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慶鈴汽車股份有限公司
QINGLING MOTORS CO. LTD.

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1122)

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

Reference is made to the announcement (the "**Announcement**") of Qingling Motors Co. Ltd (the "**Company**") dated 18 March 2016 in relation to the annual results for the year ended 31 December 2015. Unless the context otherwise requires, terms defined in this announcement shall have the same meanings as those defined in the Announcement.

A. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — 10. RESTRICTED BANK BALANCES

On page 15 of the Announcement, it was stated that:

"On 29 September 2015, the Company formally received a summon sent by the Court on 25 September 2015, and pursuant to which the Bank, as the plaintiff, has initiated legal proceedings against six defendants including the Customer and the Company (the "**Litigation**") in the Futian Court."

It was also stated that:

"The Bank stated that the outstanding credit balances due from the Customer was RMB38,021,000 in aggregate."

The Board noted that there were missing information and wishes to clarify that the above content should be amended and be replaced as follows, respectively:

"On 29 September and 22 October 2015, the Company formally received summons sent by the Futian Court on 25 September 2015 and 19 October 2015 respectively, and pursuant to which the Bank, as the plaintiff, has initiated legal proceedings against six defendants including the Customer and the Company (the "**Litigation**") in the Futian Court."

"The Bank stated that the outstanding credit balances due from the Customer was RMB80,000,000 in aggregate."

B. CORPORATE GOVERNANCE

On page 26 of the Announcement, it was stated that:

"During the year ended 31 December 2015, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules without deviation."

The Board noted that there were missing information and wishes to clarify that the above content should be amended and be replaced as follows:

"For the year ended 31 December 2015, the Company has complied with the code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules except for the deviation from code provision A.1.8 of the Corporate Governance Code as stated below.

Under code provision A.1.8 of the Corporate Governance Code, an issuer should arrange appropriate insurance cover in respect of legal action against its directors. With regular, timely and effective communications among the directors and the management of the Group, the management of the Group believes that all potential claims and legal actions against the directors of the Company can be handled effectively, and the possibility of actual litigation against the directors of the Company is relatively low. The Company will review and consider to make such arrangement as and when it thinks necessary."

Save as disclosed in this announcement, the above clarification does not affect other information contained in the Announcement, and the remaining contents of the Announcement remain unchanged.

By Order of the Board
Qingling Motors Co. Ltd
HE Yong
Executive Director and Chairman

Chongqing, the PRC, 22 April 2016

As at the date of this announcement, the Board comprises 11 Directors, of which Mr. HE Yong, Mr. Keiichiro MAEGAKI, Mr. GAO Jianmin, Mr. Makoto TANAKA, Mr. ZENG Jianjiang, Mr. Naoto HAKAMATA and Mr. LI Juxing are executive Directors and Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Tianni and Mr. LIU Erh Fei are independent non-executive Directors.