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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 —
DISPOSAL OF ASSETS RELATED TO CAR SEAT
PRODUCTS BUSINESS AND OPERATION**

SALE AND PURCHASE AGREEMENT

On 7 June 2018, Wuling Industrial (a non-wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with Faurecia Car Seat JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Car Seat JV Company conditionally agreed to purchase the second batch of necessary Assets (in addition to the first batch of relevant assets purchased under the Previous Sale and Purchase Agreement), which are currently owned by the Wuling Industrial Group and are required for the operation of Faurecia Car Seat JV Company for the car seat products manufacturing and operation, at the Consideration of RMB11,314,822 (exclusive of VAT).

LISTING RULES IMPLICATIONS

References are made to (i) the Previous Announcement dated 14 March 2018, in relation to the Previous Sale and Purchase Agreement entered into between Wuling Industrial Group and Faurecia Car Seat JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Car Seat JV Company conditionally agreed to purchase the necessary assets for the production and operation of car seat products at a consideration of RMB24,300,096 (exclusive of VAT of RMB4,131,016); and (ii) the Previous Announcement dated 30 May 2018 in relation to, amount other things, the Interior Assets Sale and Purchase Agreements entered into between Wuling Industrial Group and Faurecia Interior JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Interior JV Company conditionally agreed to purchase the necessary assets for the production of various automotive interior parts and accessories at a total consideration of RMB146,249,171 (exclusive of VAT).

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement were entered into between (i) Wuling Industrial Group and (ii) Faurecia (China) through its subsidiaries (being Faurecia Car Seat JV Company and Faurecia Interior JV Company) within a 12-month period, all transactions respectively contemplated under those agreements are considered and be aggregated as one transaction. The transactions contemplated under the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement involves disposals of assets by Wuling Industrial Group at a total consideration of RMB181,864,089 (exclusive of VAT). Having taken into account the highest of the applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the transactions contemplated under the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement is more than 5% but less than 25%, the disposal of the Assets by the Group under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

References are made to (i) the Previous Announcements dated 29 December 2017 and 13 February 2018 in relation to the MOU (as supplemented by the supplemental memorandum of understanding dated 13 February 2018) entered into between Wuling Industrial (a non-wholly-owned subsidiary of the Company) and Faurecia Car Seat JV Company (a non-wholly-owned subsidiary of Faurecia (China)) setting out the parties' respective intention relating to the possible sale and purchase of assets for the car seat products manufacturing and operation; and (ii) the Previous Announcement dated 14 March 2018 in relation to the Previous Sale and Purchase Agreement entered into between Wuling Industrial and Faurecia Car Seat JV Company, regarding the acquisition by Faurecia Car Seat JV Company of the necessary assets currently owned by Wuling Industrial Group for the car seat products manufacturing and operation. The acquisition is for the purpose of facilitating the commencement of business and operation of Faurecia Car Seat JV Company which established on 26 September 2017 pursuant to the Faurecia Car Seat JV Agreement entered into between Wuling Industrial and Faurecia (China) dated 3 July 2017. It was also mentioned in the Previous Announcement dated 14 March 2018 that after the sale and purchase of the first batch of necessary assets for the car seat products manufacturing and operation under the Previous Sale and Purchase Agreement and subject to further negotiation by the parties, Wuling Industrial Group and the Faurecia Car Seat JV Company may enter into further agreement(s) in relation to, among other things, the sale and purchase of other assets currently owned by Wuling Industrial Group for the car seat products manufacturing and operation.

On 7 June 2018, Wuling Industrial and the Faurecia Car Seat JV Company entered into the Sale and Purchase Agreement regarding the purchase by the Faurecia Car Seat JV Company from Wuling Industrial Group of the second batch of necessary Assets which are required for the operation of Faurecia Car Sear JV Company for the car seat products manufacturing and operation.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are summarized below:

Date: 7 June 2018

Parties: The Vendor: (a) Wuling Industrial (Shandong branch office); and
The Purchaser: (b) Faurecia Car Seat JV Company (Qingdao branch office).

Assets which are subjects of the Sale and Purchase Agreement: The Assets to be sold and purchased include the machinery and equipment as listed out in the report of the Valuation appended to the Sale and Purchase Agreement. The Assets are currently owned by Wuling Industrial (Shandong branch office) and shall be purchased and used by Faurecia Car Seat JV Company for the production of the car seat products.

Conditions precedent: Completion of the Sale and Purchase Agreement is subject to the fulfilment by Wuling Industrial to the satisfaction of Faurecia Car Seat JV Company, or waiver granted by Faurecia Car Seat JV Company (save for the condition precedent (viii) which cannot be waived) of the following conditions precedent:

- (i) there having been no occurrence or existence of any material adverse effect on, among other things, the Assets since the date of the Sale and Purchase Agreement, and the representations and warranties given by Wuling Industrial remaining true and accurate in all respects at the Delivery Date;
- (ii) there having been no threatened, instituted or pending any action or proceeding by any person which (a) may affect the ownership or operation by Wuling Industrial or the Faurecia Car Seat JV Company of all or any material portion of the Assets or (b) may impose any limitation on the ability of Faurecia Car Seat JV Company in exercising its rights relating to such ownership or use or handling of the Assets in full after Completion;
- (iii) Wuling Industrial having provided Faurecia Car Seat JV Company with the bank and wiring information relating to its receipt of the Consideration from the Faurecia Car Seat JV Company;

- (iv) the Assets (a) having been maintained in good condition as at the Delivery Date, (b) the conditions of which having been satisfied by Faurecia Car Seat JV Company after carrying out all inspection of the Assets considered as necessary by Faurecia Car Seat JV Company, and (c) having been delivered by Wuling Industrial and accepted by Faurecia Car Seat JV Company on the Delivery Date;
- (v) Wuling Industrial (1) having obtained ownership certificates of the factory site and buildings which will be used by Faurecia Car Seat JV Company for the purpose of carrying out the business and operation of car seat products production at which the Assets would be installed and/or located upon Completion and (2) having provided copies of such ownership certificates to Faurecia Car Seat JV Company;
- (vi) confirmation from the related parties of Wuling Industrial regarding the transfer of their respective rights relating to the ownership or use or handling of the Assets to Faurecia Car Seat JV Company having been received;
- (vii) Wuling Industrial having resolved or listed out all currently known issues relating to quality and environment protection of its existing products produced by the Assets; and
- (viii) all necessary procedures relating to approval, registration and other requirements (including evaluation and appraisal of the Assets by an assets appraisal firm recognized by both parties to the Sale and Purchase Agreement and the relevant government authority(ies) regarding the sale and purchase of the Assets filing of the report of the Valuation by the appraisal firm and execution of the Sale and Purchase Agreement pursuant to the applicable laws, rules and regulations in the PRC and Hong Kong (including but not limited to those relating to the supervision and administration of State-owned assets in Guangxi Zhuang Autonomous Region, the PRC and the Listing Rules) having been completed.

Faurecia Car Seat JV Company will promptly inform Wuling Industrial of its satisfaction of the fulfilment (or waiver, as the case maybe) of all conditions precedent to facilitate completion of the transactions as contemplated under the Sale and Purchase Agreement.

Consideration:

The Consideration of the Assets would be RMB13,125,194 (equivalent to approximately HK\$16,117,738), comprising the net consideration of RMB11,314,822 and the related VAT of RMB1,810,372 (equivalent to approximately 16% of the net consideration).

An amount of RMB42,949,593 has been paid by Faurecia Car Seat JV Company to Wuling Industrial under the MOU, and a total of RMB28,431,112 out of such amount had been applied for payment of the consideration of the assets subject to the Previous Sale and Purchase Agreement. The remaining balance of RMB14,518,481 shall be applied for payment of the Consideration of the Assets.

Subject to the inspection of the Assets under the Sale and Purchase Agreement by the independent appraisal firm recognized by Wuling Industrial and Faurecia Car Seat JV Company, if there is any shortfall in value of any Assets, Wuling Industrial shall make up such shortfall or the Consideration in respect of the Sale and Purchase Agreement shall be reduced by the amount of such shortfall accordingly.

The balance of the amount paid under the MOU, after deduction of (i) the consideration of the assets subject to the Previous Sale and Purchase Agreement and (ii) the Consideration of the Assets, amounted to RMB1,393,287. Wuling Industrial and Faurecia Car Seat JV Company are now in negotiation with regard to other assets currently owned by Wuling Industrial Group for the car seat product manufacturing and operation. The parties have agreed that, upon finalization of the negotiation and execution of any formal agreement (if any), such balance in the amount of RMB1,393,287 shall be applied for payment of consideration (“**relevant consideration**”) of those other assets, and Wuling Industrial shall refund any remaining amount to Faurecia Car Seat JV Company if the relevant consideration (inclusive of VAT) is less than RMB1,393,287, or Faurecia Car Seat JV Company shall pay further amount to Wuling Industrial Group if the relevant consideration (inclusive of VAT) is higher than RMB1,393,287).

The Consideration was determined after arm's length negotiations between Wuling Industrial (as vendor) and Faurecia Car Seat JV Company (as purchaser) after taking into account the Valuation which was conducted by Guanxi Zhongyi Certified Public Appraisers Co., Ltd* 廣西眾益資產評估土地房地產評估有限公司, an independent assets appraisal firm recognized by the relevant government authority(ies) and jointly engaged by Faurecia (China) and Wuling Industrial regarding the sale and purchase of the Assets by adopting the cost approach. According to the Valuation, the values of the Assets amounted to RMB11,314,800 (exclusive of VAT) which are approximately equal to the net Consideration of RMB11,314,822 (exclusive of VAT) pursuant to the Sale and Purchase Agreement.

Completion:

Completion of the Sale and Purchase Agreement shall take place within 30 days (or a later date to be agreed by Wuling Industrial and Faurecia Car Seat JV Company after fulfillment (or waiver, as the case maybe) of the conditions precedent of the Sale and Purchase Agreement in full as notified by Faurecia Car Seat JV Company to Wuling Industrial.

Termination:

The Sale and Purchase Agreement may be terminated:

- (i) by mutual agreement of the parties to the Sale and Purchase Agreement;
- (ii) if any condition precedent of the Sale and Purchase Agreement has not been fulfilled or waived before the 120th day from the signing date of the Sale and Purchase Agreement (the "**Long Stop Date**");
- (iii) by the Purchaser prior to the date of Completion if there has been any material inaccuracy or breach of any representations and warranties or breach of undertakings or other obligation under the Sale and Purchase Agreement on the part of the Vendor;

- (iv) by the Purchaser if the Completion has not been consummated on or before the Long Stop Date, unless one of the parties to the Sale and Purchase Agreement has reasonable evidence to prove that Completion could not be consummated was due to the intentional breach of any of the terms of the Sale and Purchase Agreement by the other party(ies) to the Sale and Purchase Agreement. In such event, such breaching party(ies) shall not be entitled to terminate the Sale and Purchase Agreement;
- (v) by either the Purchaser or the Vendor prior to the date of Completion or the Long Stop Date, whichever is earlier if consummation of the transactions contemplated under the Sale and Purchase Agreement would result in violation of any non-appealable final order, decree or judgment of any governmental authority having competent jurisdiction; and
- (vi) if an event of force majeure is lasting for a period in excess of 90 days and the parties to the Sale and Purchase Agreement have been unable to find an equitable solution.

Termination of the Sale and Purchase Agreement set forth above may be effected by the terminating party giving the other parties a 7 days' prior written notice specifying the reason for such termination and shall become effective upon the expiration of such seven-day period, unless such notice of termination is withdrawn with the consent of the terminating party.

Upon the termination of the Sale and Purchase Agreement, any amount paid by the Purchaser to the Vendor shall immediately be returned to the Purchaser and any Assets delivered by the Vendor to the Purchaser shall immediately be returned to the Vendor. Prior to issuing a notice to terminate the Sale and Purchase Agreement by any party to the Sales and Purchase Agreement, the parties agree to carry out negotiation for the purpose of considering the effect of such termination on the Faurecia Car Seat JV Agreement and to take any further action that considered necessary to ensure that the viability of the Purchaser will not be adversely affected.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group

The Group, including Wuling Industrial and its subsidiaries, is principally engaged in the manufacturing and trading of engines and parts, automotive components and accessories, specialized vehicles (which cover the new energy vehicles, represented primarily by the electric vehicles), as well as the trading of raw materials, water and power supply services in the PRC.

The Faurecia Car Seat JV Company

The Faurecia Car Seat JV Company is a joint venture company established in the PRC on 26 September 2017 pursuant to the Faurecia Car Seat JV Agreement. Each of Wuling Industrial and Faurecia (China) owns 50% of the equity interest in the Faurecia Car Seat JV Company. According to the business licenses granted to it, Faurecia Car Seat JV Company is principally engaged in (i) development, manufacture and sales of automotive seating system and car seat-related parts and accessories; (ii) agency and operation of import and/or export for automotive technology and goods; and (iii) provision of after sale and technical consultancy services. As the majority members of the board of directors of Faurecia Car Seat JV Company are nominated by Faurecia (China), Faurecia Car Seat JV Company's financial statements would be consolidated by Faurecia (China), it is classified as a non-wholly-owned subsidiary of Faurecia (China).

Save for the Faurecia Car Seat JV Company, another two joint venture companies, namely the Faurecia Interior JV Company and Faurecia Car Seat Sale JV Company, both owned as to 50% by each of the Company and Faurecia (China) have been established on 5 February 2018 and 15 December 2017 respectively. Faurecia Interior JV Company is principally engaged in the development, manufacture and sales of automotive interior system and related parts and accessories. As the majority members of its board of directors are nominated by Faurecia (China), Faurecia Interior JV Company is classified as a non-wholly-owned subsidiary and its financial statements would be consolidated by Faurecia (China). Faurecia Car Seat Sale JV Company is intended to be principally engaged in the sales of the automotive parts which include car seats and automotive interior parts. As the majority members of the board of directors of Faurecia Car Seat Sale JV Company are nominated by the Group, its financial statements would be consolidated by the Company and it is classified as a non-wholly-owned subsidiary of the Company. However, given Faurecia Car Seat Sale JV Company recorded no business revenue for the financial year ended 31 December 2017 and for the period from 1 January 2018 until the date of this announcement, it is regarded as an insignificant subsidiary of the Company as at the date of this announcement. On that basis and according to Rule 14A.09 of the Listing Rules, Faurecia (China), which is a substantial shareholder of an insignificant subsidiary of the Company (i.e. Faurecia Car Seat Sale JV Company) is not be regarded as a connected person as defined in Rule 14A.07 of the Listing Rules. Accordingly, the transactions contemplated under the Sale and Purchase Agreement entered into amongst Wuling Industrial (a non-wholly-owned subsidiaries of the Company) as vendors and Faurecia Car Seat JV Company (which is a subsidiary of Faurecia (China)) as purchaser will not be subject to the requirements relating to connected transactions under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE SALE AND PURCHASE AGREEMENT

As set out in the Previous Announcement dated 3 July 2017, Wuling Industrial supplied car seat products to SGMW, which was grouped under the automotive components and other industrial services division. However, as the scale of operation of this segment was relatively small and the products were primarily focused on the commercial vehicle market, the respective contribution from the car seat products to the Group's revenue remained insignificant and the division was operating at losses in previous financial years. Meanwhile, as SGMW has been shifting its focus from the commercial vehicle market to the passenger vehicle models, there are business opportunities related to launches of new models by SGMW for the car seat product manufacturers.

Having taken into account those benefits of the establishment of Faurecia Car Seat JV Company set out in the Previous Announcement dated 3 July 2017 (among other things, the facts that Faurecia, the ultimate holding company of Faurecia (China), is a global leading manufacturer in the business of automotive parts and components and is able to provide essential technical support to the Group in further promoting the business opportunities in the car seat business for the Group's existing customers (including SGMW) as well as other new customers), Wuling Industrial and Faurecia (China) established Faurecia Car Seat JV Company for the purpose of manufacturing car seat products for SGMW or other automakers in the PRC.

Faurecia Car Seat JV Company was established on 26 September 2017 and has commenced operation from January 2018. Faurecia Car Seat JV Company, Wuling Industrial and Faurecia (China) are of the opinion that it would be in the interest of all parties to commence the operation of Faurecia Car Seat JV Company soon but it would be a costly and time-consuming process to identify and acquire necessary and suitable assets and human resources for the commencement of operation of Faurecia Car Seat JV Company. On that basis, after the entering into of the Previous Sale and Purchase Agreement between Wuling Industrial (as vendor) and Faurecia Car Seat JV Company (as purchaser) of the first batch of necessary assets for the car seat products manufacturing and operation, the parties have further entered into the Sale and Purchase Agreement after arm's length negotiation and by making reference to the Valuation for the purchase of the second batch of the necessary Assets for the car seat products manufacturing and operation by Faurecia Car Seat JV Company. It is also expected by the parties that by taking over the Assets relating to the business and production of car seat products from Wuling Industrial Group, the Faurecia Car Seat JV Company can leverage on the experience, relevant resources and networks of Wuling Industrial Group in the manufacturing of car seat products.

The following is a summary of the unaudited financial information relating to the Assets together with the assets sold to Faurecia Car Seat JV Company pursuant to the Previous Sale and Purchase Agreement based on the management information prepared for analyses purposes:

	For the year ended 31 December 2016	For the year ended 31 December 2017
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Revenue	736,014	964,419
Loss before tax	8,965	32,955
Loss after tax	9,417	32,955

Based on (i) the total net book values of the Assets of RMB11,739,300 (equivalent to approximately HK\$14,415,860) as at 31 March 2018 as recorded in the respective unaudited management accounts of Wuling Industrial for the three-month period ended 31 March 2018 (ii) the Consideration of RMB11,314,822 (equivalent to approximately HK\$13,894,601); and (iii) the costs and expenses incurred by the Group in relation to the Sale and Purchase Agreement, it is expected by the Group that a loss of approximately RMB430,000 (equivalent to approximately HK\$528,040) will be recognized by the Group.

For information purposes, based on (i) the total net book values of the first batch of relevant assets subject to the Previous Sale and Purchase Agreement of RMB23,818,900 (equivalent to approximately HK\$29,249,609) as at 31 December 2017 as recorded in the respective unaudited management accounts of Wuling Industrial for the year ended 31 December 2017 (ii) the total consideration of RMB24,300,096 (equivalent to approximately HK\$29,840,518); and (iii) the costs and expenses incurred by the Group in relation to the Previous Sale and Purchase Agreement, it is expected by the Group that a gain of approximately RMB400,000 (equivalent to approximately HK\$491,200) will be recognized by the Group on completion of the Previous Sale and Purchase Agreement.

Having considered (a) the factors and benefits in respect of the establishment of Faurecia Car Seat JV Company as set out above; (b) the opinion of the parties that the transfer of the Assets relating to the production of car seat products would facilitate a smooth commencement of the business and operation of Faurecia Car Seat JV Company, which in turn would be in the interest of Faurecia Car Seat JV Company and the owners of its equity interest (each of Wuling Industrial and Faurecia (China) owns 50% of the equity interest in Faurecia Car Seat JV Company); (c) the Sale and Purchase Agreement were respectively entered into by Wuling Industrial and Faurecia Car Seat JV Company after arm's length negotiation; and (d) the Consideration were determined after taking into account the Valuation, the Directors consider that the respective terms of the Sale and Purchase Agreement, including the Consideration of the Assets and the payment terms thereof, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

References are made to (i) the Previous Announcements dated 14 March 2018, in relation to the Previous Sale and Purchase Agreement entered into between Wuling Industrial Group and Faurecia Car Seat JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Car Seat JV Company conditionally agreed to purchase the necessary assets for the production and operation of car seat products at a consideration of RMB24,300,096 (exclusive of VAT of RMB4,131,016); and (ii) the Previous Announcement dated 30 May 2018 in relation to, amount other things, the Interior Assets Sale and Purchase Agreements entered into between Wuling Industrial Group and Faurecia Interior JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Interior JV Company conditionally agreed to purchase the necessary assets for the production of various automotive interior parts and accessories at a total consideration of RMB146,249,171 (exclusive of VAT).

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement were entered into between (i) Wuling Industrial Group and (ii) Faurecia (China) through its subsidiaries (being Faurecia Car Seat JV Company and Faurecia Interior JV Company) within a 12-month period, all transactions respectively contemplated under those agreements are considered and be aggregated as one transaction. The transactions contemplated under the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement involves disposals of assets by Wuling Industrial Group at a total consideration of RMB181,864,089 (exclusive of VAT). Having taken into account the highest of the applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the transactions contemplated under the Previous Sale and Purchase Agreement, the Interior Assets Sale and Purchase Agreements and the Sale and Purchase Agreement is more than 5% but less than 25%, the disposal of the Assets by the Group under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Assets”	The Assets in respect of the Sale and Purchase Agreement include the machinery and equipment as listed out in the report of the Valuation appended to the Sale and Purchase Agreement which are currently owned by Wuling Industrial for the production of car seat products
“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 (stock code: 305.HK)

“Completion”	completion of the sale and purchase of the Assets pursuant to the Sale and Purchase Agreement
“Consideration”	an amount of RMB11,314,822 (exclusive of the VAT of RMB1,810,372), being consideration of the Assets under the Sale and Purchase Agreement
“Delivery Date”	the date of delivery of the Assets by Wuling Industrial Group to Faurecia Car Seat JV Company pursuant to the Sale and Purchase Agreement, which should be a date within 90 days after the date of the Sale and Purchase Agreement
“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 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, the equity interest of which is owned as to 50% by Wuling Industrial and 50% by Faurecia (China) pursuant to Faurecia Car Seat JV Agreement
“Faurecia Car Seat Sale JV Company”	佛吉亞（柳州）汽車座椅銷售有限公司 (Faurecia Liuzhou Automotive Seating Sales Co. Limited*), a joint venture company established in the PRC on 15 December 2017 with a registered capital of RMB1,000,000, which is owned as to 50% by Wuling Industrial and 50% by Faurecia (China), which will be responsible for the sale functions of the car seat and automotive interior parts products manufactured by the Faurecia Car Seat JV Company and Faurecia Interior JV Company respectively

“Faurecia Interior JV Company”	佛吉亞（柳州）汽車內飾系統有限公司 (Faurecia (Liuzhou) Automotive Interior System Co., Limited*), a joint venture company established in the PRC on 5 February 2018, the equity interest of which is owned as to 50% by Wuling Industrial and 50% by Faurecia (China) pursuant to the Faurecia Interior JV Agreement
“Faurecia Interior JV Agreement”	The joint venture agreement dated 29 November 2017 entered into between Wuling Industrial and Faurecia (China) for the purpose of the establishment of Faurecia Interior JV Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Interior Assets Sale and Purchase Agreements”	the sale and purchase agreements entered into between Wuling Industrial Group and Faurecia Interior JV Company (a non-wholly-owned subsidiary of Faurecia (China)), pursuant to which Wuling Industrial Group conditionally agreed to sell and Faurecia Interior JV Company conditionally agreed to purchase the necessary assets for the production of various automotive interior parts and accessories at a total consideration of RMB146,249,171
“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 (details of which is set out in the Previous Announcement dated 29 December 2017), as supplemented by the supplemental memorandum of understanding dated 13 February 2018 (details of which is set out in the Previous Announcement dated 13 February 2018), entered into between Wuling Industrial and Faurecia Car Seat JV Company setting out the respective intention of the parties in connection with the possible sale and purchase of the assets for the car seat products manufacturing and operation
“PRC”	the People’s Republic of China

“Previous Announcement(s)”	the announcement of the Company (i) dated 3 July 2017 relating to Faurecia Car Seat JV Agreement and the establishment of Faurecia Car Seat JV Company; (ii) dated 29 November 2017 relating to Faurecia Interior JV Agreement and the establishment of Faurecia Interior JV Company; (iii) dated 29 December 2017, 13 February 2018 and 14 March 2018 in relation to the Previous Sale and Purchase Agreement and the MOU; and (iv) dated 30 May 2018 relating to the Interior Assets Sale and Purchase Agreements
“Previous Sale and Purchase Agreement”	the sale and purchase agreement dated 14 March 2018 entered into between Wuling Industrial and Faurecia Car Seat JV Company relating to the sale of certain machinery and equipment for the production and operation of car seat product by Wuling Industrial to Faurecia Car Seat JV Company at a consideration of RMB24,300,096 (exclusive of VAT of RMB4,131,016)
“Purchaser”	Faurecia Car Seat JV Company (Qingdao branch office)
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 7 June 2018 entered into between Wuling Industrial (Shandong branch office) and Faurecia Car Seat JV Company (Qingdao branch office) relating to the sale by Wuling Industrial (Shandong branch office) of the Assets to Faurecia Car Seat JV Company (Qingdao branch office)
“Shareholder(s)”	holder(s) of the ordinary share(s) of the Company
“SGMW”	上汽通用五菱汽車股份有限公司 (SAIC-GM-Wuling Automobile Co., Limited*), a company established in the PRC and a joint venture formed among Shanghai Automobile Industry (Group) Company Limited, GM (China) Investment Co., Limited and 廣西汽車集團有限公司 (Guangxi Automobile Group Co., Limited*) (which is a state-controlled enterprise established in the PRC and the ultimate beneficial controlling Shareholder), and is currently a major customer of Wuling Industrial Group’s businesses in engines and automotive components
“Valuation”	the evaluation and appraisal of the Assets as at 31 March 2018 by adopting the cost approach based on the valuation report issued on 28 May 2018 by 廣西眾益資產評估土地房地產評估有限公司 (Guangxi Zhongyi Certified Public Appraisers Co., Limited*), being an independent appraisal firm recognized by the relevant government authority(ies) and jointly engaged by Wuling Industrial and Faurecia Car Seat JV Company

“VAT”	the value-added tax
“Vendor”	Wuling Industrial (Shandong branch office)
“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, 7 June 2018

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.

In this announcement, unless otherwise specified, conversion of RMB into Hong Kong dollars is, based on the exchange rate of RMB1 to HK\$1.228, 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.

* For identification purposes only