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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)*

**INSIDE INFORMATION –**  
**MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE**  
**DISPOSAL OF ASSETS**  
**RELATING TO THE CAR SEAT PRODUCT BUSINESS AND OPERATION**  
**BY WULING INDUSTRIAL**  
**TO FAURECIA CAR SEAT JV COMPANY**

This announcement is made by the Board pursuant to Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

Reference is made to the announcement of the Company dated 3 July 2017 in relation to the Faurecia Car Seat JV Agreement entered into by Wuling Industrial (a non-wholly-owned subsidiary of the Company) and Faurecia (China) (a wholly-owned subsidiary of Faurecia) and the establishment of a joint venture company, which would be principally engaged in manufacturing of car seat products, pursuant to the Faurecia Car Seat JV Agreement. It was mentioned in that announcement that in order to facilitate the business and operation of the joint venture company, the parties would enter into ancillary agreements in relation to, among other things, the acquisition by the joint venture company of the machinery and equipment of Wuling Industrial which are currently used for the production of car seat products located in Liuzhou and Qingdao, the PRC.

The Board is pleased to announce that Faurecia Car Seat JV Company, which is owned as to 50% by Wuling Industrial and as to 50% by Faurecia (China), was established on 26 September 2017 pursuant to the Faurecia Car Seat JV Agreement. In order to further facilitate the business and operation of Faurecia Car Seat JV Company, it is the respective intention of Wuling Industrial and Faurecia Car Seat JV Company to dispose of and purchase the Car Seat Assets currently owned and utilized by Wuling Industrial Group for production of the car seat products. On that basis and for the purpose of setting out the parties' respective intention relating to the Car Seat Assets, Wuling Industrial (as potential vendor) and Faurecia Car Seat JV Company (as potential purchaser) entered into the MOU on 29 December 2017 (after trading hours), pursuant to which Faurecia Car Seat JV Company shall pay the Prepayment to Wuling Industrial in the amount of RMB42,949,593.20, represented the

preliminary assessed values (inclusive of the related VAT) of the specific list of items of the Car Seat Assets to be delivered to Faurecia Car Seat JV Company as at the date of the MOU, following which Wuling Industrial shall deliver the related Car Seat Assets to Faurecia Car Seat JV Company for its operations.

Subject to the confirmation of the final list of items of the Car Seat Assets and further negotiation between Wuling Industrial and Faurecia Car Seat JV Company by making references to, amount other things, the valuation report in respect of the Car Seat Assets issued by an independent professional valuer, of which the parties shall use their best endeavor to complete as soon as practicable, Wuling Industrial and Faurecia Car Seat JV Company shall enter into the related formal sale and purchase agreement relating to the sale and purchase of the Car Seat Assets within 40 days from the date of the MOU, whereas the Prepayment shall become part of the determined consideration (which would be the same as the final appraised value of the related Car Seat Assets as concluded and set out in the valuation report) for the sale and purchase of the Car Seat Assets under the formal sale and purchase agreement.

If the formal sale and purchase agreement is entered into by Wuling Industrial and Faurecia Car Seat JV Company, it is expected that the disposal of the Car Seat Asset by Wuling Industrial, which is a non-wholly-owned subsidiary of the Company, may constitute a notifiable transaction on the part of the Group pursuant to Chapter 14 of the Listing Rules, in which case the Company will comply with the reporting, disclosure and/or Shareholders' approval requirements under the Listing Rules.

**The Board wishes to emphasize that no formal agreement in relation to the possible disposal of the Car Seat Assets by Wuling Industrial has been entered into as at the date of this announcement and the sale and purchase agreement in relation thereto may or may not proceed. Moreover, such possible disposal may be subject to certain conditions precedent which may not be able to be fulfilled or waived. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the possible disposal of the Car Seat Assets by Wuling Industrial will be made by the Company in the event that the formal sale and purchase agreement has been signed.**

## DEFINITIONS

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

“Board”	the board of Director
“Car Seat Assets”	the assets (including machinery and equipment) as listed out in the appendix to the MOU or the related valuation report (as appropriate) which are currently owned and utilized by Wuling Industrial Group for car seat product manufacturing and operation
“Company”	Wuling Motors Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange (stock code: 305.HK)
“Director(s)”	the director(s) of the Company
“Faurecia”	Faurecia, the ultimate holding company of Faurecia (China), a leading manufacturer in the global automobile industry with headquarter in Nanterre, France. Faurecia and its subsidiaries is a world renowned group of companies engaging in the automobile industry specializing in the business segments of automotive seating, interior systems and emissions control technologies
“Faurecia (China)”	Faurecia (China) Holding Co. Ltd., a wholly-owned subsidiary of Faurecia established in the PRC in 2008
“Faurecia Car Seat JV Agreement”	the joint venture agreement dated 3 July 2017 entered into between Wuling Industrial and Faurecia (China) for the purpose of establishment of the Faurecia Car Seat JV Company
“Faurecia Car Seat JV Company”	佛吉亞柳州汽車座椅有限公司 (Faurecia Liuzhou Automotive Seating Co., Limited*), a joint venture company established in the PRC on 26 September 2017 pursuant to the Faurecia Car Seat JV Agreement, the equity interest of which is owned as to 50% by Wuling Industrial and 50% by Faurecia (China)
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“MOU”	the memorandum of understanding dated 29 December 2017 entered into between Wuling Industrial and Faurecia Car Seat JV Company setting out the respective intention of Wuling Industrial and Faurecia Car Seat JV Company in connection with the possible sale and purchase of the Car Seat Assets
“PRC”	the People’s Republic of China
“Prepayment”	the payment of RMB42,949,593.20 payable by Faurecia Car Seat JV Company to Wuling Industrial pursuant to the MOU in connection with the possible sale and purchase of the Car Seat Assets
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“VAT”	the value-added tax
“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 non-wholly-owned subsidiary of the Company
“Wuling Industrial Group”	Wuling Industrial and its subsidiaries
“%”	per cent

On behalf of the Board  
**Wuling Motors Holdings Limited**  
**Yuan Zhijun**  
Chairman

Hong Kong, 29 December 2017

*As at the date of this announcement, the Board comprises Mr. Yuan Zhijun (Chairman), Mr. Lee Shing (Vice-chairman and Chief Executive Officer), Mr. Zhong Xianhua, Ms. Liu Yaling and Mr. Yang Jianyong as executive Directors, and Mr. Ye Xiang, Mr. Wang Yuben and Mr. Mi Jianguo as independent non-executive Directors.*