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If you have sold or transferred all your shares in Wuling Motors Holdings Limited (the “Company”), you should at once hand this circular, together with the accompanying form of proxy, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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五菱汽車集團控股有限公司
WULING MOTORS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) (股份代號 Stock Code : 305)

RENEWAL OF CONTINUING CONNECTED TRANSACTION

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



粵海證券有限公司
GUANGDONG SECURITIES LIMITED

A letter from the Board (as defined herein) is set out on pages 4 to 10 of this circular. A letter from the Independent Board Committee (as defined herein) to the Independent Shareholders (as defined herein) is set out on page 11 of this circular. A letter from Guangdong Securities Limited, the Independent Financial Adviser (as defined herein), containing its advice and recommendations to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 18 of this circular.

A notice convening the SGM (as defined herein) of Wuling Motors Holding Limited to be held at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong, on Thursday, 31 January 2013 at 11:00 a.m. is set out on pages 27 to 28 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

14 January 2013

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of the Directors
“Company”	Wuling Motors Holdings Limited (五菱汽車集團控股有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guangdong Securities” or “Independent Financial Adviser”	Guangdong Securities Limited, a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities as defined under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Renewed Tenancy Agreement (together with the transactions contemplated thereunder)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company formed to consider the terms of the Renewed Tenancy Agreement (together with the transactions contemplated thereunder), comprising Mr. Yu Xiumin, Mr. Zuo Duofu and Mr. Ye Xiang, being all the independent non-executive Directors
“Independent Shareholders”	Shareholders other than Liuzhou Wuling and its associates
“Latest Practicable Date”	9 January 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

DEFINITIONS

“Leased Properties”	12 parcels of land and 68 buildings located in Liuzhou, Guangxi, the PRC, which would be leased by Liuzhou Wuling to Wuling Industrial for the occupancy of such parcels of land and buildings by the Wuling Industrial Group pursuant to the Renewed Tenancy Agreement (the same parcels of land and buildings were leased by Liuzhou Wuling pursuant to the Tenancy Agreement)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Liuzhou Wuling”	柳州五菱汽車有限責任公司 (Liuzhou Wuling Motors Company Limited*), a wholly state-owned limited enterprise established in the PRC and a substantial shareholder of the Company which is beneficially interested in approximately 37.05% of the total issued share capital of the Company
“PRC”	The People’s Republic of China
“Renewed Tenancy Agreement”	the agreement dated 21 December 2012 entered into between Wuling Industrial and Liuzhou Wuling in connection with the leasing by Wuling Industrial from Liuzhou Wuling of the Leased Properties for the occupancy thereof by the Wuling Industrial Group for a period of three years ending 31 December 2015
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM”	the special general meeting of the Company to be convened and held at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong on Thursday, 31 January 2013 at 11:00 a.m. for the purpose of considering and, if thought fit, approving the Renewed Tenancy Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Tenancy Agreement”	the agreement dated 13 November 2009 entered into between Wuling Industrial and Liuzhou Wuling in connection with the lease by Wuling Industrial from Liuzhou Wuling of 12 parcels of land and 69 buildings located in Liuzhou for the occupancy thereof by the Wuling Industrial Group for a period of three years ending 31 December 2012
“Wuling Industrial”	柳州五菱汽車工業有限公司 (Liuzhou Wuling Motors Industrial Company Limited*), a company established in the PRC and a subsidiary of the Company
“Wuling Industrial Group”	Wuling Industrial and its subsidiaries
“%”	per cent

In this circular, unless otherwise specified, translations of Renminbi into Hong Kong dollars based on the exchange rate of HK\$1.25 to RMB1 are for information purpose only. Such translations should not be constructed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

Certain English translation of Chinese names or words in this circular are included for information purpose only and should not be regarded as the official English translation of such Chinese names or words.

* For identification purpose only

LETTER FROM THE BOARD



五菱汽車集團控股有限公司
WULING MOTORS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) (股份代號 Stock Code : 305)

Executive Directors:

Mr. Sun Shaoli
Mr. Lee Shing
Mr. Wei Hongwen
Mr. Zhong Xianhua
Ms. Liu Yaling
Mr. Zhou Sheji

Independent non-executive Directors:

Mr. Yu Xiumin
Mr. Zuo Duofu
Mr. Ye Xiang

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

*Head office and principal place
of business in Hong Kong:*

Unit 2403, 24/F
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

14 January 2013

*To the Shareholders, and for information only,
holders of options of the Company and holders
of convertible notes issued by the Company*

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTION

1. INTRODUCTION

References are made to the announcement and circular of the Company dated 13 November 2009 and 30 November 2009 respectively in relation to Tenancy Agreement which was expired on 31 December 2012. Reference is also made to the announcement of the Company dated 21 December 2012 relating to the Renewed Tenancy Agreement which was entered on 21 December 2012.

As the transactions contemplated under the Tenancy Agreement have been expected to continue after the expiration of the terms thereof, the Group, on 21 December 2012, entered into the Renewed Tenancy Agreement for a term of three years from 1 January 2013 to 31 December 2015 with Liuzhou Wuling.

The purpose of this circular is (i) to provide the Shareholders with further information in respect of the Renewed Tenancy Agreement; (ii) to set out the letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Renewed Tenancy Agreement and the transactions contemplated thereunder; (iii) to set out the letter of

LETTER FROM THE BOARD

advice from Guangdong Securities to the Independent Board Committee and the Independent Shareholders in relation to the Renewed Tenancy Agreement and the transactions contemplated thereunder; and (iv) to give the Shareholders notice of the SGM.

2. THE RENEWED TENANCY AGREEMENT

- Date : 21 December 2012
- Landlord : Liuzhou Wuling
- Tenant : Wuling Industrial
- Leased Properties : 12 parcels of land and 68 buildings, all of which are located at the following locations respectively:
- (i) No. 18, Hexi Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC;
 - (ii) Nos. 6, 13, 17 and 18, Xiuhuan Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC;
 - (iii) No. 16, Jila Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC; and
 - (iv) No. 36, Tanzhong West Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC.

As advised by the Company, the 68 buildings are all located on the 12 parcels of land. The total floor area of the land and buildings are approximately 731,766.20 square metres and 187,102.82 square metres respectively. The Leased Properties were leased by Liuzhou Wuling to Wuling Industrial pursuant to the Tenancy Agreement, which have been used as offices and production plants of the Wuling Industrial Group and would continue to be used by the Wuling Industrial Group for such purposes under the Renewed Tenancy Agreement.

LETTER FROM THE BOARD

Rental and terms : A total of RMB2,349,832.62 (equivalent to approximately HK\$2,937,000) per month shall be payable in arrears at the end of each month for the period of three years from 1 January 2013 to 31 December 2015 (both dates inclusive) and will be calculated in proportion to the number of days of use of the Leased Properties by the Wuling Industrial Group if the Leased Properties are not used by it for a full month under the Renewed Tenancy Agreement. Accordingly, the total rental payable under the Renewed Tenancy Agreement, on an annual basis, for each of the three years ended 31 December 2015 shall be RMB28,197,991.46 (equivalent to approximately HK\$35,247,000). In addition, in case of late payment of any monthly rental by Wuling Industrial, a penalty charge of 0.02% per day will be charged thereon.

The rental payable pursuant to the terms of the Renewed Tenancy Agreement was determined by the parties upon arm's length negotiations based on the rental payable by Wuling Industrial for the use of the Leased Properties pursuant to the Tenancy Agreement and after making references to (i) the positive economic development of Liuzhou, where the Leased Properties are located, since the execution of the Tenancy Agreement on 13 November 2009; and (ii) the terms of the rental agreements signed by the Wuling Industrial Group with independent third parties in recent years in respect of the leasing by the Wuling Industrial Group of land and properties for similar uses. The Directors considered that favorable terms have been granted to the Wuling Industrial Group under the Renewed Tenancy Agreement.

Conditions : The Renewed Tenancy Agreement should become effective upon (i) the execution thereof; and (ii) approval of the Renewed Tenancy Agreement and the transactions contemplated thereunder by the Independent Shareholders.

The parties to the Renewed Tenancy Agreement agreed that prior to the fulfillment of the above conditions, Wuling Industrial should continue to occupy the Leased Properties and pay the relevant rental. If the Independent Shareholders do not approve the Renewed Tenancy Agreement and transactions contemplated thereunder in the SGM, Wuling Industrial shall return the Leased Properties and pay the relevant rental to Liuzhou Wuling as soon as possible.

LETTER FROM THE BOARD

3. ANNUAL CAP

(i) Historical amounts in respect of the use of the Leased Properties

During each of the years ended 31 December 2010, 2011 and 2012, the rentals paid by Wuling Industrial pursuant to the Tenancy Agreement were approximately RMB30,204,000 (equivalent to approximately HK\$37,755,000) per annum and were within the annual cap of RMB30,205,000 (equivalent to approximately HK\$37,756,000) during the three years ended 31 December 2012 as disclosed in the circular of the Company dated 30 November 2009.

(ii) Annual cap for the rental payable by Wuling Industrial under the Renewed Tenancy Agreement

It is proposed that the annual cap for the rental payable by Wuling Industrial pursuant to the Renewed Tenancy Agreement for each of the three years ending 31 December 2015 shall be RMB28,200,000 (equivalent to approximately HK\$35,250,000).

The above annual cap is determined based on the rentals payable under the Renewed Tenancy Agreement which has been determined by the parties after making references to the current rental payable under the Tenancy Agreement, the positive economic development of Liuzhou since the execution of the Tenancy Agreement on 13 November 2009, and the rental agreements entered into by the Wuling Industrial Group and independent third parties in recent years in respect of the leasing by the Wuling Industrial Group of land and properties for similar uses.

4. INFORMATION ON THE GROUP

The Group, including the Wuling Industrial Group, is principally engaged in the business of manufacturing and trading of engines and parts, automotive components and accessories, specialized vehicles, as well as the trading of raw materials, water and power supply services in the PRC.

5. INFORMATION ON LIUZHOU WULING

Liuzhou Wuling is a wholly stated-owned limited liability company established in the PRC with the State-owned Assets Supervisions and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府國有資產監督管理委員會) being its registered shareholder empowered by the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府). Liuzhou Wuling and its subsidiaries are principally engaged in the business of trading, manufacturing and design of various types of machinery, moulds and tools for the production of motor vehicles, engines and other related components, the provision of other related services and properties rental.

Liuzhou Wuling is also a substantial shareholder of the Company which is beneficially interested in approximately 37.05% of the total issued share capital of the Company, and therefore is a connected person of the Company.

LETTER FROM THE BOARD

6. REASONS FOR THE RENEWAL OF TENANCY AGREEMENT

The Wuling Industrial Group has occupied the Leased Properties pursuant to the Tenancy Agreement for its business and operation. The Leased Properties are important for the Wuling Industrial Group in carrying out its business, being the manufacturing of engines and parts, automotive components and accessories, specialized vehicles, and other related business. In order to ensure that the business and operation of the Wuling Industrial Group would not be affected, Wuling Industrial and Liuzhou Wuling entered into the Renewed Tenancy Agreement to renew the terms of the Tenancy Agreement, which was expired on 31 December 2012, for three years from 1 January 2013 to 31 December 2015.

The Directors, including the independent non-executive Directors who have also expressed their opinion in the letter from the Independent Board Committee included in this circular, consider that execution of the Renewed Tenancy Agreement is on normal commercial terms, in the ordinary and usual course of business of the Group and is in the interests of the Group and the Shareholders as a whole, and the terms of the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder) are fair and reasonable.

Messrs. Sun Shaoli, Wei Hongwen and Zhong Xianhua, who are also directors or senior management of Liuzhou Wuling, have abstained from voting at the related Board meeting to approve the Renewed Tenancy Agreement.

7. LISTING RULES IMPLICATIONS

As the consideration ratio (as defined in the Listing Rules) for the Renewed Tenancy Agreement is, on an annual basis, more than 5% and the total consideration is more than HK\$10,000,000, the Renewed Tenancy Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and independent shareholders' approval requirements as set out in Rule 14A.35 of the Listing Rules.

In the event that the annual cap applicable to the transactions contemplated under the Renewed Tenancy Agreement as stated above is exceeded or if the Group enters into any new agreements relating to any continuing connected transactions with any connected persons in the future, the Company must re-comply with Chapter 14A of the Listing Rules dealing with continuing connected transactions.

8. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all of the independent non-executive Directors has been established to consider and advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Renewed Tenancy Agreement and the transactions contemplated thereunder. Your attention is drawn to the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders set out on page 11 of this circular.

LETTER FROM THE BOARD

Guangdong Securities has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders to consider the terms of the Renewed Tenancy Agreement and the transactions contemplated thereunder. Your attention is drawn to the letter from Guangdong Securities to the Independent Board Committee and the Independent Shareholders set out on pages 12 to 18 of this circular.

9. THE SGM

The SGM will be convened at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong on Thursday, 31 January 2013 at 11:00 a.m. to consider and, if thought fit, approve the Renewed Tenancy Agreement and the transactions contemplated thereunder. Liuzhou Wuling and its associates will abstain from voting at the SGM.

A form of proxy is enclosed with this circular for use at the SGM. Whether or not you intend to be present at the SGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to Tricor Tengis Limited, the Company's Hong Kong branch share registrar and transfer office, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time required for holding of the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

Pursuant to Bye-law 69 of the bye-laws of the Company and Rule 13.39(4) of the Listing Rules, all votes at the SGM will be taken by poll. The Company will announce the results of the poll in accordance with the Listing Rules following the SGM.

10. RECOMMENDATION

The Directors consider that the terms of the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder) to be proposed at the SGM.

Your attention is drawn to the letter from the Independent Board Committee set out on page 11 of this circular and the letter from Guangdong Securities set out on pages 12 to 18 of this circular containing their respective recommendations and advice in relation to the Renewed Tenancy Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

11. FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board of
Wuling Motors Holdings Limited
Sun Shaoli
Chairman



五菱汽車集團控股有限公司
WULING MOTORS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) (股份代號 Stock Code : 305)

14 January 2013

To the Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTION

We refer to the circular of the Company dated 14 January 2013 (the “**Circular**”) to the Shareholders of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders on the terms of the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder), details of which are set out in the letter from the Board contained in the Circular. Guangdong Securities has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation thereto. Details of the advice and recommendation of Guangdong Securities, together with the principal factors taken into consideration by Guangdong Securities in arriving its advice and recommendation, are set out in the letter from Guangdong Securities on pages 12 to 18 of the Circular.

Having considered the respective terms of the Renewed Tenancy Agreement and the transactions contemplated thereunder, and the relevant advice and recommendation of Guangdong Securities, we are of the view that the terms of the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder) are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Renewed Tenancy Agreement (including the annual cap for the transactions contemplated thereunder) to be proposed at the SGM.

Yours faithfully,

For and on behalf of the Independent Board Committee

Yu Xiumin

Zuo Duofu

Ye Xiang

Independent non-executive Directors

LETTER FROM GUANGDONG SECURITIES

Set out below is the text of a letter received from Guangdong Securities, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Renewed Tenancy Agreement and the transactions contemplated thereunder for the purpose of inclusion in this circular.



Units 2505-06, 25/F.
Low Block of Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

14 January 2013

*To: The independent board committee and the independent shareholders
of Wuling Motors Holdings Limited*

Dear Sirs,

RENEWAL OF CONTINUING CONNECTED TRANSACTION

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Renewed Tenancy Agreement and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 14 January 2013 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

With reference to the circular of the Company dated 30 November 2009, the Tenancy Agreement was expired on 31 December 2012. As the transactions contemplated under the Tenancy Agreement have been expected to continue after the expiration of the terms thereof, the Group and Liuzhou Wuling entered into the Renewed Tenancy Agreement on 21 December 2012 for a term of three years commencing from 1 January 2013 and up to 31 December 2015.

Since Liuzhou Wuling is a substantial shareholder of the Company, the Renewed Tenancy Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Renewed Tenancy Agreement and the transactions contemplated thereunder are therefore subject to the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules. The approval of the Independent Shareholders will be sought at the SGM by way of poll in respect of the Renewed Tenancy Agreement and the transactions contemplated thereunder. Liuzhou Wuling and its associates will abstain from voting at the SGM.

An Independent Board Committee comprising Mr. Yu Xiumin, Mr. Zuo Duofu and Mr. Ye Xiang (all being independent non-executive Directors) has been formed to advise the Independent Shareholders on (i) whether the terms of the Renewed Tenancy Agreement (together with the annual cap (the “**Annual Cap**”)) are on normal commercial terms and are

LETTER FROM GUANGDONG SECURITIES

fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the transactions contemplated under the Renewed Tenancy Agreement are in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution to approve the Renewed Tenancy Agreement (together with the Annual Cap) and the transactions contemplated thereunder at the SGM. We, Guangdong Securities Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, that there are no other facts the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, Wuling Industrial, Liuzhou Wuling or their respective subsidiaries or associated companies, nor have we considered the taxation implication on the Group or the Shareholders as a result of the entering into of the Renewed Tenancy Agreement. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of Guangdong Securities is to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Renewed Tenancy Agreement and the Annual Cap, we have taken into consideration the following principal factors and reasons:

(1) Background of the Renewed Tenancy Agreement

Information on the Group

As referred to in the Board Letter, the Group, including the Wuling Industrial Group, is principally engaged in the business of manufacturing and trading of engines and parts, automotive components and accessories, specialised vehicles, as well as the trading of raw materials, water and power supply services in the PRC.

Information on the Wuling Industrial Group

As advised by the Directors, Wuling Industrial is a company established in the PRC and a subsidiary of the Company. The principal activities of the Wuling Industrial Group are the manufacturing of engines and parts, automotive components and accessories, specialised vehicles, and other related business.

Information on Liuzhou Wuling

According to the Board Letter, Liuzhou Wuling is a wholly stated-owned limited liability company established in the PRC with the State-owned Assets Supervisions and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府國有資產監督管理委員會) being its registered shareholder empowered by the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府). Liuzhou Wuling and its subsidiaries are principally engaged in the business of trading, manufacturing and design of various types of machinery, moulds and tools for the production of motor vehicles, engines and other related components, the provision of other related services and properties rental. Liuzhou Wuling is a substantial shareholder of the Company and is therefore a connected person of the Company.

Information on the Leased Properties

With reference to the Board Letter, the Leased Properties include 12 parcels of land and 68 buildings located in Liuzhou, Guangxi Zhuang Autonomous Region, the PRC. The 68 buildings are all located on the 12 parcels of land. The total floor area of the land and buildings of the Leased Properties are approximately 731,766.20 square metres and 187,102.82 square metres respectively. The Leased Properties were leased by Liuzhou Wuling to Wuling Industrial pursuant to the Tenancy Agreement, which have been used as offices and production plants of the Wuling Industrial Group and would continue to be used by the Wuling Industrial Group for such purposes under the Renewed Tenancy Agreement.

(2) Reasons for the entering into of the Renewed Tenancy Agreement

According to the Board Letter and as further confirmed by the Directors, the Wuling Industrial Group has occupied the majority of the Leased Properties since 1 January 2007 for its business and operation. The Leased Properties, as represented by the Directors, are important for the Wuling Industrial Group in carrying out its business, being the manufacturing of engines and parts, automotive components and accessories, specialised vehicles, and other related business. In order to ensure that the business and operation of the Wuling Industrial Group would not be affected, Wuling Industrial and Liuzhou Wuling entered into the Renewed Tenancy Agreement to renew the term of the Tenancy Agreement, which was expired on 31 December 2012, for three years commencing from 1 January 2013 and up to 31 December 2015.

In light of the prolonged history of rental of the majority of the Leased Properties by Wuling Industrial and that the Leased Properties as represented by the Directors are important for the Wuling Industrial Group in carrying out its business, we concur with the Directors that the transactions contemplated under the Renewed Tenancy Agreement are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

(3) Principal terms of the Renewed Tenancy Agreement

The table below summarises the major terms of the Renewed Tenancy Agreement:

Date:	21 December 2012
Landlord:	Liuzhou Wuling
Tenant:	Wuling Industrial
Leased Properties:	12 parcels of land and 68 buildings, all of which are located at the following locations respectively: <ul style="list-style-type: none">(i) No. 18, Hexi Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC;(ii) Nos. 6, 13, 17 and 18, Xiuhuan Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC;(iii) No. 16, Jila Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC; and(iv) No. 36, Tanzhong West Road, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC.

LETTER FROM GUANGDONG SECURITIES

Rental and terms: A total of RMB2,349,832.62 (equivalent to approximately HK\$2,937,000) per month (the “**Renewed Rental**”) shall be payable in arrears at the end of each month for the period of three years from 1 January 2013 to 31 December 2015 (both dates inclusive) and will be calculated in proportion to the number of days of use of the Leased Properties by the Wuling Industrial Group if the Leased Properties are not used by it for a full month under the Renewed Tenancy Agreement. Accordingly, the total rental payable under the Renewed Tenancy Agreement, on an annual basis, shall be RMB28,197,991.46 (equivalent to approximately HK\$35,247,000). In addition, in case of late payment of any monthly rental by Wuling Industrial, a penalty charge of 0.02% per day will be charged thereon.

Conditions: The Renewed Tenancy Agreement should become effective upon (i) the execution thereof; and (ii) approval of the Renewed Tenancy Agreement and the transactions contemplated thereunder by the Independent Shareholders.

The parties to the Renewed Tenancy Agreement agreed that prior to the fulfillment of the above conditions, Wuling Industrial should continue to occupy the Leased Properties and pay the relevant rental. If the Independent Shareholders do not approve the Renewed Tenancy Agreement and the transactions contemplated thereunder at the SGM, Wuling Industrial shall return the Leased Properties and pay the relevant rental to Liuzhou Wuling as soon as possible.

As advised by the Directors, the Renewed Rental was determined by the parties upon arm’s length negotiations based on the rental payable by Wuling Industrial for the use of the Leased Properties pursuant to the Tenancy Agreement and after making references to (i) the positive economic development of Liuzhou, where the Leased Properties are located, since the execution of the Tenancy Agreement on 13 November 2009; and (ii) the terms of the rental agreements signed by the Wuling Industrial Group with independent third parties in recent years in respect of the leasing by the Wuling Industrial Group of land and properties for similar uses.

The Directors advised us that during each of the years ended 31 December 2010, 2011 and 2012, the rentals paid by Wuling Industrial pursuant to the Tenancy Agreement were approximately RMB30,204,000 (equivalent to approximately HK\$37,755,000) per annum, representing a monthly rental of approximately RMB0.91 per square metre for land and approximately RMB9 per square metre for properties.

As confirmed by the Directors, the Renewed Rental reflects a fair and reasonable market rental for such type of land and properties in the property market in Liuzhou. For our due diligence purpose, we have obtained the rental agreements entered into between the Wuling Industrial Group and independent third parties in recent years in respect of the

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leasing by the Wuling Industrial Group of properties in the vicinity to the Leased Properties for similar uses. We noted from the aforesaid rental agreements that the monthly rentals of properties in the vicinity to the Leased Properties paid by the Wuling Industrial Group to the independent third parties in recent years are higher than the renewed monthly rental of properties under the Renewed Tenancy Agreement of approximately RMB9 per square metre. As advised by the Directors, the Wuling Industrial Group has not entered into any rental agreements on land in the vicinity to the Leased Properties for similar uses in recent years. However, we noted that while the monthly rentals for land (being approximately RMB0.91 per square metre) and properties (being approximately RMB9 per square metre) under the Renewed Tenancy Agreement are equivalent to the corresponding rentals under the Tenancy Agreement, (i) Liuzhou recorded continuous economic growth as represented by the increase in gross domestic product of Liuzhou from approximately RMB91 billion in 2008 to approximately RMB158 billion in 2011; and (ii) Guangxi Zhuang Autonomous Region recorded inflation as represented by the relevant consumer & retail price indices from 2008 to 2011 (save for 2009 during which the financial crisis took place), according to the Guangxi Statistical Yearbooks 2009 to 2012 issued by the Guangxi Zhuang Autonomous Region Bureau of Statistics from 2009 to 2012.

After taking into consideration that (i) the Leased Properties as represented by the Directors are important for the Wuling Industrial Group in carrying out its business; (ii) the Renewed Rental reflects a fair and reasonable market rental for such type of land and properties in the property market in Liuzhou as represented by the Directors; and (iii) the monthly rentals for land and properties per square metre under the Renewed Tenancy Agreement are equivalent to the corresponding rentals under the Tenancy Agreement while Liuzhou recorded continuous economic growth and Guangxi Zhuang Autonomous Region recorded inflation in recent years, we concur with the Directors that the Renewed Rental is fair and reasonable so far as the Independent Shareholders are concerned.

(4) The Annual Cap

The Annual Cap for the rental payable by Wuling Industrial to Liuzhou Wuling pursuant to the Renewed Tenancy Agreement for each of the three years ending 31 December 2015 shall be RMB28,200,000 (equivalent to approximately HK\$35,250,000), which was determined based on the Renewed Rental of RMB28,197,991.46 (equivalent to approximately HK\$35,247,000) per annum.

Having considered the basis for determining the Renewed Rental as set out in the above section, we consider that the Annual Cap which was determined based on the Renewed Rental for each of the three years ending 31 December 2015 is justifiable and is fair and reasonable so far as the Independent Shareholders are concerned.

(5) Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.37 to 14A.41 of the Listing Rules pursuant to which (i) the values of the transactions contemplated under the Renewed Tenancy Agreement must be restricted by the Annual Cap for the three years ending 31 December 2015; (ii) the terms of the transactions contemplated under the Renewed Tenancy Agreement (together with the

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Annual Cap) must be reviewed by the independent non-executive Directors annually; and (iii) details of the independent non-executive Directors' annual review on the terms of the transactions contemplated under the Renewed Tenancy Agreement (together with the Annual Cap) must be included in the Company's subsequent published annual reports and financial accounts. Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, that the transactions contemplated under the Renewed Tenancy Agreement are carried out in accordance with the relevant agreement governing the transactions, and the Annual Cap is not being exceeded. In the event that the total amounts of the transactions contemplated under the Renewed Tenancy Agreement exceed the Annual Cap, or that there is any material amendment to the terms of the Renewed Tenancy Agreement, the Company, as confirmed by the Directors, shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

With the stipulation of the above requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the transactions contemplated under the Renewed Tenancy Agreement (together with the Annual Cap) and hence the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Renewed Tenancy Agreement (together with the Annual Cap) are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the transactions contemplated under the Renewed Tenancy Agreement are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the SGM to approve the Renewed Tenancy Agreement (together with the Annual Cap) and the transactions contemplated thereunder and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Guangdong Securities Limited
Graham Lam
Managing Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Directors and chief executive of the Company

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company held any interest or short positions in the Shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules:

Long positions in respect of the Shares

Name of Directors	Capacity	Number of Shares held	Approximate % of the issued share capital
Mr. Lee Shing (Notes 1 and 4)	Held by controlled corporation	281,622,914	24.06%
Mr. Zhou Sheji (Notes 2 and 5)	Held by controlled corporation	44,770,000	3.82%
Mr. Wei Hongwen (Note 6)	Beneficial owner	200,000	0.02%

*Long positions in respect of the outstanding options granted by the Company
("Options")*

Name of Directors	Capacity	Number of Options held	Exercise Period	Subscription price per Share	Approximate % of the issued share capital
Mr. Sun Shaoli	Beneficial Owner	906,818	From 21 January 2011 to 31 December 2013	HK\$1.062	
		3,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>3,906,818</u>			0.33%
Mr. Lee Shing	Beneficial Owner (Note 4)	906,818	From 21 January 2011 to 31 December 2013	HK\$1.062	
		3,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
	<u>3,906,818</u>			0.33%	
	Family interest (Note 3)	352,651	From 21 January 2011 to 31 December 2013	HK\$1.062	
		1,600,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
<u>1,952,651</u>			0.17%		
Mr. Wei Hongwen	Beneficial Owner (Note 6)	806,060	From 21 January 2011 to 31 December 2013	HK\$1.062	
		3,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>3,806,060</u>			0.33%
Mr. Zhong Xianhua	Beneficial Owner	705,303	From 21 January 2011 to 31 December 2013	HK\$1.062	
		2,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>2,705,303</u>			0.23%

Name of Directors	Capacity	Number of Options held	Exercise Period	Subscription price per Share	Approximate % of the issued share capital
Ms. Liu Yaling	Beneficial Owner	806,060	From 21 January 2011 to 31 December 2013	HK\$1.062	
		2,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>2,806,060</u>			0.24%
Mr. Zhou Sheji	Beneficial Owner (Note 5)	705,303	From 21 January 2011 to 31 December 2013	HK\$1.062	
		2,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>2,705,303</u>			0.23%
Mr. Yu Xiumin	Beneficial Owner	604,545	From 21 January 2011 to 31 December 2013	HK\$1.062	
		1,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>1,604,545</u>			0.14%
Mr. Zuo Duofu	Beneficial Owner	604,545	From 21 January 2011 to 31 December 2013	HK\$1.062	
		1,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>1,604,545</u>			0.14%
Mr. Ye Xiang	Beneficial Owner	604,545	From 21 January 2011 to 31 December 2013	HK\$1.062	
		1,000,000	From 6 October 2013 to 30 June 2016	HK\$0.49	
		<u>1,604,545</u>			0.14%

Notes:

- (1) The 281,622,914 Shares are currently held by Dragon Hill Development Limited (“**Dragon Hill**”), a company wholly owned by Mr. Lee Shing.
- (2) The 44,770,000 Shares are owned by Gao Bao Development Limited, a company wholly owned by Mr. Zhou Sheji.
- (3) The 1,952,651 Options are held by the spouse of Mr. Lee Shing.
- (4) Mr. Lee Shing is in aggregate interested in 281,622,914 Shares and 5,859,469 Options, representing approximately 24.56% of the total issued share capital of the Company.
- (5) Mr. Zhou Sheji is in aggregate interested in 44,770,000 Shares and 2,705,303 Options, representing approximately 4.06% of the total issued share capital of the Company.
- (6) Mr. Wei Hongwen is in aggregate interested in 200,000 Shares and 3,806,060 Options, representing approximately 0.34% of the total issued share capital of the Company.

Substantial Shareholders

Save as disclosed below, as at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, no other persons had an interest or short positions in the Shares and underlying shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO or, who is expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or in any options in respect of such capital:

Long Positions

Name of Shareholders	Capacity	Nature of interest	Number of ordinary shares	Approximate % of the issued share capital
Dragon Hill (Note 1)	Beneficial Owner	Corporate	281,622,914	24.06%
Lee Shing	Interest in controlled corporation (Note 1)	Corporate	281,622,914	24.06%
	Beneficial Owner (Note 2)	Options	3,906,818	0.33%
	Interest held by spouse (Note 2)	Family/ Options	1,952,651	0.17%
		Total	287,482,383	24.56%

Name of Shareholders	Capacity	Nature of interest	Number of ordinary shares	Approximate % of the issued share capital
Wuling (Hong Kong) Holdings Limited (“Wuling HK”) (Notes 3 and 4)	Beneficial Owner	Corporate	433,651,975	37.05%
		Unlisted derivatives	136,986,300	11.70%
		Total	<u>570,638,275</u>	<u>48.75%</u>
Wuling Motors (Hong Kong) Company Limited (“Wuling Motors”) (Notes 3 and 4)	Interest in controlled corporation	Corporate	433,651,975	37.05%
		Unlisted derivatives	136,986,300	11.70%
		Total	<u>570,638,275</u>	<u>48.75%</u>
Liuzhou Wuling Motors Company Limited (“Liuzhou Wuling”) (Notes 3 and 4)	Interest in controlled corporation	Corporate	433,651,975	37.05%
		Unlisted derivatives	136,986,300	11.70%
		Total	<u>570,638,275</u>	<u>48.75%</u>

Notes:

- (1) The entire issued share capital of Dragon Hill is legally and beneficially owned by Mr. Lee Shing, an executive Director. Accordingly, the Shares held by Dragon Hill has also been disclosed as long position of Mr. Lee Shing in the above table.
- (2) These represent the Options held by Mr. Lee Shing and his spouse.
- (3) The entire issued share capital of Wuling HK is held by Wuling Motors, whereas the entire issued share capital of Wuling Motors is held by Liuzhou Wuling. Accordingly, Wuling Motors and Liuzhou Wuling are deemed to be interested in the Shares held by Wuling HK under the SFO.
- (4) The unlisted derivatives referred to 136,986,300 Shares issuable to Wuling HK upon exercise in full of the conversion rights attached to the Existing Convertible Notes with a principal amount of HK\$100,000,000 at the existing conversion price of HK\$0.73 per Share (subject to adjustments).

3. COMPETING INTEREST

As at the Latest Practicable Date, Mr. Wei Hongwen, an executive Director, is also a director of SAIC-GM-Wuling Automobile Co., Ltd (“SGMW”). SGMW is principally engaged in the manufacturing and trading businesses of motor vehicles and engines, which may have direct or indirect competition to the businesses of the Group. Although Mr. Wei is regarded to have competing interests in SGMW by virtue of his common directorships, he will fulfill his fiduciary duty in order to ensure that he will act in the best interest of the Shareholders and the Company as a whole at all times. Besides, as SGMW is operated and managed under a publicly listed company with independent management and administration, the Directors are satisfied that the Group is capable of carrying its businesses independently of, and at arm’s lengths basis from, the businesses of SGMW.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective associates had any direct or indirect interest in a business which competes or may compete with the business of the Company.

4. MATERIAL ADVERSE CHANGE

Save as disclosed below, the Directors are not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2011, the date of which the last published audited accounts of the Group were made up.

As disclosed in the interim report 2012 of the Company, profit attributable to the owners of the Company was RMB31,003,000, representing an increase of 40.3%. The increase was partly contributed by the fair value adjustment of the convertible notes issued by the Company in which a gain of RMB12,097,000 was recorded for the six months ended 30 June 2012, whereas for the corresponding period in 2011, a loss of RMB5,305,000 was recorded. On the basis of excluding these fair value adjustments, profit attributable to the owners of the Company would be adjusted to RMB18,906,000 for the period, representing a 31.0% decrease as compared to the adjusted figures for the corresponding period in 2011.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered, or proposed to enter, into a service contract with any member of the Group, which did not expire or was not determinable by the relevant member of the Group within one year without compensation, other than statutory compensation.

6. INTERESTS IN THE GROUP’S ASSETS OR CONTRACTS OR ARRANGEMENT SIGNIFICANT TO THE GROUP

On 16 May 2012, the Company entered into an agreement with Dragon Hill Holdings Limited, a company beneficially owned by Mr. Lee Shing, an executive Director, to dispose of its 100% equity interest in Jenpoint Limited (“Jenpoint”) and Dragon Hill Financial Services Holdings Limited (“DHFS”) together with the related shareholder’s advances for an aggregate consideration of HK\$6,000,000 (the “Disposals”), which were subsequently completed before

June 2012. Jenpoint and DHFS were then subsidiaries of the Company which were principally engaged in property holding and investment. Details of the Disposals have been fully disclosed in the announcement of the Company dated 16 May 2012.

On 1 July 2012, DH Corporate Services Limited, a subsidiary of the Company, entered into a tenancy with Jenpoint Limited, a company beneficially wholly-owned by Mr. Lee Shing, an executive Director, for the leasing by the Group of a residential premise as staff quarter of the Group for two years commencing from 1 July 2012 at the rental of HK\$8,000 per month.

Save as disclosed above, as at the Latest Practicable Date, (i) none of the Directors had any interest in any assets which had been since 31 December 2011 (being the date to which the latest published accounts of the Company were made up) acquired or disposed of by or leased to, any member of the Group, or were proposed to be acquired or disposed of by or leased to, any member of the Group; and (ii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

7. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and, as far as the Directors are aware, no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

8. QUALIFICATION, CONSENT AND INTEREST OF EXPERT

The following is the qualification of Guangdong Securities, which has given its opinion or advice for inclusion in this circular:

Name	Qualification
Guangdong Securities Limited	a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities as defined under the SFO

As at the Latest Practicable Date, Guangdong Securities did not have:

- (a) any direct or indirect interest in any assets which have since 31 December 2011 (being the date to which the latest published audited consolidated financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Guangdong Securities has given and has not withdrawn its consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which they respectively appear.

9. GENERAL

- (i) The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The head office and principal place of business of the Company in Hong Kong is situated at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.
- (ii) The company secretary of the Company, Mr. Lai Shi Hong, Edward, is a member of the Hong Kong Institute of Certified Public Accountants and Institute of Chartered Accountants in England and Wales, and a fellow member of the Association of Chartered Certified Accountants.
- (iii) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (iv) The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text thereof.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Company at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong during normal business hours on any weekday other than public for a period of 14 days or up to the date of the SGM, whichever is longer:

- (i) the Renewed Tenancy Agreement;
- (ii) the Tenancy Agreement;
- (iii) the letter from the Independent Board Committee, the text of which is set out on page 11 of this circular;
- (iv) the letter from Guangdong Securities, the text of which is set out on pages 12 to 18 of this circular; and
- (v) the written consent of Guangdong Securities referred to under the section headed "Qualification, consent and interest of expert" in this appendix.

NOTICE OF SGM



五菱汽車集團控股有限公司
WULING MOTORS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) (股份代號 Stock Code : 305)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Special General Meeting of Wuling Motors Holdings Limited (the “**Company**”) will be held at Unit 2403, 24/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong, on Thursday, 31 January 2013 at 11:00 a.m., for the following purposes:

To consider, and if thought fit, passing with or without modification the following resolution as **ORDINARY RESOLUTION**:

“THAT

1. the Renewed Tenancy Agreement (copy of which has been produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder and the proposed annual caps of the Renewed Tenancy Agreement be and are hereby approved, confirmed and ratified; and
2. the Board be and is hereby authorized to take all such actions as it considers necessary or desirable to implement and give effect to the Renewed Tenancy Agreement and the transactions contemplated thereunder.

For the purposes of this resolution, the term “Renewed Tenancy Agreement” shall have the same definition as defined in the circular to the shareholders of the Company dated 14 January 2013.”

By Order of the Board
Wuling Motors Holdings Limited
Sun Shaoli
Chairman

Hong Kong, 14 January 2013

As at the date of this notice, 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.

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting (or at any adjournment thereof) shall be entitled to appoint one or more proxies to attend and vote, on a poll, on his behalf. A proxy need not be a member of the Company.

NOTICE OF SGM

2. A form of proxy for use in connection with the above meeting is enclosed and such form is also published on the website of the Stock Exchange (www.hkexnews.hk).
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power of attorney or authority must be delivered to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the above meeting (or at any adjournment thereof). Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Shareholders are advised to read the circular to the Shareholders of the Company dated 14 January 2013 which contains information concerning the resolution to be proposed in this notice.
5. All votes on the resolution in this notice to be proposed at the meeting shall be conducted by way of poll.