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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)

**PLACING OF EXISTING SHARES AND
TOP-UP SUBSCRIPTION OF
NEW SHARES UNDER GENERAL MANDATE**

Placing Agent



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

THE PLACING AND THE SUBSCRIPTION

The Board is pleased to announce that on 21 January 2021 (after trading hours), the Company, the Vendor and the Placing Agent entered into the Placing and Subscription Agreement, pursuant to which, (a) the Vendor has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as agent of the Vendor to procure on a best efforts basis Placees to purchase a total of 223,000,000 Placing Shares at the Placing Price; and (b) the Vendor has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the Vendor, a total of 223,000,000 Subscription Shares at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

The 223,000,000 Placing Shares represents: (a) approximately 7.25% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 6.76% of the enlarged total number of Shares in issue upon the completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

The Placing Agent has agreed to place the Placing Shares on a best efforts basis, which will be placed to no less than six (6) independent Placees.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

The Placing and Subscription Agreement may be terminated pursuant to the termination provisions contained therein. In addition, completion of the Subscription is subject to fulfillment of the conditions under the Placing and Subscription Agreement. As the Placing and/or the Subscription may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

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The Board is pleased to announce that on 21 January 2021 (after trading hours), the Company, the Vendor and the Placing Agent entered into the Placing and Subscription Agreement, pursuant to which, (a) the Vendor has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as agent of the Vendor to procure on a best efforts basis, Placees to purchase a total of 223,000,000 Placing Shares at the Placing Price; and (b) the Vendor has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the Vendor, 223,000,000 Subscription Shares at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

THE PLACING AND SUBSCRIPTION AGREEMENT

Date

21 January 2021 (after trading hours)

Parties

- (i) the Company;
- (ii) the Vendor; and
- (iii) the Placing Agent.

The Vendor

The Vendor is a company incorporated in Samoa and wholly-owned by Mr. Lee Shing, the vice chairman of the board, executive director and chief executive officer of the Company.

The Placing Agent

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner: (a) is independent of, and not connected with, the Company and the connected persons of the Company; and (b) is independent of, and not acting in concert with, the Vendor and persons acting in concert with the Vendor.

Details of the Placing and the Subscription are set out below.

THE PLACING

The Placing and the number of the Placing Shares

The Vendor has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as agent of the Vendor to procure on a best efforts basis, Placees to purchase a total of 223,000,000 Placing Shares at the Placing Price, upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

The 223,000,000 Placing Shares represents: (a) approximately 7.25% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 6.76% of the enlarged total number of Shares in issue upon the completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

Rights of the Placing Shares

The Placing Shares will be sold free and clear from Encumbrances, and together with all rights attaching to them as at the Transaction Date, including the right to receive all dividends and other distributions which may be declared, made or paid in respect of the Placing Shares, the record date for which shall fall on or after the Transaction Date. The Placing Shares rank *pari passu* in all respects with the other existing Shares.

Placees

The choice of Placees for the Placing Shares shall be determined solely by the Placing Agent, subject to the requirements of the Listing Rules.

The Placing Agent has agreed to place the Placing Shares on a best efforts basis, which will be placed to no less than six (6) independent Placees, who together with their respective ultimate beneficial owners, will be third parties independent of, and not connected with, the Company or its respective connected persons, and not acting in concert with the Company, the Vendor and their respective concert parties.

Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company.

Placing Price

The Placing Price is HK\$2.47 per Share and represents:

- (a) a discount of approximately 9.85% to the closing price of HK\$2.74 per Share as quoted on the Stock Exchange on the date of the Placing and Subscription Agreement;
- (b) a discount of approximately 5.65% to the average closing price of HK\$2.618 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to the date of the Placing and Subscription Agreement; and
- (c) a discount of approximately 8.72% to the average closing price of HK\$2.706 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days prior to the date of the Placing and Subscription Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis among the Company, the Vendor and the Placing Agent. The Directors consider that the Placing Price and the terms and conditions of the Placing and Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Completion of the Placing

Completion of the Placing is expected to take place on the Closing Date.

Termination of the Placing

Notwithstanding anything contained in the Placing and Subscription Agreement, the Placing Agent may terminate the Placing and Subscription Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to 8:00 a.m. (Hong Kong time) on the Transaction Date upon the occurrence of the following events which, in the sole opinion of the Placing Agent, has or may have an Material Adverse Effect of the Group taken as a whole or adverse material effect on the full placement of all of the Placing Shares or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing and Subscription Agreement:

- a. there develops, occurs or comes into force:
 - (i) any new law, rule or regulation or any change (whether or not permanent) or development (whether or not permanent) involving a prospective change in existing laws, rules or regulations which in the sole opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith;
 - or

- (ii) any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing and Subscription Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory, currency or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory, currency or stock market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets) in the PRC (including Hong Kong), the European Union or the U.S.; or
- (iii) any event, or series of events beyond the reasonable control of the Placing Agent (including, without limitation, any calamity, act of government, strike, labor dispute, lock-out, fire, explosion, flooding, earthquake, civil commotion, economic sanctions, pandemic (except for COVID-19), outbreak or escalation of hostilities, act of terrorism and act of God) involving the PRC (including Hong Kong), the European Union or the U.S., or the declaration by the PRC (including Hong Kong), the European Union or the U.S. of war or a state of emergency or calamity or crisis; or
- (iv) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (v) any change in conditions of local, national or international securities markets; or
- (vi) a change or development involving a prospective change of taxation or exchange control (or the implementation of exchange control) in the PRC (including Hong Kong), the European Union or the U.S. adversely affecting the proposed investments in the Placing Shares; or
- (vii) any litigation or claim being instituted against any member of the Group which is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
- (viii) the commencement by any state, governmental, judicial, regulatory or political body or organization in the PRC (including Hong Kong) of any action against any of the directors of the Company and/or the Vendor or an announcement by any state, governmental, judicial, regulatory or political body or organization in the PRC (including Hong Kong) that it intends to take any such action; or

- b. there has been a material breach by the Company or the Vendor of any of their respective representations, warranties and undertakings under the Placing and Subscription Agreement or any obligations imposed on the Company under the Placing and Subscription Agreement; or
- c. there is any change, or any development involving a prospective change, in or affecting the business, general affairs, management, assets and liabilities, shareholders' equity, results of operations or position, financial or otherwise, of the Group (other than those already disclosed to the public on or before the date of the Placing and Subscription Agreement) as a whole.

Upon the giving of notice, all obligations of each of the parties under the Placing and Subscription Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with this Agreement except for (a) any antecedent breach of any obligation under the Placing and Subscription Agreement; and (b) obligations and liabilities in relation to parties' representations, warranties and undertakings, indemnity, and commission and expenses under the Placing and Subscription Agreement.

THE SUBSCRIPTION

Subscription Shares

The Vendor has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, the Subscription Shares (being such number of new Shares which is same as the number of Placing Shares sold pursuant to the Placing) at the Subscription Price (which is the same as the Placing Price), free from all Encumbrances, subject to the terms and conditions of the Placing and Subscription Agreement.

Assuming that 223,000,000 Placing Shares are sold pursuant to the Placing, there will be 223,000,000 Subscription Shares, which represents: (a) approximately 7.25% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 6.76% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

Such 223,000,000 Subscription Shares have an aggregate nominal value of HK\$892,000 based on the par value of HK\$0.004 per Share and a market value of HK\$611.02 million based on the closing price of HK\$2.74 per Share as quoted on the Stock Exchange on the date of the Placing and Subscription Agreement.

Ranking of the Subscription Shares

The Subscription Shares shall, when issued, allotted and fully paid, rank *pari passu* in all respects with the other Shares in issue on the date of completion of the Subscription including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

General Mandate to issue the Subscription Shares

The Subscription Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the 2020 AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the total number of Shares in issue as at the date of the 2020 AGM. Under the General Mandate, the Company is authorized to issue up to 615,032,266 new Shares. As at the date of this announcement, 615,032,266 new Shares remain available for issuance under the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to the approval of the Shareholders.

Subscription Price

The Subscription Price is the same as the Placing Price, being HK\$2.47 per Subscription Share.

The net price for the Subscription, after deduction of all relevant fees, costs and expenses to be borne or incurred by the Company, is estimated to be approximately HK\$2.41 per Subscription Share.

Conditions of the Subscription

Completion of the Subscription is conditional upon the satisfaction of the following conditions:

- (a) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (b) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

None of the above conditions can be waived by the parties to the Placing and Subscription Agreement.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares. The Placing and Subscription Agreement has not provided for the right of the parties to waive the above conditions.

Completion of the Subscription

Completion of the Subscription shall take place on the Business Day (or such other time and/or date as the Vendor and the Company may agree in writing) after the date upon which the last of the conditions of the Subscription to be satisfied shall have been so satisfied, provided that it shall take place on a date no later than a date falling 14 days after the date of the Placing and Subscription Agreement, i.e. 4 February 2021, unless otherwise agreed between the Vendor and the Company in writing and in compliance with the Listing Rules.

If the conditions of the Subscription are not fulfilled on or before 4 February 2021, subject to compliance with the Listing Rules, all rights, obligations and liabilities of the Vendor and the Company in relation to the Subscription shall cease and terminate and neither of the Vendor nor the Company shall have any claim against the other, save for antecedent breaches.

As the Vendor (a substantial Shareholder) is a connected person of the Company and the Subscription constitutes a connected transaction of the Company exempt under Rule 14A.92(4) of the Listing Rules, if the Subscription is not completed within 14 days after the date of the Placing and Subscription Agreement, the relevant provisions of the Listing Rules in relation to connected transaction will apply (including the independent Shareholders' approval requirement) to the Subscription, unless otherwise waived by the Stock Exchange. Further announcement will be made if this occurs.

LOCK-UP UNDERTAKINGS

The Company hereby undertakes to the Placing Agent, and the Vendor undertakes to the Placing Agent to procure the Company, that, except for the sales of the Placing Shares and the issue of the Subscription Shares pursuant to the Placing and Subscription Agreement, the Company will not allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares during the period commencing on the date of the Placing and Subscription Agreement and up to ninety (90) days after the Closing Date, unless the prior written consent of the Placing Agent having been obtained, other than pursuant to:—

- a. any exercise of any convertible notes or warrants or options in issue at the date of the Placing and Subscription Agreement or any other conversion or subscription rights existing as at the date of the Placing and Subscription Agreement;
- b. any exercise of any share options granted pursuant to the share option scheme of the Company adopted pursuant to the Listing Rules as at the date of the Placing and Subscription Agreement;
- c. any scrip dividend scheme; or
- d. any allotment and issue of the Subscription Shares pursuant to the Placing and Subscription Agreement

and the Company will not agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described above.

REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

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

Due to the support from the national policies regarding environmental protection and new energy, new energy vehicles continued to receive promising market response and attention. The Group has been allocating resources to develop environmental transportation in compliance with the national policies. Over more than a decade of exploration and experience, the Group has attained key technologies in the development of new energy vehicles, including technologies involved in electric motors, vehicle control and vehicle integration. Electric logistic vehicles, electric sightseeing vehicles and other electric vehicles developed directly or indirectly by the Group were successively approved by the government for production and launched into the market.

Meanwhile, the Group had also initiated various new projects for the production of automotive components associated the new energy vehicles such as, the electric car axles, electric motor and control appliances, hybrid solutions as well as the auto pilot projects for logistic and recreational purposes in order to capture the business potential of the forthcoming generation of new energy.

The gross proceeds from the Subscription are expected to be HK\$550.81 million. The net proceeds from the Subscription (after deducting all relevant commission, fees, costs and expenses to be borne or incurred by the Company) are expected to be approximately HK\$537.8 million. The net Subscription Price, after deducting such commission, fees, costs and expenses, is therefore estimated to be approximately HK\$2.41 per Subscription Share.

The Company intends to use the net proceeds from the Subscription, which amounts to approximately HK\$537.8 million, for the following purposes: (i) an amount of approximately HK\$300 million, representing approximately 55.8% of the net proceeds for the research and development projects of the new model electric logistic vehicles of the Group; (ii) an amount of approximately HK\$95 million, representing approximately 17.7% of the net proceeds for repayment of certain interest-bearing short term borrowings of the Company; and (iii) the remaining balances of approximately HK\$142.8 million, representing approximately 26.5% of the net proceeds for other possible business development or investments in the future when opportunities arise and as working capital and general corporate purposes.

The Directors (including the independent non-executive Directors) are of the view that the Placing and the Subscription will provide a good opportunity to raise additional funds to strengthen the financial position and to broaden the shareholder base and capital base of the Group to facilitate future development and can also increase the liquidity of the Shares. The Directors are of the view that the terms of the Placing and Subscription Agreement (including the Placing Agent's commission, the Placing Price and the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS

On 2 January 2020, the Company announced a rights issue exercise for the raising of a total of approximately HK\$205.01 million, before expenses, by way of the issue of new Shares of the Company on the basis of one (1) rights share for every two (2) shares held on 21 February 2020 (i.e., the record date) at the subscription price of HK\$0.20 per rights share (the “**Rights Issue**”). In the Rights Issue, Wuling (Hong Kong) Holdings Limited and Dragon Hill Development Limited, respectively controlling and substantial shareholder of the Company, had irrevocably and unconditionally undertaken to, among other things, apply for and pay for the certain number of rights shares of the Company as provisionally allotted to them, whereas, the rights shares not taken up by the shareholders of the Company were fully underwritten by the underwriter, Zhongtai International Securities Limited and/or other sub-underwriters to the Rights Issue. The net proceeds of the Rights Issue which amounted to approximately HK\$200.01 million was fully used as a partial repayment of all of the outstanding amount of the convertible loan notes in the amount of approximately HK\$260.00 million (including both outstanding principal and related interests) upon its maturity on 23 May 2020. The Rights Issue subsequently became unconditional on 10 March 2020 and was completed on 16 March 2020 where a total number of 1,025,053,777

new Shares were allotted and issued accordingly. Further details of the Rights Issue are available in the Company's announcements dated 2 January 2020, 29 January 2020 and 16 March 2020 and the Company's prospectus dated 24 February 2020.

Save for the aforesaid Rights Issue, the Company has not conducted any equity fund raising exercises in the past twelve months immediately before the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there will be no other change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription, the shareholdings in the Company (a) as at the date of this announcement; (b) immediately after the completion of the Placing but before the completion of the Subscription; and (c) immediately after the completion of the Placing and the Subscription are and will be as follows:

	As at the date of this announcement		Immediately after the completion of the Placing but before the completion of the Subscription		Immediately after the completion of the Placing and the Subscription	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors and substantial shareholders						
Wuling (Hong Kong) Holdings Limited	1,864,698,780	60.64	1,864,698,780	60.64	1,864,698,780	56.54
The Vendor (Note 2)	356,622,914	11.60	133,622,914	4.35	356,622,914	10.81
Mr. Lee Shing ("Mr. Lee") and spouse (Note 2)	7,109,070	0.23	7,109,070	0.23	7,109,070	0.22
Mr. Yuan Zhijun (Note 3)	3,000,000	0.10	3,000,000	0.10	3,000,000	0.09
Mr. Ye Xiang (Note 3)	1,030,300	0.03	1,030,300	0.03	1,030,300	0.03
Mr. Lai Shi Hong Edward (Note 4)	3,000,000	0.10	3,000,000	0.10	3,000,000	0.09
Public shareholders						
The Placees	0	0.00	223,000,000	7.25	223,000,000	6.76
Other public shareholders	839,700,268	27.30	839,700,268	27.30	839,700,268	25.46
Total	3,075,161,332	100.00	3,075,161,332	100.00	3,298,161,332	100.00

Notes:

1. Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
2. The Vendor, Dragon Hill Development Limited is a company wholly-owned by Mr. Lee Shing, a Director and the Vice-chairman and Chief Executive Officer of the Company. Apart from the Shares beneficially held by Mr. Lee and/or his spouse, Mr. Lee has also been considered to be interested in those Shares held by Dragon Hill Development Limited. Accordingly, Mr. Lee is and will be deemed to be interested in a total of 363,731,984 Shares as at the date of this announcement.
3. Mr. Yuan Zhijun and Mr. Ye Xiang are Directors.
4. Mr. Lai Shi Hong Edward is a director of 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.

Completion of the Placing and the Subscription is subject to fulfillment of the respective conditions under the Placing and Subscription Agreement. As the Placing and/or the Subscription may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“2020 AGM”	the annual general meeting of the Company held on 30 June 2020 at which, among other things, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays, Sundays and public holidays in Hong Kong) on which licensed banks generally are open for business and the Stock Exchange is open for trading of securities in Hong Kong

“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 Main Board of the Stock Exchange (Stock Code: 305)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Closing Date”	two Business Days after the Transaction Date or such other date as the Vendor and the Placing Agent may agree in writing
“Director(s)”	the director(s) of the Company
“Encumbrance”	any interest or equity of any person (including any right to acquire, option or right of pre-emption), voting arrangement, mortgage, charge, pledge, bill of sale, lien, claims, deposit, hypothecation, assignment or any other encumbrance, priority or security interest or arrangement or interest under any contract or trust or any other third party interest of whatsoever nature over or in the relevant shares, assets or property
“General Mandate”	the general mandate granted to the Directors by a resolution of the Shareholders passed at the 2020 AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the total number of Shares in issue as at the date of the 2020 AGM
“Group”	the Company and its subsidiaries
“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 of Hong Kong Limited
“Material Adverse Effect”	a material adverse effect on the condition, financial, trading or otherwise, or the earnings, business or affairs (whether or not arising in the ordinary course of business) of the Group as a whole or which is material in the context of the Placing

“Placee(s)”	professional, institutional or other investor(s) selected and procured by the Placing Agent to purchase the Placing Shares pursuant to the Placing and Subscription Agreement
“Placing”	the placing of the Placing Shares by the Placing Agent to the Placees at the Placing Price pursuant to the Placing and Subscription Agreement
“Placing Agent”	Guotai Junan Securities (Hong Kong) Limited (國泰君安證券(香港)有限公司), a company incorporated in Hong Kong and a registered institution under the SFO to conduct Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities, each as defined under the SFO
“Placing and Subscription Agreement”	the placing and subscription agreement entered into between the Company, the Vendor and the Placing Agent dated 21 January 2021 in respect of the Placing and the Subscription
“Placing Price”	HK\$2.47 per Placing Share
“Placing Shares”	223,000,000 existing Shares beneficially owned by the Vendor and to be sold pursuant to the Placing and Subscription Agreement
“PRC”	the People’s Republic of China
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	shares of par value of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Vendor at the Subscription Price pursuant to the terms and conditions of the Placing and Subscription Agreement

“Subscription Price”	the price per Subscription Share payable by the Vendor, which price shall be the same as the Placing Price (being HK\$2.47 per Subscription Share)
“Subscription Shares”	223,000,000 new Shares to be allotted and issued to the Vendor (equivalent to the number of the Placing Shares) by the Company under the Subscription
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC
“Transaction Date”	the date when the sale of the Placing Shares shall be reported as a cross-trade to the Stock Exchange which shall be (i) 22 January 2021 or, (ii) if dealings in the Shares on the Stock Exchange are suspended at all times on 22 January 2021, the first day on which dealings resume and the cross-trade can be reported to the Stock Exchange in accordance with its rules, or such other date as the Vendor and the Placing Agent may agree in writing
“U.S.”	the United States of America
“Vendor”	Dragon Hill Development Limited, a company incorporated in Samoa and wholly-owned by Mr. Lee Shing, the vice chairman of the board, executive director and chief executive officer of the Company
“%”	per cent

By Order of the Board
Wuling Motors Holdings Limited
Yuan Zhijun
Chairman

Hong Kong, 21 January 2021

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