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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

**UNCONDITIONAL MANDATORY GENERAL OFFER
TO BE MADE 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),
CONTINUING CONNECTED TRANSACTIONS,
AND**

APPOINTMENT OF JOINT INDEPENDENT FINANCIAL ADVISERS

Financial adviser to Geely Group Limited



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

The Board wishes to announce that the Share Transfer Agreement was completed on 19 May 2005. As a result, the Offer has becoming unconditional in all respects on 19 May 2005. The beneficial shareholding interests in the Company of the Offeror and parties acting in concert with it collectively has increased to approximately 60.68%, and is therefore obliged under Rule 26 of the Takeovers Code to make an unconditional mandatory cash offer to acquire all the issued Shares other than those already owned by the Offeror or parties acting in concert with it. It is expected that the composite offer document containing, among other things, the terms of the Offer, the opinions of the independent board committee of the Company and the advice from the joint independent financial advisers in relation to the Offer will be despatched to the Shareholders on or before 31 May 2005.

The Board is also pleased to announce the appointment of Tai Fook Capital Limited and BCOM Securities Company Limited as the joint independent financial advisers to the independent board committee of the Company and the Independent Shareholders in relation to the Offer.

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

COMPLETION OF THE SHARE TRANSFER AGREEMENT

The Share Transfer Agreement was completed on 19 May 2005. As a result, the Offer has becoming unconditional in all respects on 19 May 2005. The beneficial shareholding interests in the Company of the Offeror and parties acting in concert with it collectively has increased to approximately 60.68%, and is therefore obliged under Rule 26 of the Takeovers Code to make an unconditional mandatory cash offer to acquire all the issued Shares other than those already owned by the Offeror or parties acting in concert with it.

G.K. Goh Securities (H.K.) Limited will, on behalf of the Offeror, make the Offer to acquire all the Offer Shares in issue not already owned by the Offeror or parties acting in concert with it. Details of the terms of the Offer will be set out in the composite offer document to be issued by the Company and the Offeror and the accompanying form of acceptance and transfer, which will be despatched to the Shareholders on or before 31 May 2005. The composite offer document to be issued by the Company and the Offeror will also contain, among other things, the opinions of the independent board committee and the advice from Tai Fook Capital Limited and BCOM Securities Company Limited, the joint independent financial advisers in relation to the Offer.

APPOINTMENT OF THE JOINT INDEPENDENT FINANCIAL ADVISERS

The Board is also pleased to announce the appointment of Tai Fook Capital Limited and BCOM Securities Company Limited as the joint independent financial advisers to the independent board committee of the Company and the Independent Shareholders in relation to the Offer.

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, 19 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.