments Limited
TSUN KOK CHUNG RICHARD
Executive Director