



Jardine Strategic

Jardine Strategic Holdings Limited
Jardine House, Reid Street
Hamilton, Bermuda

Press Release

www.jardines.com

To: Business Editor

For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

Jardine Strategic to Acquire a 20% Stake in Zhongsheng, a leading Mainland China Motor Dealership Group

20th January 2014 – Jardine Strategic Holdings Limited today announced that it has agreed to invest US\$731 million in Hong Kong-listed Zhongsheng Group Holdings Limited ('Zhongsheng') through an equity stake and convertible bonds.

Zhongsheng is one of mainland China's leading motor dealership groups operating over 170 outlets in over 60 cities across 15 provinces and regions. The company carries over 15 major marques, including Mercedes-Benz, Audi, Lexus, Porsche, Jaguar and Land Rover in the luxury segment and Toyota, Nissan and Volkswagen in the mid-to-high-end segment.

Commenting on the investment, Jardine Strategic Director, Mr Adam Keswick, said, "Zhongsheng is one of China's premier motor dealership groups representing many internationally renowned marques. This long-term strategic investment provides us with a greater exposure to the Mainland market in a sector we understand well and in which we feel Zhongsheng has the potential for substantial growth. We look forward to developing our relationship with the management of Zhongsheng and supporting the group's continued expansion in mainland China."

Mr Huang Yi, Chairman of Zhongsheng said, "The combination of Zhongsheng's strong presence in the China motor dealership market, coupled with Jardines' in-depth experience in the sector across Asia and its long-term vision, represents a powerful partnership. We are very excited by the opportunities that it will create."

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Jardine Strategic is to purchase new shares in Zhongsheng equivalent to 12.5% of existing share capital for a consideration equivalent to US\$332 million, and subscribe for an equivalent of US\$399 million of convertible bonds. The bonds are exercisable within three years, at Jardine Strategic's discretion, for a further 12.5% of the existing share capital of Zhongsheng. After fully exercising the convertible bonds, Jardine Strategic will have an interest of some 20% of the then issued share capital of Zhongsheng. The investment will be financed through the Group's existing cash resources.

Jardine Strategic is a holding company which takes long-term strategic investments in multinational businesses, particularly those with an Asian focus, and in other high quality companies with existing or potential links with the Group. Its principal attributable interests are in Jardine Matheson (56%), Hongkong Land (50%), Dairy Farm (78%), Mandarin Oriental (74%) and Jardine Cycle & Carriage (73%), which in turn has a 50% interest in Astra. Jardine Strategic is 83% held by Jardine Matheson. Jardine Strategic Holdings Limited is incorporated in Bermuda and has a premium listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Company's interests are managed from Hong Kong by Jardine Matheson Limited.

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This and other Group announcements can be accessed through the internet at www.jardines.com.