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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)

POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 29 APRIL 2010 AND CHANGE OF DIRECTORS

POLL RESULTS OF EGM

All the Resolutions as set out in the Notice of EGM were duly passed by the Shareholders by way of poll at the EGM held at 11:30 a.m. on 29 April 2010.

CHANGE OF DIRECTORS

At the EGM:

- (i) Mr. PAN Jin Rong was elected and appointed as non-executive Director; and
- (ii) Mr. LIANG Bo Qi and Mr. WU Bing Jian were elected and appointed as independent non-executive Directors.

After the conclusion of the EGM:

- (i) the resignation of Mr. CHAN Man as a non-executive Director took effect; and
- (ii) the resignation of Mr. WANG Ruihua as an independent non-executive Director took effect.

POLL RESULTS OF EGM

Reference is made to the notice (“**Notice of EGM**”) of extraordinary general meeting (“**EGM**”) of Mudan Automobile Shares Company Limited (“**Company**”) dated 12 March 2010.

The board of directors (“**Directors**”) of the Company (“**Board**”) is pleased to announce that all the resolutions (“**Resolutions**”) as set out in the Notice of EGM were duly passed by the shareholders of the Company (“**Shareholders**”) by way of poll at the EGM held at 11:30 a.m. on 29 April 2010. The Company’s auditors, Lo and Kwong C.P.A. Company Limited, was appointed as the scrutineer for the purpose of vote-taking at the EGM.

As at the date of EGM, the total number of issued shares in the Company was 284,800,000, which was the total number of shares entitling the Shareholders to attend and vote for or against the Resolutions at the EGM. No Shareholder was required to abstain from voting on any of the Resolutions at the EGM. A total of 212,610,824 shares of the Company were held by the Shareholders who attended and voted for or against the Resolutions at the EGM. No Shareholder was entitled to attend and vote only against any of the Resolutions at the EGM.

The poll results in respect of each of the Resolutions were as follows:

Resolutions		Number of Votes (%)	
		For	Against
	Ordinary resolutions		
1.	To approve the appointment of Mr. PAN Jin Rong as a Director	212,610,824 (100%)	Nil (0%)
2.	To approve the appointment of Ms. LIANG Bo Qi as a Director	212,610,824 (100%)	Nil (0%)
3.	To approve the appointment of Mr. WU Bing Jian as a Director	212,610,824 (100%)	Nil (0%)
	Special resolution		
4.	To approve the amendment to the Articles of Association of the Company	212,610,824 (100%)	Nil (0%)

As more than 50% of the votes were cast for each of the resolutions nos.1 to 3 as set out in the Notice of EGM and more than 75% of the votes were cast for resolution no.4 as set out in the Notice of EGM, each of the resolutions nos.1 to 3 of the EGM was duly passed as an ordinary resolution of the Company and resolution no.4 of the EGM was duly passed as a special resolution of the Company at the EGM.

CHANGE OF DIRECTORS

Appointment of Directors

The Board further announced that at the EGM:

- (i) Mr. PAN Jin Rong was elected and appointed as a non-executive Director; and
- (ii) Mr. LIANG Bo Qi and Mr. WU Bing Jian were elected and appointed as independent non-executive Directors.

The biographical details of each of the newly appointed Directors are as follows:

(i) Mr. PAN Jin Rong (“**Mr. Pan**”)

Mr. PAN Jin Rong, aged 38, graduated from Shunde Normal School in 1990. Mr. Pan is the brother of Ms. PAN Li Chan, an executive Director, and the brother-in-law of Mr. LI Zi Hao, the chairman of the Company and an executive Director. He has over 20 years of working experience and is currently an executive director of Zhangjiagang City Rixin Tong Yun Logistics Equipment Limited* (張家港日新通運物流裝備有限公司) and Chengdu Yu Zhong Composite Materials Technology Limited* (成都裕眾複合材料科技有限公司). Mr. Pan is the sole executive director and holds 90% interests of Foshan Heli Car Trading Company Limited (佛山市合力汽車貿易公司), which is a Shareholder holding 300,000 domestic shares of the Company as at the date of this announcement. Mr. Pan joined the Company as a Director on 29 April 2010. As at the date of this announcement, Foshan Shunde Zhongyu Car Trading Company Limited* (佛山市順德眾裕汽車貿易有限公司) (“**Shunde Zhongyu**”) is a Shareholder holding 300,000 domestic shares of the Company. Shunde Zhongyu is wholly and beneficially owned by Ms. WU Shu Wun, who is the wife of Mr. Pan and sole director of Shunde Zhongyu. Mr. Pan as the spouse of Ms. WU Shu Wun, is deemed to be interested in the 300,000 Domestic Shares in which Ms. WU Shu Wun is interested (through Shunde Zhongyu).

(ii) Mr. LIANG Bo Qi (“**Mr. Liang**”)

Mr. LIANG Bo Qi, aged 45, is a certified public tax collector and a non-practiced registered accountant in the People’s Republic of China (“**PRC**”), qualified as an industry accountant (intermediate level)* (工業會計師(中級)). Mr. Liang holds a bachelor’s degree in modern economic management* (現代經濟管理). Mr. Liang has extensive working experience in economic and financial fields. Mr. Liang joined the Company as a Director on 29 April 2010.

(iii) Mr. WU Bing Jian (“**Mr. Wu**”)

Mr. Wu, aged 49, is qualified as an economist and completed his study in finance through internet learning from the Southwestern University of Finance and Economics in 2007. Mr. Wu has over 30 years of working experience in the banking industry. Mr. Wu joined the Company as a Director on 29 April 2010.

General disclosures

The remuneration package of the newly appointed Directors will be determined in due course. The Company will make further announcement in this regard. The Company will take into account the duties and responsibilities, the remuneration benchmark in the industry and the prevailing market conditions to determine the remuneration package of the newly appointed Directors.

Save as disclosed above,

- (i) none of the newly appointed Directors hold any directorships in other listed company in the last three years nor have any other major appointments and qualifications nor hold any other position with the Company or any of its subsidiaries;
- (ii) each of the newly appointed Directors does not have any relationship with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders;

- (iii) none of the newly appointed Directors has any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong); and
- (iv) there is no other matters concerning each of the newly appointed Directors that need to be brought to the attention of the Shareholders in relation to their appointment as Directors and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 17.50(2) (h) to (v) of the Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

Resignation of Directors

The Board further announces that after the conclusion of the EGM:

- (i) the resignation of Mr. CHAN Man as a non-executive Director took effect; and
- (ii) the resignation of Mr. WANG Ruihua as an independent non-executive Director took effect.

Each of Mr. CHAN Man and Mr. WANG Ruihua confirmed that he had no disagreements with the Board and there are no matters necessary to be brought to the attention of the Shareholders regarding their resignations as a Director.

The Board would like to extend its gratitude to Mr. CHAN Man and Mr. WANG Ruihua for their valuable contribution and services to the Company during their tenure of office.

COMPLIANCE WITH THE MINIMUM NUMBER REQUIREMENT FOR INDEPENDENT NON-EXECUTIVE DIRECTORS

Reference is made to the announcement of the Company dated 11 March 2010.

With effect of the appointments of Mr. Liang and Mr. Wu at the EGM, the Company has complied with (i) Rule 5.05(1) of the GEM Listing Rules which requires the Company to have at least three independent non-executive Directors and (ii) Rule 5.28 and Rule 5.33 of the GEM Listing Rules regarding the minimum number of members of the audit committee.

Following the change of the composition of the Board: (i) the audit committee of the Board now consist of Mr. Wu (as chairman), Mr. Huang Chengye and Mr. Liang; and (ii) the remuneration committee of the Board now consist of Mr. Wu (as chairman), Mr. Huang Chengye and Mr. Liang.

On Behalf of the Board
Mudan Automobile Shares Company Limited
LI Zi Hao
Chairman

Shunde, Foshan City, Guangdong Province, the PRC
29 April 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. PAN Jin Rong and three (3) are independent non-executive Directors, namely Mr. HUANG Chengye, Mr. LIANG Bo Qi and Mr. WU Bing Jian.

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>).

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