

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong 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.*

*None of the US Securities and Exchange Commission (the “SEC”), any US state securities commission or any other regulatory authority takes responsibility for the contents of this Announcement, or makes any representation as to its accuracy or completeness. The SEC, the US state securities commissions and all other regulatory authorities 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. Any representation to the contrary is unlawful in the United States.*

*This Announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of GAC or Denway, nor is it any solicitation of any vote or approval in any jurisdiction. This Announcement also does not constitute any solicitation or recommendation under the rules and regulations of the SEC. This Announcement is not an offer for sale or a sale of GAC Shares in the United States. The GAC H Shares have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act.*



**广汽集团**  
**GAC GROUP**

**GUANGZHOU AUTOMOBILE GROUP CO., LTD.**  
**廣州汽車集團股份有限公司**

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



**DENWAY MOTORS LIMITED**  
**駿威汽車有限公司**

*(Incorporated in Hong Kong  
under the Companies Ordinance)*

**(Stock code: 203)**

## **CLARIFICATION ANNOUNCEMENT**

Reference is made to the Rule 3.5 announcement dated 19 May 2010 (the **3.5 Announcement**) and the press conference jointly held by GAC and Denway on 19 May 2010 (the **Press Conference**). Terms used in this Announcement shall, unless otherwise defined, have the same meaning as defined in the 3.5 Announcement. During the Press Conference, the reporters raised a number of questions, among which GAC was asked if it would consider raising the Share Exchange Ratio. Mr. Zhang Fangyou, the Chairman of GAC and Denway, answered that GAC is not currently contemplating to raise the Share Exchange Ratio. At the request of the SFC, GAC confirms that Mr. Zhang Fangyou's reply at the Press Conference should neither be read as a “no increase statement” under Rule 18.3 of Code on Takeovers and Mergers nor be interpreted as an indication that GAC will increase the Share Exchange Ratio in the future.

**Scheme Shareholders, investors and potential investors in Denway should be aware that the implementation of the Privatisation and the Scheme is subject to the conditions set out in the 3.5 Announcement being satisfied or waived, as applicable, and accordingly, the Privatisation and the Scheme may or may not become effective. Scheme Shareholders, investors and potential investors in Denway should therefore exercise caution when dealing in Denway Shares and/or other securities of Denway. Persons who are in doubt as to the action they should take should consult their licensed securities dealers, registered institutions in securities, bank managers, solicitors or other professional advisers.**

*The GAC Directors jointly and severally accept full responsibility for the accuracy of the information in this Announcement, (other than that relating to the Denway Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Announcement (other than that expressed by the Denway Group), have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement (other than that relating to Denway Group) herein misleading.*

*The Denway Directors jointly and severally accept full responsibility for the accuracy of the information in this Announcement, (other than that relating to the GAC Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Announcement (other than that expressed by the GAC Group), have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement (other than that relating to the GAC Group) herein misleading.*

*As at the Announcement Date, the executive directors of GAC are ZHANG Fangyou, ZENG Qinghong, YUAN Zhongrong, FU Shoujie and LU Sa, the non-executive directors of GAC are LIU Huilian, WEI Xiaoqin, LI Tun, WANG Songlin and LI Pingyi and the independent non-executive directors of GAC are WU Gaogui, MA Guohua, XIANG Bing, LAW Albert Yu Kwan and LI Zhengxi.*

*As at the Announcement Date, the executive directors of Denway are Mr. ZHANG Fangyou, Mr. ZENG Qinghong, Mr. LI Tun, Mr. FU Shoujie and Mr. YAO Yiming and the independent non-executive directors of Denway are Mr. CHEUNG Doi Shu, Mr. LEE Ka Lun and Mr. FUNG Ka Pun.*

By order of the board of  
**Guangzhou Automobile Group Co., Ltd.**  
**Mr. Zhang Fangyou**  
*Chairman*

By order of the board of  
**Denway Motors Limited**  
**Mr. Li Tun**  
*Managing Director*

Hong Kong, 24 May 2010