

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated July 31, 2014 (the “Prospectus”) issued by China Rundong Auto Group Limited (the “Company”). This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

This announcement is made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) (the “Stabilizing Rules”) and is for information purposes only and does not constitute an offer or an invitation by any person to acquire, purchase or subscribe for securities of the Company.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended from time to time (the “U.S. Securities Act”). The securities may not be offered or sold in the United States except pursuant to Rule 144A or any other available exemption from the registration requirements of the U.S. Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. There will be no public offer of securities in the United States.



潤東汽車

China Rundong Auto Group Limited

中國潤東汽車集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1365)

**STABILIZING ACTIONS,
END OF STABILIZATION PERIOD
AND
LAPSE OF THE OVER-ALLOTMENT OPTION**

The Company announces that the stabilization period in connection with the Global Offering ended on September 4, 2014.

The Company was informed that the stabilizing actions undertaken by Morgan Stanley Asia Limited, the Stabilizing Manager, or any person acting for it, during the stabilization period involved:

- (i) over-allocation of an aggregate of 9,687,000 Shares in the International Offering, representing approximately 3.61% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) borrowing of an aggregate of 9,687,000 Shares by the Stabilizing Manager (through its agent) from Rundong Fortune to cover the over-allocations in the International Offering; and
- (iii) successive purchases of an aggregate of 9,687,000 Shares at the price range of HK\$3.03 to HK\$3.58 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilization period.

The Company further announces that the Over-allotment Option was not exercised by the Joint Global Coordinators on behalf of the International Underwriters during the stabilization period and lapsed on September 4, 2014. Accordingly, no Share was issued under the Over-allotment Option.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company makes this announcement pursuant to section 9(2) of the Stabilizing Rules and announces that the stabilization period in connection with the Global Offering ended on September 4, 2014, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering.

The Company was informed that the stabilizing actions undertaken by Morgan Stanley Asia Limited, the Stabilizing Manager, or any person acting for it, during the stabilization period involved:

- (i) over-allocation of an aggregate of 9,687,000 Shares in the International Offering, representing approximately 3.61% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) borrowing of an aggregate of 9,687,000 Shares by the Stabilizing Manager (through its agent) from Rundong Fortune pursuant to the Stock Borrowing Agreement dated August 6, 2014 entered into between Rundong Fortune and Morgan Stanley & Co. International plc to cover the over-allocations in the International Offering. Such Shares have been returned and redelivered to Rundong Fortune in accordance with the terms of the Stock Borrowing Agreement; and

- (iii) successive purchases of an aggregate of 9,687,000 Shares at the price range of HK\$3.03 to HK\$3.58 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilization period to facilitate the return in full to Rundong Fortune of 9,687,000 Shares borrowed pursuant to the Stock Borrowing Agreement. The last purchase made by the Stabilizing Manager on the market during the course of the stabilization period was on August 13, 2014 at the price of HK\$3.58 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).

LAPSE OF THE OVER-ALLOTMENT OPTION

The Company further announces that the Over-allotment Option was not exercised by the Joint Global Coordinators on behalf of the International Underwriters during the stabilization period and lapsed on September 4, 2014. Accordingly, no Share was issued under the Over-allotment Option.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules.

By order of the Board of Directors
China Rundong Auto Group Limited
Yang Peng
Chairman

Hong Kong, September 5, 2014

As at the date of this announcement, the Board of Directors of the Company comprises YANG Peng, LIU Dongli, ZHAO Zhongjie, LIU Jian and LI Xiang, as executive Directors; LIU Haifeng David, ZHAO Fu and YAN Sujian, as non-executive Directors; PENG Zhenhuai, MEI Jianping, LEE Conway Kong Wai and XIAO Zhengsan, as independent non-executive Directors.