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GEELY GROUP LIMITED

(incorporated in the British Virgin Islands with limited liability)



吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

(Stock code: 175)

JOINT ANNOUNCEMENT

DESPATCH OF THE COMPOSITE OFFER AND RESPONSE DOCUMENT IN RELATION TO THE UNCONDITIONAL MANDATORY GENERAL OFFER BY



**G.K. GOH SECURITIES (H.K.) LIMITED
ON BEHALF OF**

GEELY GROUP LIMITED

**TO ACQUIRE ALL THE ISSUED SHARES IN
GEELY AUTOMOBILE HOLDINGS LIMITED**

**(OTHER THAN THOSE SHARES ALREADY BENEFICIALLY OWNED OR AGREED TO
BE ACQUIRED BY**

GEELY GROUP LIMITED

**AND PARTIES ACTING IN CONCERT WITH IT)
AND**

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

Financial adviser to Geely Group Limited



G.K. GOH SECURITIES (H.K.) LIMITED

DESPATCH OF COMPOSITE OFFER DOCUMENT

The Company and the Offeror announce that copies of the composite offer document have been despatched to the Shareholders on 31 May 2005. The Offer will close on Tuesday, 21 June 2005 (unless the Offeror revises or extends the Offer in accordance with the Takeovers Code).

Shareholders should review the composite offer document before taking any action with regard to their interests in the Company. The latest time for acceptance of the Offer is 4:00 p.m. on Tuesday, 21 June 2005 (unless the Offeror revises or extends the Offer in accordance with the Takeovers Code).

DELAY IN DESPATCH OF CIRCULAR IN RELATION TO THE CONTINUING CONNECTED TRANSACTIONS

As additional time is required to prepare and collate information in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules and for an extension to 8 June 2005. The Directors expect that the despatch of the Circular will be on or before 8 June 2005.

Reference is made to the announcement dated 10 May 2005 (the "Announcement") and 19 May 2005, jointly issued by the Company and the Offeror regarding the Offer and the Continuing Connected Transactions. Defined terms and expressions used herein shall have the same meanings as those in the Announcement unless otherwise stated.

DESPATCH OF COMPOSITE OFFER DOCUMENT

The Company and the Offeror announce that copies of the composite offer document containing, among other things, (i) the letter from the Board; (ii) the letter from G.K. Goh Securities (H.K.) Limited; (iii) the letter from the independent board committee; and (iv) the letter from the joint independent financial advisers, Tai Fook Capital Limited and BCOM Securities Company Limited, in connection with the Offer have been despatched to the Shareholders on 31 May 2005. The Offer will close on Tuesday, 21 June 2005 (unless the Offeror revises or extends the Offer in accordance with the Takeovers Code).

Shareholders should review the composite offer document before taking any action with regard to their interests in the Company. The latest time for acceptance of the Offer is 4:00 p.m. on Tuesday, 21 June 2005 (unless the Offeror revises or extends the Offer in accordance with the Takeovers Code).

CHANGE IN THE BOARD OF DIRECTORS UPON CLOSING OF THE OFFER

The Board is currently made up of 10 Directors, comprising eight executive Directors and two independent non-executive Directors. The Offeror intends to nominate Messrs. Li Shu Fu, Xu Gang, Yang Jian, Shim Bong Sup, Yin Da Qing, Richard, Liu Jin Liang and Gui Sheng Yue as executive Directors. Further announcement will be made by the Company in this regard.

Upon closing of the Offer, six of the existing executive Directors namely, Mr. He Xuechu, Messrs. Xu Xing Yao, Ku Wai Kwan, Zhou Teng, Zhang Zhe and Wong Hing Kwok will resign.

DELAY IN DESPATCH OF CIRCULAR IN RELATION TO THE CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch a circular (the "Circular") in relation to the Continuing Connected Transactions to the Shareholders within 21 days after publication of the Announcement, i.e. on or before 1 June 2005. As additional time is required to finalize the financial information to be provided to the joint independent financial advisers, prepare and collate information in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules and for an extension to 8 June 2005. The Directors expect that the despatch of the Circular will be on or before 8 June 2005.

As at the date of this announcement, the executive Directors are Messrs. He Xuechu, Xu Xing Yao, Ang Siu Lun, Lawrence, Ku Wai Kwan, Zhou Teng, Nan Yang, Zhang Zhe and Wong Hing Kwok and the independent non-executive Directors are Messrs. Lee Cheuk Yin, Dannis and Song Lin.

By order of the Board
Geely Group Limited
Li Shu Fu
Director

By order of the Board
Geely Automobile Holdings Limited
He Xuechu
Chairman

Hong Kong, 31 May 2005

The sole director of the Offeror accepts full responsibility for the accuracy of the information (other than information relating to the Group) contained in this announcement and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement (other than opinions expressed by the 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 statements in this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information (other than information relating to the Offeror) contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Offeror) 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 statements in this announcement misleading.

Please also refer to the published version of this announcement in The Standard.