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AUTO ITALIA HOLDINGS LIMITED

意達利控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that the Placing was completed on 20 March 2014 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 500,000,000 Placing Shares have been successfully placed to not less than six Placees, who and whose ultimate beneficial owners are third parties independent of, not acting in concert (as defined in the Takeovers Code) with and not connected with the Company and its connected persons at the Placing Price of HK\$0.125 per Placing Share.

Reference is made to the announcement of the Company dated 7 March 2014 (the “**Announcement**”) in relation to the Placing. Terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

COMPLETION OF THE PLACING

The Board is pleased to announce that all the conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 20 March 2014. An aggregate of 500,000,000 Placing Shares, representing approximately 14.45% of the issued share capital of the Company immediately after completion of the Placing, have been successfully placed to not less than six Placees, who and whose ultimate beneficial owners are third parties independent of, not acting in concert (as defined in the Takeovers Code) with and not connected with the Company and its connected persons, at the Placing Price of HK\$0.125 per Placing Share. Also, none of the Placees has become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of the Placing. The entire net proceeds from the Placing amount to approximately HK\$60.83 million which will be used as general working capital of the Group.

SHAREHOLDING STRUCTURE

The shareholding structures of the Company immediately before and after completion of the Placing are as follows:

Shareholder	Immediately before completion of the Placing		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
VMSIG and parties acting in concert with it <i>(Note 1)</i>	704,770,045	23.81	704,770,045	20.37
Mr. Tan Boon Seng <i>(Note 2)</i>	1,020,000	0.03	1,020,000	0.03
– Places	–	–	500,000,000	14.45
– Other Public Shareholders	2,253,662,215	76.16	2,253,662,215	65.15
Total Public Shareholders	<u>2,253,662,215</u>	<u>76.16</u>	<u>2,753,662,215</u>	<u>79.60</u>
Total	<u>2,959,452,260</u>	<u>100.00</u>	<u>3,459,452,260</u>	<u>100.00</u>

Notes:

- VMSIG and parties acting in concert with it are interested in an aggregate of 704,770,045 Shares, of which 501,620,045 Shares are held by VMSIG and 203,150,000 Shares are held by Gustavo International Limited (a company owned as to approximately 80% by Maini Investments Limited which is in turn a wholly-owned subsidiary of VMSIG).
- Mr. Tan Boon Seng is an independent non-executive Director.

By order of the Board
Auto Italia Holdings Limited
Chong Tin Lung Benny
Executive Chairman and Chief Executive Officer

Hong Kong, 20 March 2014

As at the date of this announcement, the Board comprises Mr. Chong Tin Lung Benny (Executive Chairman and Chief Executive Officer), Mr. William Keith Jacobsen and Mr. Lam Chi Yan, all of whom are executive Directors; and Mr. Tan Boon Seng, Dr. Antonio Maria Santos and Mr. Kong To Yeung Frankie, all of whom are independent non-executive Directors.

* *For identification purposes only*