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## **MUDAN AUTOMOBILE SHARES COMPANY LIMITED\***

### **牡丹汽車股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 8188)**

#### **DELAY IN DESPATCH OF CIRCULAR IN RELATION TO CONTINUING CONNECTED TRANSACTIONS**

Due to the Chinese New Year holidays, the Company announces that additional time is required by the Company to prepare and finalise certain information to be contained in the circular, including details to be provided to the independent financial adviser for the preparation of its letter to the Independent Board Committee and the Independent Shareholders setting out its opinion on the Vehicle Purchase Framework Agreements, the Vehicle Parts Purchase Framework Agreement and the Sale Framework Agreement and the related annual caps. An application has been made by the Company to the Stock Exchange for a waiver from strict compliance with Rule 20.49 of the GEM Listing Rules and an extension of the deadline for despatch of the circular to no later than 26 March 2010.

Reference is made to the announcement of Mudan Automobile Shares Company Limited (the "Company") dated 12 February 2010 (the "Announcement") in relation to the Vehicle Purchase Framework Agreements, the Vehicle Parts Purchase Framework Agreement and the Sale Framework Agreement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

Pursuant to Rule 20.49 of the GEM Listing Rules, the Company is required to despatch a circular to its shareholders within 21 days after publication of the Announcement, i.e. on or before 5 March 2010. Due to the Chinese New Year holidays, it is expected that additional time is required by the Company to prepare and finalise certain information to be contained in the circular, including details to be provided to the independent financial adviser for the preparation of its letter to the Independent Board Committee and the Independent Shareholders setting out its opinion on the Vehicle Purchase Framework

Agreements, the Vehicle Parts Purchase Framework Agreement and the Sale Framework Agreement and the related annual caps. An application has been made by the Company to the Stock Exchange for a waiver from strict compliance with Rule 20.49 of the GEM Listing Rules and an extension of the deadline for despatch of the circular to no later than 26 March 2010.

By Order of the Board  
**Mudan Automobile Shares Company Limited**  
**LI Zi Hao**  
Chairman

Shunde, Foshan City, Guangdong Province, the PRC  
4 March 2010

*As at the date of this announcement, the Board comprises six (6) Directors, of which two (2) are executive Directors, namely Mr. LI Zi Hao (Chairman of the Board) and Ms. PAN Li Chan; one (1) is non-executive Director, namely Mr. CHAN Man and three (3) are independent non-executive Directors, namely Mr. HUANG Chengye, Mr. GUO Hong and Mr. WANG Ruihua.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*The announcement will remain on the website of the Growth Enterprise Market at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the date of its posting and will be published on the website of the Company (<http://www.mudanauto.com>).*

\* For identification purpose only