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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)

(I) PROPOSED CHANGE OF COMPANY NAME
(II) AMENDMENTS TO BYE-LAWS
AND
(III) SHARE PREMIUM REDUCTION

The Board proposes to change the Company's existing name from "Dragon Hill Wuling Automobile Holdings Limited" to "Wuling Motors Holdings Limited" and its Chinese name (which has been used by the Company for identification purposes only) from "俊山五菱汽車集團有限公司" to "五菱汽車集團控股有限公司" (as the Company's secondary name).

The Board further proposes to implement a reduction of the share premium account of the Company pursuant to the Companies Act 1981 of Bermuda (as amended).

The Board intends to propose the respective special resolutions at the forthcoming Annual General Meeting (i) to change its name and amend its Bye-laws to reflect such change of name; and (ii) to reduce the share premium account of the Company.

A circular containing, among other matters, details of the Share Premium Reduction, the Change of Company Name and the Amendment to the Bye-Laws together with a notice of the forthcoming Annual General Meeting will be dispatched to the Shareholders on 26 April 2011.

This announcement is made by Dragon Hill Wuling Automobile Holdings Limited (the "**Company**") pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The board of directors (the "**Board**") of the Company announces that special resolutions will be proposed at the annual general meeting of the Company to be held on 27 May 2011 (the "**Annual General Meeting**") to approve, inter alia, the Share Premium Reduction, the Change of Company Name and the Amendment to the Bye-Laws (as such terms are defined below).

CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “Dragon Hill Wuling Automobile Holdings Limited” to “Wuling Motors Holdings Limited” (the “**Primary Name**”) and the Chinese name of the Company, from “俊山五菱汽車集團有限公司” (which has been used by the Company for identification purposes only) to “五菱汽車集團控股有限公司” (the “**Secondary Name**”) by adopting the same as the secondary name of the Company (the “**Change of Company Name**”). The Board considers that the Change of Company Name can more clearly reflect the nature of business conducted by the Company. It will also provide the Company with a new corporate identity and image which is in the interests of the Company and its shareholders as a whole.

AMENDMENT TO BYE-LAWS

Subject to the Change of Company Name taking effect, the Board proposes to amend its Bye-laws in the following manner at the Annual General Meeting (the “**Amendments to Bye-laws**”):

Bye-law 1

by deleting the existing definition of the “the Company” or “this Company” in the existing Bye-law 1 in its entirety and substituting therefor the following new definition of the “the Company” or “this Company”:

“the Company” or “this Company” means Wuling Motors Holdings Limited with a secondary name of “五菱汽車集團控股有限公司” incorporated in Bermuda on 24 August 1992”.

Conditions of the Change of Company Name and Amendment to Bye-laws

The Change of Company Name and Amendments to Bye-laws are subject to:

- (a) the passing of a special resolution to approve the Change of Company Name and Amendment to Bye-laws at the Annual General Meeting; and
- (b) the granting of the approval for the Change of Company Name by the Registrar of Companies in Bermuda.

Subject to the satisfaction of the conditions set out above, the effective date of the Change of Company Name will be the date on which the Primary Name and the Secondary Name are entered on the register of companies maintained by the Registrar of Companies in Bermuda. Thereafter, the Company will carry out the necessary filing procedures with the Companies Registry in Hong Kong.

Effect of Change of Company Name and Amendment to Bye-laws

The Change of Company Name will not affect any of the rights of the existing shareholders of the Company. All existing share certificates of the Company in issue bearing the existing name of the Company will, after the Change of Company Name, continue to be evidence of title to the Shares and will be valid for trading, settlement, registration and delivery for the same number of shares in the new name of the Company. As soon as the Change of Company Name has become effective, any new issue of share certificates will be issued in the new name of the Company. There will be no special arrangement for free exchange of the existing share certificates of the Company for new share certificates printed in the new name of the Company.

SHARE PREMIUM REDUCTION

The Board proposes to implement a reduction of share premium account of the Company pursuant to the Companies Act 1981 of Bermuda (as amended). The entire amount standing to the credit of the share premium account of the Company as at the next business day immediately following the date of the Annual General Meeting (the “**Effective Date**”) will be reduced to nil (the “**Share Premium Reduction**”). The credit arising from the Share Premium Reduction will be transferred to the contributed surplus account of the Company and a sum of RMB528,201,830 (equivalent to approximately HK\$627,504,000) in the contributed surplus account of the company will be applied to set off against the accumulated losses of the Company of RMB528,201,830 (equivalent to approximately HK\$627,504,000) (the “**Accumulated Losses**”). The Directors consider that the Share Premium Reduction and the elimination of the Accumulated Losses in full will give the Company more flexibility to declare dividends to its shareholders at an earlier opportunity in the future as and when the Board considers appropriate, which is in the interests of the Company and its shareholders as a whole.

Conditions of the Share Premium Reduction

The Share Premium Reduction is conditional upon, inter alia, the following being fulfilled:

- (a) the passing of a special resolution by the shareholders of the Company to approve the Share Premium Reduction at the Annual General Meeting;
- (b) the compliance with section 46(2) of the Companies Act 1981 of Bermuda in relation to the publication of a notice in respect of the Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the date on which the Share Premium Reduction shall become effective; and
- (c) the Directors being satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Effective Date will be, unable to pay its liabilities as they become due.

Effect of the Share Premium Reduction

The implementation of the Share Premium Reduction does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the shares of the Company. The implementation of the Share Premium Reduction will not affect the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the shareholders of the Company, other than related expenses incurred which are immaterial. Save as the aforesaid expenses, the Directors consider that the Share Premium Reduction will not cause any loss in the shareholders' funds and will not have any material adverse effect on the financial position of the Company.

A circular containing, among other matters, details of the Share Premium Reduction, the Change of Company Name and Amendments to the Bye-laws together with a notice of the forthcoming Annual General Meeting will be dispatched to the Shareholders on 26 April 2011.

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

Hong Kong, 20 April 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*