

*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.*



**潤東汽車**

**China Rundong Auto Group Limited**

**中國潤東汽車集團有限公司**

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

**(Stock Code: 1365)**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting of China Rundong Auto Group Limited (the “**Company**”) will be held at Huashan Room, 5/F, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, June 8, 2017 at 10:00 a.m. for the following purposes:

As ordinary business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors of the Company for the year ended December 31, 2016.
2.
  - (a) To re-elect Mr. Yang Peng as an executive director of the Company.
  - (b) To re-elect Mr. Liu Dongli as an executive director of the Company.
  - (c) To re-elect Mr. Zhao Zhongjie as an executive director of the Company.
  - (d) To re-elect Mr. Liu Jian as an executive director of the Company.
  - (e) To authorize the board of directors of the Company to fix the respective directors’ remuneration.
3.
  - (a) To appoint Mr. Shen Mingming as an executive director of the Company.
  - (b) To authorize the board of directors of the Company to fix the remuneration of Mr. Shen Mingming.
  - (c) To authorize the chairman of the board of directors of the Company or any executive director of the Company to execute a director service contract or such other documents or supplemental agreements or deeds with Mr. Shen Mingming on behalf of the Company.

4. (a) To appoint Mr. Li Xin as an independent non-executive director of the Company.
  - (b) To authorize the board of directors of the Company to fix the remuneration of Mr. Li Xin.
  - (c) To authorize the chairman of the Board or any executive director of the Company to execute a letter of appointment or such other documents or supplemental agreements or deeds with Mr. Li Xin on behalf of the Company.
5. To re-appoint Messrs. Ernst & Young as the Company's auditors and to authorize the board of directors of the Company to fix their remuneration.
6. **“THAT:**
- (a) subject to paragraph 6(b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined in paragraph 6(c) below) all the powers of the Company to repurchase ordinary shares of US\$0.0000005 each in the capital of the Company (the **“Shares”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time;
  - (b) the total number of the Shares of the Company to be repurchased pursuant to the mandate in paragraph 6(a) above shall not exceed 10% of the total number of the Shares in issue as at the date of passing of this resolution; and
  - (c) for the purposes of this resolution:

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
    - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT:**

- (a) subject to paragraph 7(c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined in paragraph 7(d) below) to allot, issue and deal with additional Shares of US\$0.0000005 each in the capital of the Company, to grant rights to subscribe for or convert any security into, Shares of the Company (including the issue of any securities convertible into Shares, or options, or warrants, or bonds or notes, or debentures or similar rights to subscribe for any shares) and to make or grant offers, agreements and options which would or might require the exercise of such power(s);
- (b) the approval in paragraph 7(a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares of the Company allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the mandate in paragraph 7(a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined in paragraph 7(d) below);
  - (ii) the exercise of options under a share option scheme of the Company;
  - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the articles of association of the Company; and
  - (iv) any issue of Shares of the Company upon the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into the Shares of the Company, shall not exceed 20% of the total number of the Shares in issue as at the date of passing of this resolution; and
- (d) for the purposes of this resolution:

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company or an issue of options, warrants or other securities giving the right to subscribe for Shares of the Company, open for a period fixed by the directors to the holders of the Shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

8. “**THAT** conditional upon the passing of resolutions set out in items 6 and 7 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 7 of the Notice be and is hereby extended by the addition to the aggregate number of the Shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of the Shares representing the total number of the Shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 6 of the Notice, provided that such amount shall not exceed 10% of the total number of the Shares in issue as at the date of passing of this resolution.”

By Order of the Board  
**China Rundong Auto Group Limited**  
**Yang Peng**  
*Chairman*

Hong Kong, April 28, 2017

*Notes:*

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more than one proxy to attend and vote for him/her. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of Shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 10:00 a.m. (Hong Kong time) on Tuesday, June 6, 2017 or not less than 48 hours before the time appointed for holding of the Annual General Meeting any adjourned meeting (as the case may be).

Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. For the purposes of determining shareholders' eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed. Details of such closure are set out below:

Latest time to lodge transfer documents for registration	4:30 p.m. on Friday June 2, 2017
Closure of register of members	Monday, June 5, 2017 to Thursday, June 8, 2017, both dates inclusive
Record date	Thursday, June 8, 2017

During the above closure period, no transfer of Shares will be registered. To be eligible to attend and vote at the Annual General Meeting, all properly completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than the aforementioned latest time.

5. Where there are joint holders of any Shares carrying voting rights, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at any meeting the vote of the most senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names of the joint holders appears in the register of members of the Company in respect of the joint holding.
6. Further details concerning items 2, 3, 4, 6, 7 and 8 set out in the above notice are set out in the accompanied circular which will be sent to all shareholders of the Company together with the 2016 Annual Report.
7. Bad Weather Arrangements

If a tropical cyclone warning signal number 8 or above is hoisted or is expected to be hoisted or a black rainstorm warning signal is in force or expected to be in force in Hong Kong at any time between 8:00 a.m. to 10:00 a.m. on the date of the Annual General Meeting, the meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting.

The Annual General Meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.

8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. As at the date of this notice, the executive directors of the Company are Mr. Yang Peng, Mr. Liu Dongli, Mr. Zhao Zhongjie and Mr. Liu Jian; the non-executive director is Mr. Yan Sujian; and the independent non-executive directors are Mr. Peng Zhenhuai, Mr. Mei Jianping, Mr. Lee Conway Kong Wai and Mr. Xiao Zhengsan.