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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
EXECUTION OF THE MASTER CONSTRUCTION AGREEMENT
IN RELATION TO
THE LIUDONG FACILITIES CONSTRUCTION PROJECT

The Board is pleased to announce that, on 11 May 2015, Liuzhou Zhuotong (as the originator), an indirect non-wholly-owned subsidiary of the Company, entered into the Master Construction Agreement with SCIVIC Engineering (as the lead manager) and Guangxi Construction Group (as the main contractor) in relation to the Liudong Facilities Construction Project at the Consideration of RMB50,000,000.

The Master Construction Agreement constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules. Therefore, it is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under the Listing Rules.

BACKGROUND

The Board is pleased to announce that, on 11 May 2015, Liuzhou Zhuotong (as the originator), an indirect non-wholly-owned subsidiary of the Company, entered into the Master Construction Agreement with the SCIVIC Engineering (as the lead manager) and Guangxi Construction Group (as the main contractor), pursuant to which: (i) SCIVIC Engineering will be responsible for the design and project management of the Liudong Facilities Construction Project; and (ii) Guangxi Construction Group will be responsible for the construction, engineering and certification of the buildings, structures and facilities to be constructed and installed under the Liudong Facilities Construction Project. The execution of the Master Construction Agreement took place after the conclusion of a standard tendering process for the Liudong Facilities Construction Project in which the terms and conditions (including the Consideration) proposed by SCIVIC Engineering and the Guangxi Construction Group had been considered as the best alternative among the submitted tenders by Liuzhou Zhuotong.

THE MASTER CONSTRUCTION AGREEMENT

The principal terms of the Master Construction Agreement are summarized as follows:

Date

The Master Construction Agreement was entered into by the parties thereto on 11 May 2015.

Parties

- (1) Liuzhou Zhuotong, as the originator;
- (2) SCIVIC Engineering , as the lead manager; and
- (3) Guangxi Construction Group , as the main contractor.

Subject matter

Pursuant to the Master Construction Agreement, (i) SCIVIC Engineering will be responsible for the design and project management of the Liudong Facilities Construction Project; and (ii) Guangxi Construction Group will be responsible for the construction, engineering and certification of the buildings, structures and facilities to be constructed and installed under the Liudong Facilities Construction Project. The Liudong Facilities Construction Project comprises, inter alia, the engineering and construction work of the steel building structure; the construction work of the site wall and enclosure; the painting work of the building and construction structure; and the installation work of the public utilities. SCIVIC Engineering and Guangxi Construction Group will be responsible to ensure the progress of the Liudong Facilities Construction Project and the proper compliance with the relevant certification, quality and safety standard. In addition, the Main Construction Agreement also covers a warranty clause where SCIVIC Engineering and Guangxi Construction Group will be responsible for repairing and re-fixing the defects for the warranty period as defined in the Master Construction Agreement.

According to the Master Construction Agreement, the construction period of the Liudong Facilities Construction Project will be 150 days from the actual date of commencement of construction. The actual date of commencement will be confirmed later among the parties to the Master Construction Agreement.

CONSIDERATION

The amount payable by Liuzhou Zhuotong under the Master Construction Agreement shall be RMB50 million (equivalent to approximately HK\$62 million), which comprises RMB2.86 million (equivalent to approximately HK\$3.55 million), being the fee for design and project management and RMB47.14 million (equivalent to approximately HK\$58.45 million), being fee for the construction and civil engineering works. Payments of the Consideration will be made to SCIVIC Engineering upon presentation of the official invoices. SCIVIC Engineering will settle the cost of construction to Guangxi Construction Group and other sub-contractors based on the completion progress of their respective works under the Liudong Facilities Construction Project.

The Consideration will be fully settled by internal resources of the Group.

INFORMATION REGARDING THE GROUP, SCIVIC ENGINEERING AND GUANGXI CONSTRUCTION GROUP

The Group 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.

SCIVIC Engineering is principally engaged in the design of machinery and civil construction, the provision of various types of construction and quantity surveying, contracting advisory and supervisory services and the manufacturing and installation of automatic electrical devices, etc.

Guangxi Construction Group is a professional contractor principally engaged in the provision of various main contracting services including the construction and building of various types of foundations, housings and architectural structures, the installation of various types of electrical, roads, tunnels, lighting and fire systems, etc.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, SCIVIC Engineering and Guangxi Construction Group, and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR ENTERING INTO THE MASTER CONSTRUCTION AGREEMENT

As mentioned in the 2014 annual report of the Company, the Group has recently taken initiative to adjust the product structure of its automotive component business in response to the modification of product structure by the major customers and to widen the business scope of supplying components to the passenger vehicle market. In September 2014, the Group, through Liuzhou Zhuotong completed the acquisition of an industrial site (with a site area of 136,701 sqm) situated at Hualing, Liudong New District in Liuzhou (柳州市柳東新區花嶺) at a consideration of RMB25.2 million for the purpose of establishing a new production facility targeting at the passenger vehicles' component business of the key customer. This new facility has a strategic advantage as it is located in adjacent to passenger vehicles production base of this key customer. Construction of the first phase of this new production facility was completed and had since become gradually operational due to the increasing demands from this key customer. In view of the future demands from this key customer, the Directors believe that it is the appropriate time to commence the construction of the second phase development of this industrial site, which is covered under the Liudong Facilities Construction Project, to ensure adequate production capacity can be ready to cope with the future demands from the key customer and other potential customers on a timely basis.

The execution of the Master Construction Agreement took place after the conclusion of a standard tendering process for the Liudong Facilities Construction Project in which the terms and conditions (including the Consideration) proposed by SCIVIC Engineering and Guangxi Construction Group had been considered as the best alternative among the submitted tenders by Liuzhou Zhuotong.

The Directors are of the view that the terms and conditions of the Master Construction Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) for the Consideration payable under the Master Construction Agreement is more than 5% but less than 25%, the execution of the Master Construction Agreement constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements thereunder but is exempt from the shareholders' approval requirement.

DEFINITIONS

In this announcement, the following terms and expressions (unless the context otherwise requires) 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 persons”	has the meaning ascribed to it in the Listing Rules;
“Consideration”	the total fee payable by Liuzhou Zhuotong under the Master Construction Agreement;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Guangxi Construction Group”	廣西建工集團第四建築工程有限責任公司 (Guangxi Construction Engineering Group No. 4 Construction Engineering Co., Limited*) a company incorporated in the PRC with limited liability;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Liudong Facilities Construction Project”	the construction of the second phase development of the industrial site owned by Liuzhou Zhuotong situated at Hualing, Liudong New District in Liuzhou (柳州市柳東新區花嶺), which is covered under the Master Construction Agreement;

“Liuzhou Zhuotong”	柳州卓通汽車零部件有限公司 (Liuzhou Zhuotong Automotive Components Company Limited*), a company incorporated in the PRC with limited liability on 21 November 2013 and an indirect non-wholly-owned subsidiary of the Company;
“Master Construction Agreement”	the agreement entered into among Liuzhou Zhuotong (as the originator), SCIVIC Engineering (as the lead manager) and Guangxi Construction Group (as the main contractor) in relation to the Liudong Facilities Construction Project;
“PRC”	the People’s Republic of China;
“RMB”	the lawful currency of the PRC;
“SCIVIC Engineering”	機械工業第四設計研究院有限公司 (SCIVIC Engineering Corporation*), a company incorporated in the PRC with limited liability;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent.

* *The English translation of Chinese names or words in this announcement, where indicated, are included for information purpose only and should not be regarded as the official English translation of such Chinese names or words.*

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

Hong Kong, 11 May 2015

In this announcement, unless otherwise specified, conversion of RMB into Hong Kong dollars is, based on the exchange rate of RMB1 to HK\$1.24, for information purpose only. Such conversion should not be construed 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.

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.