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**吉利汽車控股有限公司**  
**GEELY AUTOMOBILE HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 175)

**CONNECTED TRANSACTION  
IN RELATION TO THE SUBSCRIPTION OF  
385,000 NEW ORDINARY SHARES OF  
MANGANESE BRONZE HOLDINGS PLC**

On 9 June 2009, Manganese Bronze announced the Placing, subject to a number of conditions, to raise approximately GBP10 million (approximately HK\$125.0 million) before expenses through the issue of 5,347,593 new Manganese Bronze Shares at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Share. On 9 June 2009, the Company signed a Placing Letter with the Placing Agent, pursuant to which the Company has agreed to subscribe for 385,000 new Manganese Bronze Shares in the Placing at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Shares, at the aggregate cost of GBP719,950 (approximately HK\$9.0 million). To the best knowledge of the Directors, as at the date of this announcement, the Placing has been fully subscribed. Upon completion of the Placing, the Group's shareholding in Manganese Bronze will be diluted from approximately 22.69% to approximately 19.97%

The Group and the Manganese Bronze Group are interested in 51% and 48% of Shanghai LTI, respectively. As Manganese Bronze is a substantial shareholder of Shanghai LTI, a subsidiary of the Company, Manganese Bronze is a connected person of the Company. As a result, the subscription of the new Manganese Bronze Shares under the Placing constitutes a connected transaction of the Company under the Listing Rules. There is no previous transaction that requires to be aggregated with the subscription pursuant to rule 14.22 or rule 14A.25 of the Listing Rules.

As each of the applicable percentage ratios (other than the profits ratio) under rule 14.07 of the Listing Rules is greater than 0.1% but less than 2.5%, the entering into of the Placing Letter falls within rule 14A.32 of the Listing Rules which is subject to the reporting and announcement requirements set out under rules 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent Shareholders' approval requirements.

**As the Placing is subject to the fulfillment of a number of conditions and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

On 9 June 2009, Manganese Bronze, announced the Placing, subject to a number of conditions, to raise approximately GBP10 million (approximately HK\$125.0 million) before expenses through the issue of 5,347,593 new Manganese Bronze Shares at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Share.

## **PLACING LETTER**

On 9 June 2009, the Company signed a Placing Letter with the Placing Agent, pursuant to which the Company has agreed to subscribe for 385,000 new Manganese Bronze Shares at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Share, at the aggregate cost of GBP719,950 (approximately HK\$9.0 million). The Company will finance the subscription of 385,000 new Manganese Bronze Shares under the Placing with its internal resources and settle the respective payment by cash. To the best knowledge of the Directors, as at the date of this announcement, the Placing has been fully subscribed. Upon completion of the Placing, the Group's shareholding in Manganese Bronze will be diluted from approximately 22.69% to approximately 19.97%.

As part of the Placing, the Company, Tosca and Hermes will subscribe for 2,715,000 new Manganese Bronze Shares in aggregate; and such allotment of new Manganese Bronze Shares constitutes related party transactions for Manganese Bronze as a result of the Company, Tosca and Hermes being the substantial shareholders of Manganese Bronze. In this regard, allotment to each of the Company, Tosca and Hermes therefore requires Manganese Bronze's independent shareholders approval at Manganese Bronze's respective general meeting.

If the resolutions to be proposed at the general meeting of Manganese Bronze for approving the Placing are not approved, or admission to the listing of the new Manganese Bronze Shares on the official list of the Financial Services Authority does not take place, or any of the conditions in the Placing Agreement has not been satisfied (or, where permitted, waived by the Placing Agent) or has become incapable of being satisfied on or before 8:00 a.m. (UK time) on 29 June 2009 or such later time and date as the Placing Agent and Manganese Bronze may agree (being not later than 8:00 a.m. (UK time) on 3 July 2009), or has been terminated in accordance with its term, the Company's rights and obligations in the Placing Letter shall cease.

## **REASON FOR THE TRANSACTION**

As at the date of this announcement, the Group is interested in approximately 22.69% of the issued share capital of Manganese Bronze. Shanghai LTI, a joint venture between the Group and the Manganese Bronze Group, was established in June 2007 to manufacture the iconic London taxis and other higher-end saloon cars for sales to the domestic and the international market. Having considered (i) the long term business relationship between the Group and the Manganese Bronze Group; (ii) the potential business opportunities in the taxis manufacturing industry; and (iii) the issue price of the Manganese Bronze Shares under the Placing was at a discount of 9.2% to the closing price of Manganese Bronze Shares

as quoted on the London Stock Exchange on 8 June 2009, the Directors, including the independent non-executive Directors, considered that it is fair and reasonable and in the interest of the Company and its Shareholders as a whole to participate in the Placing. In addition, the Directors are of the view that the Company's contribution for the Placing will (i) enhance the Group's business relationship with Manganese Bronze; (ii) facilitate the future development of Shanghai LTI; and (iii) benefit the Company and its Shareholders as a whole.

## INFORMATION ON THE PARTIES

The Group is principally engaged in the research and development, manufacturing and trading of automobile, automobile parts and related automobile components, and investment holding.

The Manganese Bronze Group is the manufacturer of the iconic London Taxis. The Manganese Bronze Group's primary business is the manufacture and sale of London Taxis in the UK through its production facility in Coventry and showroom distribution network throughout the UK.

The audited financial information of Manganese Bronze Group for the two financial years immediately preceding the Placing prepared in accordance with the International Financial Reporting Standards ("IFRSs") as adopted by the European Union are set out below:

|   | <b>For the<br/>year ended<br/>31 December<br/>2008<br/>(GBP)</b>    | For the<br>17 months ended<br>31 December<br>2007<br>(GBP) |
|---|---|--|
| (Loss)/Profit before taxation and extraordinary items | <b>(6,162,000)</b><br><b>(Approximately<br/>HK\$(77,025,000))</b>   | 4,927,000<br>(Approximately<br>HK\$61,587,500)             |
| (Loss)/Profit after taxation and extraordinary items  | <b>(12,322,000)</b><br><b>(Approximately<br/>HK\$(154,025,000))</b> | 3,376,000<br>(Approximately<br>HK\$42,200,000)             |
|   | <b>As at<br/>31 December<br/>2008<br/>(GBP)</b>                     | As at<br>31 December<br>2007<br>(GBP)                      |
| Net book value  | <b>26,799,000</b><br><b>(Approximately<br/>HK\$334,987,500)</b>     | 37,530,000<br>(Approximately<br>HK\$469,125,000)           |

## LISTING RULES IMPLICATION

The Group and the Manganese Bronze Group are interested in 51% and 48% of Shanghai LTI, respectively. As Manganese Bronze is a substantial shareholder of Shanghai LTI, a subsidiary of the Company, Manganese Bronze is a connected person of the Company. As a result, the subscription of the new Manganese Bronze Shares under the Placing constitutes a connected transaction of the Company under the Listing Rules. There is no previous transaction that requires to be aggregated with the subscription pursuant to rule 14.22 or rule 14A.25 of the Listing Rules.

As each of the applicable percentage ratios (other than the profits ratio) under rule 14.07 of the Listing Rules is greater than 0.1% but less than 2.5%, the entering into of the Placing Letter falls within rule 14A.32 of the Listing Rules which is subject to the reporting and announcement requirements set out under rules 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent Shareholders' approval requirements.

**As the Placing is subject to the fulfillment of a number of conditions and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

|                 |  |
|-----------------|--|
| “Company”       | Geely Automobile Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the main board of the Stock Exchange |
| “Director(s)”   | the director(s) of the Company   |
| “GBP”           | British pound sterling, the lawful currency of the United Kingdom of Great Britain and Northern Ireland  |
| “Group”         | the Company and its subsidiaries   |
| “Hermes”        | Hermes Fund Managers Limited   |
| “HK\$”          | Hong Kong dollar, the lawful currency of Hong Kong   |
| “Hong Kong”     | the Hong Kong Special Administrative Region of the PRC   |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange  |

|                           |  |
|---------------------------|--|
| “London Stock Exchange”   | London Stock Exchange plc  |
| “Manganese Bronze”        | Manganese Bronze Holdings Plc, a public limited liability company incorporated under the Laws of England and Wales whose shares are listed on the London Stock Exchange  |
| “Manganese Bronze Group”  | Manganese Bronze and its subsidiaries  |
| “Manganese Bronze Shares” | ordinary share(s) of the nominal value of 25 pence each in the share capital of Manganese Bronze   |
| “Placing”                 | the conditional placing of 5,347,593 new Manganese Bronze Shares by Manganese Bronze at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Share   |
| “Placing Agent”           | Collins Stewart Europe Limited   |
| “Placing Agreement”       | the agreement dated 9 June 2009 entered into between the Manganese Bronze and the Placing Agent, whereby the Placing Agent has agreed to use its reasonable endeavours to procure subscribers for the new Manganese Bronze Shares under the Placing for an aggregate amount of approximately GBP10.0 million (approximately HK\$125 million) |
| “Placing Letter”          | the letter dated 9 June 2009 signed by the Company pursuant to which the Company has agreed to subscribe for 385,000 new Manganese Bronze Shares at the issue price of 187 pence (approximately HK\$23.4) per new Manganese Bronze Share at the aggregate cost of GBP719,950 (approximately HK\$9.0 million)                                 |
| “Shanghai LTI”            | 上海英倫帝華汽車部件有限公司(Shanghai LTI Automobile Components Company Limited), a sino-foreign equity joint venture in which the Group and Manganese Bronze owns 51% and 48%, respectively   |
| “Shareholders”            | holders of ordinary shares of HK\$0.02 each in the share capital of the Company  |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |

“Tosca” Tosca Fund Asset Management LLP

“%” per cent.

*Unless otherwise specified in this announcement, amounts denominated in GBP have been converted, for the purpose of illustration only, into HK\$ as follows:*

$$GBP1 = HK\$12.5$$

*No representation is made that any amount in HK\$ could have been or could be converted at the above rate or at any other rates or at all.*

By order of the Board of  
**Geely Automobile Holdings Limited**  
**David C.Y. Cheung**  
*Company Secretary*

Hong Kong, 9 June 2009

*As at the date of this announcement, the executive Directors of the Company are Mr. Li Shu Fu, Mr. Yang Jian, Mr. Gui Sheng Yue, Mr. Ang Siu Lun, Lawrence, Mr. Yin Da Qing, Richard, Mr. Liu Jin Liang, Mr. Zhao Jie and Dr. Zhao Fuquan and the non-executive Director is Mr. Xu Gang and the independent non-executive Directors are Mr. Song Lin, Mr. Lee Cheuk Yin, Dannis, and Mr. Yeung Sau Hung, Alex.*