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潤東汽車

China Greenland Rundong Auto Group Limited

中國綠地潤東汽車集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1365)

VOLUNTARY ANNOUNCEMENT

STRATEGIC COOPERATION MEMORANDUM WITH ALIBABA AUTOMOBILE

The board of directors (the “**Board**”) of China Greenland Rundong Auto Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to announce that, on November 16, 2015, the Company entered into a strategic cooperation memorandum (the “**Memorandum**”) with the Alibaba Automobile business unit of Zhejiang Tmall.com Technology Co., Ltd. (浙江天貓技術有限公司阿里汽車部) (“**Alibaba Automobile**”) of Alibaba Group Holding Ltd. (阿里巴巴集團控股有限公司, a company listed on the New York Stock Exchange, stock code: BABA).

MAJOR DETAILS OF THE COOPERATION

(1) Jointly launch Alibaba major Automobile premium sales campaign

Both parties will jointly organise Alibaba major Automobile premium sales campaign featuring online sales of automobiles with favourable prices. On top of existing foundation of the online sales of mid-end brand automobiles, a number of automobiles of luxury names such as BMW, Land Rover, Maserati and Jaguar Land Rover are added to the portfolio of sales in the outlets.

(2) Jointly establish the luxury automobile sales and services franchise flagship store “Rundong Auto franchise store”

Greenland Rundong Auto has opened an online franchise store branded Greenland Rundong Auto on Tmall platform for the sales of automobiles of luxury names, electric automobiles, parallel imported automobiles and pre-owned automobiles, and provision of automobile repairing and maintenance services, etc., with an aim to increase the customers flow in offline physical network, enhance the efficiency of sales and services, and provide high quality online car purchase and maintenance service experience to consumers. Both parties intend to jointly launch “Rundong customer loyalty scheme — Phoenix returns home” (潤東車主回家 — “鳳回巢”計畫) to provide long-term care service for new customers of Rundong. Loyal customers owning our car ranging 1 to 4 years will be offered repairing and maintenance services where old customers owning our car for 5 years or more will enjoy initiatives such as car replacement and repairing and maintenance services with favorable prices.

(3) Jointly engage in internet automobile financing business

The Group will become a strategic business partner of Alibaba Automobile’s “Instant Automobile Financing” (車秒貸), for which both parties will actively cooperate with the leverage of their respective automobile financing business channels to provide financing services for vehicle purchases and other financial products for car owners.

REASONS FOR AND BENEFITS OF THE STRATEGIC COOPERATION

As Alibaba is a global e-commerce platform leader and Alibaba Automobile covers 90 million automobile users, the strategic cooperation could help attract more customers for automobile sales and after-sales businesses for the Group and enhance the brand image of the Group, offline dealership outlets greatly complement the Group’s automobile e-commerce services by enhancing the Group’s sales efficiency and facilitating a shorter turnover of our inventories.

INFORMATION OF THE GROUP AND ALIBABA AUTOMOBILE

As one of the largest luxury automobile dealership groups in the affluent coastal region in Eastern China (including Jiangsu, Shandong, Shanghai and Zhejiang), the Group has established a high-density dealership network with a balanced portfolio of luxury, ultra-luxury, and mid- and high-end brands. The Company manages a brand portfolio, including BMW, MINI, Jaguar, Land Rover, Audi, Lexus and Cadillac, in addition to two ultra-luxury brands, namely, Maserati and Ferrari. With an advanced customer relationship management system and a well-established dedicated sales team in place, the Group is committed to providing customized services throughout relevant auto consumer cycle, while offering a diverse range of aftersales services, including consulting services for automobile purchase financing, automobile insurance agency services, financial leasing and related consulting services, and pre-owned automobiles, as well as automobile added-value services.

Serving as an internet automobile platform of Alibaba Group Holding Ltd., Alibaba Automobile has enjoyed advantages of big data marketing capability, automobile finance business and its customer base of 90 million automobile users brought by its online platform as well as its extensive network in the automobile industry chain to provide an one-stop automobile “O2O” integrated services featuring all-inclusive functions of “browsing, choosing, purchasing, using and selling” for car-owners in a wireless business setting.

If the strategic cooperation under the Memorandum materializes, it constitutes a discloseable transaction of the Company under the Listing Rules, the Company will make further announcement under the requirements of the Listing Rules when and as appropriate.

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

Hong Kong, November 16, 2015

As at the date of this announcement, the executive Directors are Mr. Yang Peng, Mr. Liu Dongli, Mr. Zhao Zhongjie and Mr. Liu Jian; the non-executive Directors are Mr. Li Wei, Mr. Wu Zhengkui, Mr. Zhao Fu and Mr. Yan Sujian; and the independent non-executive Directors are Mr. Peng Zhenhuai, Mr. Mei Jianping, Mr. Lee Conway Kong Wai and Mr. Xiao Zhengsan.