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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)

ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made by China Greenland Rundong Auto Group Limited (the “**Company**”) pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to announce that the Company entered into a facility agreement with a syndicate of banks on November 27, 2015 (the “**Facility Agreement**”) for a term loan facility of US\$100,000,000, which subject to the accession by any additional bank(s) to the Facility Agreement pursuant to the terms thereunder will be increased by an amount currently contemplated to be approximately US\$150,000,000 (the “**Facility**”). The Facility has a term of thirty six months from the first utilization date of the Facility.

Pursuant to the Facility Agreement, it will be an event triggering mandatory prepayment, among other things, if:

- (a) any person owns beneficially, directly or indirectly, more shares in the Company than the aggregate number of shares owned beneficially, directly or indirectly, by Greenland Holdings Corporation Limited (“**Greenland**”); or
- (b) Greenland and Mr. Yang Peng, Chairman, President and executive Director of the Company, (“**Mr. Yang**”) collectively do not have or cease to have control over the Company.

If any of the above events occurs, the total commitment under the Facility may be cancelled and all outstanding amounts, together with accrued interest and all other amounts accrued will become immediately due and payable.

In addition to the above, the Company also gives, among other things, an undertaking that, from the date of the Facility Agreement for so long as any amount is outstanding or any commitment under the Facility Agreement is in force, the Company will ensure that:

- (a) the Company's financials are consolidated in all audited and consolidated financial statements of Greenland for each financial year; and
- (b) the Company remains at all times a subsidiary of Greenland, which means that Greenland will, among other things, either directly or indirectly: (a) own more than half the issued equity share capital of the Company; or (b) have, whether by share capital, voting power, contract or otherwise, the power to appoint and/or remove the majority of the members of the governing body of the Company.

If the Company fails to comply with the above undertaking, an event of default will be triggered accordingly the total commitment under the Facility may be cancelled and all outstanding amounts, together with accrued interest and all other amounts accrued will become immediately due and payable.

As at the date of this announcement:

- (a) each of Greenland and Mr. Yang beneficially and indirectly owns 283,942,800 ordinary shares and 283,942,800 ordinary shares of the Company, respectively, representing approximately 30.0% and 30.0% of the issued ordinary shares of the Company, respectively; and
- (b) each of Greenland and Mr. Yang beneficially and indirectly owns 284,327,947 convertible preference shares of par value US\$0.0000005 each in the share capital of the Company ("CPS") and 200,073,200 CPS, respectively.

Immediately after full conversions of the above CPS but excluding 36,898,851 ordinary shares of the Company Mr. Yang is entitled to (subject to certain conditions) subscribe pursuant to a management subscription agreement dated May 16, 2015, each of Greenland and Mr. Yang will beneficially and indirectly own 568,270,747 ordinary shares and 484,016,000 ordinary shares of the Company, respectively, representing approximately 35.3% and 30.0% of the enlarged share capital of the Company, respectively. Please refer to the circular of the Company dated July 13, 2015 for details of the aforementioned management subscription agreement.

The Company will comply with the disclosure requirements pursuant to Rule 13.21 of the Listing Rules for so long as circumstances giving rise to the obligation under Rule 13.18 of the Listing Rules continue to exist.

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

Hong Kong, November 27, 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.