

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.



Dragon Hill Wuling Automobile Holdings Limited
(俊山五菱汽車集團有限公司*)
(Incorporated in Bermuda with limited liability) (Stock Code: 305)

ADJUSTMENTS TO THE OPTIONS SUBSEQUENT TO THE COMPLETION OF THE OPEN OFFER

ADJUSTMENTS TO THE OPTIONS UNDER THE SHARE OPTION SCHEME

Pursuant to the terms of the share option scheme, the exercise price and the number of Shares entitled to be subscribed for under the outstanding Options have been adjusted as a result of the completion of the Open Offer.

References are made to the circular made by Dragon Hill Wuling Automobile Holdings Limited (the “**Company**”) on 15 February 2011, the prospectus of the Company dated 9 March 2011 (the “**Prospectus**”) and the announcement of the Company dated 29 March 2011 in relation to, among other things, the Open Offer and the Whitewash Waiver. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

ADJUSTMENTS TO THE OPTIONS UNDER THE SHARE OPTION SCHEME

Immediately before completion of the Open Offer, the outstanding Options granted under the share option scheme adopted by the Company on 11 June 2002 (the “**Share Option Scheme**”) carried rights to subscribe for a total of 76,820,000 Shares at the exercise price as set out in the table below. As a result of the completion of the Open Offer and the allotment and issue of 167,229,341 Offer Shares, the exercise prices and the number of Shares entitled to be subscribed for under the outstanding Options have been adjusted (the “**Adjustments**”), the summary of the which is set out in the table below:

Date of Grant	Exercisable period	Before completion of the Open Offer		Upon completion of the Open Offer	
		Number of Shares entitled to be subscribed for	Exercise price per Share (HK\$)	Adjusted number of Shares entitled to be subscribed for	Adjusted exercise price per Share (HK\$)
29 December 2009	30 December 2009 to 31 December 2012	2,500,000	1.070	2,518,939	1.062
29 December 2009	21 January 2010 to 31 December 2012	34,870,000	1.070	35,134,167	1.062
29 December 2009	30 December 2010 to 31 December 2013	2,500,000	1.070	2,518,939	1.062
29 December 2009	21 January 2011 to 31 December 2013	36,950,000	1.070	37,229,924	1.062
		<u>76,820,000</u>		<u>77,401,969</u>	

The independent financial adviser of the Company (the “**IFA**”) with regard to the Adjustments, has issued a letter addressed to the Board on the computation in respect of the Adjustments. The IFA considered that the methodology and basis of the Adjustments are in accordance with the terms of the Share Option Scheme and in compliance with the requirements set out in Rule 17.03(13) of the Listing Rules and the supplementary guidance thereon issued by the Stock Exchange. Save for the Adjustments, which shall take effect from 29 March 2011, there will be no alteration to the rights of the holders of the outstanding Options.

NO ADJUSTMENTS TO THE CONVERSION PRICE OF THE EXISTING CONVERTIBLE NOTES

The announcement in relation to the Open Offer was published on 4 January 2011 and the closing price per Share as at 29 December 2010, being the last trading date of the Shares prior to the publication of the announcement of the Company dated 4 January 2011, was HK\$0.92 (the “**Benchmark Price**”). Accordingly, the subscription price of HK\$0.90 per Offer Share represents approximately 98% of the Benchmark Price and hence no adjustment is required to be made to the conversion price of the Existing Convertible Notes as the subscription price per Offer Share is not less than 90% of the Benchmark Price which would otherwise trigger an adjustment pursuant to the subscription agreement dated 28 November 2008 entered into between the Company and the subscriber, Wuling (Hong Kong) Holdings Limited.

By Order of the Board
Dragon Hill Wuling Automobile Holdings Limited
Sun Shaoli
Chairman

Hong Kong, 29 March 2011

As at the date of this announcement, the Board comprises Mr. Sun Shaoli (Chairman), Mr. Lee Shing (Vice-chairman and Chief Executive Officer), Mr. Wei Hongwen, Mr. Zhong Xianhua, Ms. Liu Yaling and Mr. Zhou Sheji as executive Directors and Mr. Yu Xiumin, Mr. Zuo Duofu and Mr. Ye Xiang as independent non-executive Directors.

* *For identification purpose only*