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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)

**DISCLOSEABLE TRANSACTION IN RELATION TO
CAPITAL INJECTION TO THE LIUZHOU LINGTE JOINT VENTURE**

NEW CAPITAL INJECTION

On 15 April 2015, Wuling Liuji and IAT, which together own the entire equity interest in the Liuzhou Lingte Joint Venture, approved the New Capital Injection.

The Liuzhou Lingte Joint Venture was established in November 2013 with an initial registered capital of RMB60.2 million, which was increased to RMB103.05 million on 2 December 2014. As at the date of this announcement, the registered capital of the Liuzhou Lingte Joint Venture is RMB103.05 million, which is owned as to 51% by Wuling Liuji and as to 49% by IAT. Upon completion of the New Capital Injection, the registered capital of the Liuzhou Lingte Joint Venture will be increased to RMB200.00 million and Liuzhou Lingte Joint Venture will remain to be owned as to 51% by Wuling Liuji and as to 49% by IAT.

The aggregate amount of the New Capital Injection will be RMB105.95 million, of which RMB96.95 million will be applied towards increasing the existing registered capital and RMB9.00 million will be recognised as capital reserve of the Liuzhou Lingte Joint Venture.

The respective amount and form of the New Capital Injection to be contributed by Wuling Liuji and IAT are as follows:

- i. Wuling Liuji will inject RMB49.45 million in cash, the full amount of which will be applied towards increasing the existing registered capital of the Liuzhou Lingte Joint Venture; and
- ii. IAT will inject RMB56.50 million, of which RMB36.50 million will be injected in cash and RMB20.00 million will be satisfied by the transfer of the Intellectual Property Rights owned by IAT.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios is 5% or more and all the applicable percentage ratios are less than 25%, Wuling Liuji's contribution of the New Capital Injection constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules. It is therefore subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under the Listing Rules.

On 15 April 2015, Wuling Liuji and IAT, which together own the entire equity interest in the Liuzhou Lingte Joint Venture, approved the New Capital Injection.

THE LIUZHOU LINGTE JOINT VENTURE

The Liuzhou Lingte Joint Venture was established in November 2013 pursuant to the Joint Venture Agreement. It is principally engaged in the research and development and sale of engines and related components and provision of related services. The Liuzhou Lingte Joint Venture had an initial registered capital of RMB60.2 million at its establishment and the registered capital was increased to RMB103.05 million on 2 December 2014. Since its establishment, the Liuzhou Lingte Joint Venture has been owned as to 51% by Wuling Liuji and as to 49% by IAT. Wuling Liuji is a non-wholly owned subsidiary of the Company. To the best of the Director's knowledge, information and belief and having made all reasonable enquiries, save for its interests in the Liuzhou Lingte Joint Venture, IAT and its ultimate beneficial owners are independent of the Company and connected persons of the Company.

NEW CAPITAL INJECTION

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The New Capital Injection is expected to be completed on or before 28 May 2015.

The New Capital Injection to be contributed by Wuling Liuji will be satisfied by internal resources of the Group.

The aggregate and respective amount of the New Capital Injection was determined after arm's length negotiation among the parties with reference to, among others, the capital requirement of the Liuzhou Lingte Joint Venture and the respective interests of Wuling Liuji and IAT in the Liuzhou Lingte Joint Venture.

FINANCIAL INFORMATION ABOUT THE LIUZHOU LINGTE JOINT VENTURE

Based on the audited accounts of the Liuzhou Lingte Joint Venture prepared in accordance with the PRC accounting standards, the net asset value of the Liuzhou Lingte Joint Venture as at 31 December 2014 is approximately RMB116.91 million and the net losses of the Liuzhou Lingte Joint Venture for the period from its establishment on 1 November 2013 to 31 December 2013 and the year ended 31 December 2014 are as follows:

	For the period from the establishment of the Liuzhou Lingte Joint Venture on 1 November 2013 to 31 December 2013	For the year ended 31 December 2014
	<i>RMB</i> <i>(Note)</i>	<i>RMB</i>
Net loss (before taxation)	Nil	4,628,000
Net loss (after taxation)	Nil	4,628,000

Note: The Liuzhou Lingte Joint Venture had not commenced business for the period from its establishment on 1 November 2013 to 31 December 2013.

INFORMATION ABOUT WULING LIUJI AND THE GROUP

Wuling Liuji is a wholly-owned subsidiary of Liuzhou Wuling Motors Industrial Company Limited (“**Wuling Industrial**”). Wuling Industrial is a sino-foreign joint venture, which is currently owned as to approximately 50.98% by the Company and approximately 49.02% by Liuzhou Wuling Motors Company Limited. The Company, through Wuling Industrial and its subsidiaries, is principally engaged in the 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. Wuling Liuji is principally engaged in the manufacturing and sale of petrol engines, primarily for the commercial-typed mini-vehicles, and its related parts and components. Besides, Wuling Liuji also produces some volume of agricultural machinery products.

INFORMATION ABOUT IAT

IAT is an automotive design company established in the PRC and focuses on design and development of automobiles and auto-parts, trial production and testing of vehicle prototypes. Its main business scope includes automotive product planning and design, engineering design of vehicles/engines/transmissions/auto-parts, CAE analysis, NVH optimization, development of new-energy vehicles, development of electronic control technology, trial production of vehicle prototypes, concurrent engineering analysis, design and manufacturing of molds/fixtures, production of show cars, and testing, evaluation and consultation services on vehicles and components. With its headquarter in Beijing, the PRC, it has also established branch offices in Shanghai, Changchun, Chengdu, Ningbo and Wuhan and expanded into overseas markets in Japan and other countries.

REASONS FOR AND BENEFITS OF THE NEW CAPITAL INJECTION

IAT possessed certain intellectual property rights in relation to the know-hows of V-type front- and rear-drive 6-cylinder petrol engines and have developed products under these intellectual property rights, which are known to be suitable for certain types of vehicles including sport utility vehicles, multi- purpose vehicles, mini-buses and school buses with vehicle-length of 6 meters to 7 meters. These particular market segments are expected to have great business potential in the PRC. To capitalize on the business potential of these new products under these intellectual property rights, IAT sought the co-operation with Wuling Liuji, which has the capability and long standing industry experiences in the manufacturing of motor vehicles' engines on a mass production scale. It was considered that through the establishment of the Liuzhou Lingte Joint Venture, where IAT would inject these intellectual property rights as its contribution to the Liuzhou Lingte Joint Venture, Wuling Liuji can indirectly upgrade its range of products, and through the Liuzhou Lingte Joint Venture, owns the intellectual proprietary of the new products developed under the injected intellectual property rights. Wuling Liuji considered this strategic move would be beneficial to its long term development as the research and development of these new models of engines can further upgrade its products range and expand its business potential.

The Liuzhou Lingte Joint Venture has successfully, among others, completed the research and development of products of the 3.0L Advanced Model, acquired land use rights in Liuzhou of the PRC for the construction of the Liuzhou Lingte Joint Venture's infrastructure including laboratories and factories, conducted market research on target market segments and completed the preliminary design on the main assembly line for V-type front- and rear-drive 6-cylinder petrol engines.

The New Capital Injection is intended to be used for construction of the infrastructure and main assembly line of the Liuzhou Lingte Joint Venture, as well as funding towards the research and development of the 3.7L Advanced Model.

Taking into account of the above factors, the Directors consider that the New Capital Injection is fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios is 5% or more and all the applicable percentage ratios are less than 25%, Wuling Liuji's contribution of the New Capital Injection constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules. It is therefore subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Wuling Motors Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning as ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“IAT”	阿爾特汽車技術股份有限公司, IAT Automobile Technology Co., Ltd., a company established in the PRC with limited liability
“Intellectual Property Rights”	the intellectual property rights in relation to the technology on the 3.0L Advanced Model
“Joint Venture Agreement”	the joint venture agreement dated 1 November 2013 entered into between IAT and Wuling Liuji in relation to the establishment of the Liuzhou Lingte Joint Venture
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liuzhou Lingte Joint Venture”	柳州菱特動力科技有限公司 (Liuzhou Lingte Motor Technology Company Limited*), a company established in the PRC with limited liability
“New Capital Injection”	the capital injection of RMB49.45 million and RMB56.50 million by Wuling Liuji and IAT, respectively, to the Liuzhou Lingte Joint Venture

“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wuling Liuji”	柳州五菱柳機動力有限公司 (Liuzhou Wuling Liuji Motors Company Limited*), a sino-foreign equity joint venture established on 16 June 1993 and a non wholly owned subsidiary of the Company
“%”	per cent.
“3.0L Basic Model”	3.0L V-type front- and rear-drive 6-cylinder petrol engine model
“3.0L Advanced Model”	3.0L advanced V-type front- and rear-drive 6-cylinder petrol engine model
“3.7L Advanced Model”	3.7L advanced V-type front- and rear-drive 6-cylinder petrol engine model

On behalf of the Board
Wuling Motors Holdings Limited
Wei Hongwen
Chairman

Hong Kong, 15 April 2015

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

* *For identification purposes only*