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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)

**(1) SECOND SUPPLEMENTAL AGREEMENT TO
THE 2020–2022 MASTER AGREEMENT
AND
(2) REVISION OF ANNUAL CAPS**

**Financial Adviser to the Company
Kingsman HK Capital Limited**

SECOND SUPPLEMENTAL AGREEMENT AND REVISION OF ANNUAL CAPS

Reference is made to the announcement and circular of the Company dated 22 November 2019 and 27 December 2019 respectively, in relation to, among other things, the 2020–2022 Master Agreement and the Continuing Connected Transactions.

Reference is also made to the announcement and the circular of the Company dated 7 September 2020 and 9 October 2020 respectively, in relation to, among other things, the Supplemental Agreement to the 2020–2022 Master Agreement and the Adoption of New Annual Caps for the GX Purchase Transactions for each of the three years ending 31 December 2020, 2021 and 2022, respectively.

On 18 March 2021, Wuling Industrial, a non-wholly owned subsidiary of the Company, and Guangxi Automobile entered into the Second Supplemental Agreement to amend certain terms of the 2020–2022 Master Agreement. Besides, the Board also proposed to revise the aggregate Annual Caps for the Sale Transactions including the revision of Annual Caps for GL Sale Transactions and WS Sale Transactions for the two years ending 31 December 2021 and 2022 respectively, hence revision of the aggregate Annual Caps for the Sale Transactions for the corresponding periods.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in approximately 56.54% of the total number of Shares in issue of the Company, and is the ultimate controlling Shareholder of the Company. In this regard, Guangxi Automobile is a connected person of the Company under the Listing Rules. The Second Supplemental Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Given that Guangxi Automobile is a connected person of the Company under the Listing Rules, the Annual Caps for the GL Sale Transactions, GB Sale Transactions, WS Sale Transactions and WAT Sale Transactions have been aggregated into the Sale Transactions for the purpose of calculating the percentage ratios under Listing Rules 14A.82.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the aggregate Sale Transactions contemplated under the Second Supplemental Agreement, on an annual basis, is higher than 5% and the annual consideration is more than HK\$10 million, such transactions constitute continuing connected transactions for the Company and are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The approval of the Independent Shareholders will be sought at the SGM by way of poll in respect of the Second Supplemental Agreement and the Revised Annual Caps. Mr. Yuan Zhijun and Mr. Yang Jianyong, being the Directors and the directors and/or senior executives of Guangxi Automobile, were abstained from voting on the board resolutions passed to approve the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions. Save as disclosed above, no other Director is regarded having a material interest in the Continuing Connected Transactions and required to abstain from voting on the board resolution to approve the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions.

The Independent Board Committee (which consists all of independent non-executive Directors) has been established to advise the Independent Shareholders on the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions, and to advise the Independent Shareholders on how to vote, taking into account the recommendations on the same to be given by Gram Capital.

The Company has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders to consider the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions.

A circular containing, among other things, (i) details of the Second Supplemental Agreement; (ii) a letter from the Independent Board Committee to the Independent Shareholders giving its recommendations in respect of the terms of the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions; (iii) a letter from the Gram Capital to the Independent Board Committee and the Independent Shareholders containing its advice in relation to the terms of the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions; and (iv) a notice of the SGM, will be despatched to the Shareholders on or before 13 April 2021.

BACKGROUND

Reference is made to the announcement and circular of the Company dated 22 November 2019 and 27 December 2019 respectively, in relation to, among other things, the 2020–2022 Master Agreement and the Continuing Connected Transactions.

Reference is also made to the announcement and the circular of the Company dated 7 September 2020 and 9 October 2020 respectively, in relation to, among other things, the Supplemental Agreement to the 2020–2022 Master Agreement and the Adoption of New Annual Caps for the GX Purchase Transactions for each of the three years ending 31 December 2020, 2021 and 2022, respectively.

On 18 March 2021, Wuling Industrial, a non-wholly owned subsidiary of the Company, and Guangxi Automobile entered into the Second Supplemental Agreement to amend certain terms of the 2020–2022 Master Agreement. Besides, the Board also proposed to revise the Annual Caps for the Sale Transactions including the revision of Annual Caps for GL Sale Transactions and WS Sale Transactions for the two years ending 31 December 2021 and 2022 respectively, hence revision of the aggregate Annual Caps for the Sale Transactions for the corresponding periods.

THE SECOND SUPPLEMENTAL AGREEMENT

The principal terms of the Second Supplemental Agreement are summarized below:

Date: 18 March 2021

Parties: (a) Wuling Industrial, a non-wholly owned subsidiary of the Company; and

(b) Guangxi Automobile, being the controlling Shareholder of the Company and through its direct and indirect wholly owned subsidiaries, is interested in approximately 56.54% of the total number of Shares in issue of the Company as at the date of this announcement and a connected person of the Company under the Listing Rules.

Terms amended: Original terms under the 2020–2022 Master Agreement as amended by the Supplemental Agreement:

— (Clause 6.2.2) The estimated amount of relevant products and services to be transacted between Wuling Industrial Group and Guangxi Automobile Group within the validity period as set out under Annex II to Annex VI to the 2020–2022 Master Agreement as amended by the Supplemental Agreement shall be in accordance with the relevant business needs.

New terms under the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement:

— (Clause 6.2.2) The estimated amount of relevant products and services to be transacted between Wuling Industrial Group and Guangxi Automobile Group within the validity period as set out under Annex II to Annex VII to the 2020–2022 Master Agreement (as amended by the Second Supplemental Agreement) shall be in accordance with the relevant business needs.

The Annual Caps for the aggregate Sale Transactions amounting to RMB323.3 million and RMB371.0 million for the two years ending 31 December 2021 and 2022, respectively as set out in Annex I to the 2020–2022 Master Agreement will be revised to RMB646.7 million and RMB756.4 million for the two years ending 31 December 2021 and 2022, respectively as set out in Annex A-1 to the Second Supplemental Agreement.

The forecast of sale of steels to Guangling and Qingdao Wushun set out in Annex B-1 to the Second Supplemental Agreement will form Annex VII to the 2020–2022 Master Agreement.

Save as disclosed above, all existing material terms and conditions under the 2020–2022 Master Agreement (which incorporated the Supplemental Agreement) remain unchanged.

HISTORICAL TRANSACTION AMOUNTS

Set out below are the historical transaction amounts of the GL Sale Transactions and the WS Sale Transactions for the years ended 31 December 2019 and 2020 and the two months ended 28 February 2021.

	Historical transaction amounts		
	Year ended 31 December		Two Months ended
	2019	2020	28 February
	(audited)	(unaudited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
GL Sale Transactions	<u>15,623</u>	<u>7,203</u>	<u>449</u>
Annual Caps	<u>175,000</u>	<u>10,578</u>	<u>11,107</u>
Utilization Rate (Note)	<u>8.9%</u>	<u>68.1%</u>	<u>4.0%</u>
WS Sale Transactions	<u>11,944</u>	<u>22,870</u>	<u>6,410</u>
Annual Caps	<u>12,270</u>	<u>172,238</u>	<u>165,859</u>
Utilization Rate (Note)	<u>97.3%</u>	<u>13.3%</u>	<u>3.9%</u>

Note: the respective utilization rates for the two months ended 28 February 2021 are calculated based on the actual transactions amounts for the respective period against the respective Annual Caps for the year ending 31 December 2021

As demonstrated in above table, the aggregate annual amounts of the GL Sale Transactions and the WS Sale Transactions for the year ended 31 December 2019 under the 2017–2019 Master Agreement and its supplemental agreements did not exceed the annual caps as approved by the then Independent Shareholders of the Company at the general meetings of the Company respectively held on 6 January 2017, 30 June 2017, and 9 August 2018.

The aggregate annual amounts of the GL Sale Transactions and the WS Sale Transactions for the year ended 31 December 2020 under the 2020–2022 Master Agreement and its supplemental agreement did not exceed the annual caps as approved by the Independent Shareholders of the Company at the general meetings of the Company respectively held on 20 January 2020 and 30 October 2020. Besides, the Board confirmed that, as at the date of this announcement, the aggregate amounts of GL Sale Transactions and the WS Sale Transactions for the two months ended 28 February 2021 did not exceed the annual caps for the year ending 31 December 2021 under the 2020–2022 Master Agreement and its supplemental agreement.

REVISION OF ANNUAL CAPS FOR THE SALE TRANSACTIONS

Pursuant to the Second Supplemental Agreement, the Board proposed to revise the aggregate Annual Caps for the Sale Transactions, including the revision of the Annual Caps for the GL Sale Transactions and the WS Sale Transactions for each of the two years ending 31 December 2021 and 2022, respectively as demonstrated in the table below:

Sales Transactions

	Annual Caps			Revised Annual Caps		
	Year ended 31 December 2020	Year ending 31 December		Year ended 31 December 2020	Year ending 31 December	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
GL Sale Transactions	10,578	11,107	11,662	10,578	33,106	35,662
GB Sale Transactions	69,874	95,404	126,850	69,874	95,404	126,850
WS Sale Transactions	172,238	165,859	166,359	172,238	437,859	492,858
WAT Sale Transactions	16,585	21,552	32,314	16,585	21,552	32,314
Sub-total	269,275	293,922	337,185	269,275	587,921	687,684
Buffer of about 10%	26,725	29,378	33,815	26,725	58,779	68,716
Aggregate Annual Caps for Sale Transactions	296,000	323,300	371,000	296,000	646,700	756,400

The Company confirms that the aggregate amounts of (i) the Sale transactions; (ii) the Purchase (Materials and Parts) Transactions; (iii) the Purchase (Finished Products) Transactions; and (iv) the Utility Supply Transactions conducted for the two months ended 28 February 2021 did not exceed the respective Annual Cap(s) under the 2020-2022 Master Agreement and the Supplemental Agreement which were approved by the Independent Shareholders at the special general meeting held by the Company on 20 January 2020 and 30 October 2020 respectively.

Basis of determination of the Revised Annual Caps

The above Revised Annual Caps of the GL Sale Transactions have been determined by reference to:

- (a) the inclusion of the sales of steels by Wuling Industrial Group to Guangling which was not covered in the original plan for the estimation of GL Sale Transactions under the 2020–2022 Master Agreement. With reference to the production plan provided by Guangling for the year ending 31 December 2021, Guangling has estimated to procure approximately 4,400 tonnes of steels from Wuling Industrial Group for the production of approximately 373,000 units of automotive components which include front door inner shield panels and rear door inner shield panels for the year 2021. It is also estimated that the production volume of the respective automotive components would be increased by approximately 9% for the year ending 31 December 2022 based on anticipated market demand and production capacity of Guangling. Accordingly, the estimated volume of steels required for the production would be increased to approximately 4,800 tonnes. Guangling, therefore, requires to source such volume of steels from Wuling Industrial Group to meet its production plan.
- (b) the selling price of steels offered to Guangling was determined with reference to the latest market prices of steels quoted from BAIINFO, one of the commodity market information suppliers in China (<http://www.baiinfo.com>).
- (c) the aggregate transaction amounts of approximately RMB449,000 under the GL Sale Transactions during the two months ended 28 February 2021, which represents approximately 4.0% of Annual Caps of GL Sale Transactions for the year ending 31 December 2021.
- (d) a buffer of approximately 10% adopted for any unforeseeable circumstance, in particular market fluctuations, changes in government policies on automobile industry, fluctuations in raw material costs including the market price of steels and increase in transportations and labour costs.

Besides, the Revised Annual Caps of the WS Sale Transactions have been determined by reference to:

- (a) The reassessment of the volume of the raw materials, mainly steels, supplied by Wuling Industrial Group to Qingdao Wushun under the 2020–2022 Master Agreement in February 2021. It is estimated that the demand of steels for Qingdao Wushun will be increased from 600 tonnes and 700 tonnes to approximately 55,000 tonnes and 66,000 tonnes for the two years ending 31 December 2021 and 2022, respectively. With reference to the production plan provided by Qingdao Wushun for the year ending 31 December 2021, Qingdao Wushun has estimated to procure approximately 55,000 tonnes of steels from Wuling Industrial Group for the year 2021 for the production of approximately 8,300,000 units of automotive components which include front door inner shield panels, rear door inner shield panels , rear pillars etc. It is also estimated that the production volume of the respective automotive components would be increased by approximately 20% for the year ending 31 December 2022 based on anticipated market demand and production capacity of Qingdao Wushun. Accordingly, the estimated volume of steels required for the production will be increased to approximately 66,000 tonnes. Qingdao Wushun, therefore, requires to source additional volume of steels from Wuling Industrial Group to meet its production plan.
- (b) the selling price of steels offered to Qingdao Wushun was determined with reference to the latest market price of steels quoted from BAIINFO, one of the commodity market information suppliers in China (<http://www.baiinfo.com>).
- (c) the aggregate transaction amounts of approximately RMB6,410,000 under the WS Sale Transactions during the two months ended 28 February 2021, which represents approximately 3.9% of Annual Caps of WS Sale Transactions for the year ending 31 December 2021.
- (d) a buffer of approximately 10% adopted for any unforeseeable circumstance, in particular market fluctuations, changes in government policies on automobile industry, fluctuations in raw material costs including the market price of steels and increase in transportations and labour costs.

INFORMATION ON THE GROUP

The Group, including the Wuling Industrial Group, is principally engaged in the manufacturing and trading of engines and 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. As of the date of this announcement, the Company holds 60.90% equity interest of Wuling Industrial which makes Wuling Industrial a non-wholly owned subsidiary of the Company.

INFORMATION ON GUANGXI AUTOMOBILE

Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in 1,864,698,780 Shares representing approximately 56.54% of the total number of Shares in issue of the Company, and is the ultimate controlling Shareholder of the Company as at the date of this announcement. Guangxi Automobile is currently a state-controlled company established in the PRC with the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府國有資產監督管理委員會), being the registered shareholder empowered by the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府). Guangxi Automobile, together with its subsidiaries, including the Group, is mainly engaged in the trading, manufacturing and design of (i) various types of vehicles, primarily passenger coaches and mini-buses, automotive parts and accessories; (ii) various types of machinery, moulds and tools for production of automobiles, engines, and other relevant parts; (iii) the provision of related services, including the technical advisory, information, production, after sales services and the supply of power and water services, etc., in relation to the aforementioned products and equipment; and (iv) rental of property and other related services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SECOND SUPPLEMENTAL AGREEMENT

The revision of the GL Sale Transactions and the WS Sale Transactions under the Second Supplemental Agreement is due to the following reasons:

The Group, including the Wuling Industrial Group, is principally engaged in the manufacturing and trading of engines and 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. As disclosed in the annual report of the Company for the year ended 31 December 2019 and the interim report of the Company for the six months ended 30 June 2020, the revenue generated from the automotive components and other industrial services division which include the trading of steels, accounted for approximately 50.0% and 37.9% of the total revenue of the Group for the respectively periods. As such, entering into the Second Supplemental Agreement to provide steels to the Guangxi Automobile Group is within the principal business activities of the Group and can give more opportunities to the Wuling Industrial Group to broaden its revenue stream from trading of steels.

The Wuling Industrial Group has been providing centralized procurement services to its group companies, customers, and suppliers, including the Guangxi Automobile Group, for the supply of raw materials, mainly steels, and utilities services, which include water and electricity suppliers. Such centralized procurement function strengthens the business relationship among the entities involved and enhances the efficiency and productivity of the entities' operations through the benefits of bulk purchases and scale operation. In

addition, the Wuling Industrial Group will continue to maintain a diversified revenue stream by supplying products and services to others, including the Guangxi Automobile Group. The Wuling Industrial Group therefore would like to provide more types of automotive parts and accessories, raw material (including steels) and other consumables and materials to the Wuling Industrial Group.

The Wuling Industrial Group has adopted and implemented standard pricing policies on both the sale transactions with Independent Third Parties and the Sale Transactions under the 2020–2022 Master Agreement (which incorporated the Supplemental Agreement) in order to ensure the payment terms and pricing basis of the Sale Transactions will be on market terms or on terms which are no less favourable than those available to Independent Third Parties, i.e. charging of a reasonable profit margin over the cost of production. This standard pricing policies adopted by the Wuling Industrial Group applies to all the Sales Transactions of the Wuling Industrial Group, including the trading of steels.

In view of the above, the Directors (excluding the independent non-executive Directors who will form their views after considering the recommendation from Gram Capital) consider that the terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions are conducted in ordinary and usual course of business of the Group on normal commercial terms and are fair and reasonable insofar the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in approximately 56.54% of the total number of Shares in issue of the Company, and is the ultimate controlling Shareholder of the Company. In this regard, Guangxi Automobile is a connected person of the Company under the Listing Rules. The Second Supplemental Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Given that Guangxi Automobile is a connected person of the Company under the Listing Rules, the Annual Caps for the GL Sale Transactions, GB Sale Transactions, WS Sale Transactions and WAT Sale Transactions have been aggregated into the Sale Transactions for the purpose of calculating the percentage ratios under Listing Rules 14A.82.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the aggregate Sale Transactions contemplated under the Second Supplemental Agreement, on an annual basis, is higher than 5% and the annual consideration is more than HK\$10 million, such transactions constitute continuing connected transactions for the Company and are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The approval of the Independent Shareholders will be sought at the SGM by way of poll in respect of the Second Supplemental Agreement and the Revised Annual Caps. Mr. Yuan Zhijun and Mr. Yang Jianyong, being the Directors and the directors and/or senior executives of Guangxi Automobile, were abstained from voting on the board resolutions passed to approve the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions. Save as disclosed above, no other Director is regarded having a material interest in the Continuing Connected Transactions and required to abstain from voting on the board resolution to approve the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions.

The Independent Board Committee (which consists all of independent non-executive Directors) has been established to advise the Independent Shareholders on the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions, and to advise the Independent Shareholders on how to vote, taking into account the recommendations on the same to be given by Gram Capital.

The Company has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders to consider the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions.

A circular containing, among other things, (i) details of the Second Supplemental Agreement; (ii) a letter from the Independent Board Committee to the Independent Shareholders giving its recommendations in respect of the terms of the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions; (iii) a letter from the Gram Capital to the Independent Board Committee and the Independent Shareholders containing its advice in relation to the terms of the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions; and (iv) a notice of the SGM, will be despatched to the Shareholders on or before 13 April 2021.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“2017–2019 Master Agreement”	the agreement dated 16 November 2016 entered into between Wuling Industrial and Guangxi Automobile in relation to the continuing connected transactions for a term of three years from 1 January 2017 to 31 December 2019
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“2020–2022 Master Agreement”	the agreement dated 22 November 2019 entered into between Wuling Industrial and Guangxi Automobile in relation to the Sale Transactions, the Purchase (Materials and Parts) Transactions, the Purchase (Finished Products) Transactions and the Utility Supply Transactions for a term of three years from 1 January 2020 to 31 December 2022
“Annual Cap(s)”	the annual caps of the Sale Transactions, the Purchase (Materials and Parts) Transactions, the Purchase (Finished Products) Transactions and/or the Utility Supply Transactions as well as the transactions contemplated thereunder as set out in the 2020–2022 Master Agreement for each of the three years ending 31 December 2022
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“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)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transactions”	referring individually or collectively, as applicable, (i) the Sale Transactions, the Purchase (Materials and Parts) Transactions, the Purchase (Finished Products) Transactions and the Utility Supply Transactions set out in the 2020–2022 Master Agreement as amended by the Supplemental Agreement and the Second Supplemental Agreement
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“GL Sale Transactions”	sale of automotive parts and related products and raw material (mainly steels) by the Wuling Industrial Group to Guangling pursuant to the 2020-2022 Master Agreement and as amended by the Second Supplemental Agreement. GL Sale Transactions also form part of the Sale Transactions under the 2020–2022 Master Agreement
“Group”	the Company and its subsidiaries

“Guangling”	柳州廣菱汽車技術有限公司 (Liuzhou Guangling Motors Technology Limited*), a company established in the PRC of which Guangxi Automobile was beneficially interested in approximately 50.1% of its total registered capital as at the date of this announcement
“Guangxi Automobile”	廣西汽車集團有限公司 (Guangxi Automobile Holdings Limited*), a state-controlled enterprise established in the PRC, being the ultimate controlling shareholder of the Company which through its direct and indirectly wholly owned subsidiaries was interested in approximately 56.54% of the total number of Shares in issue of the Company
“Guangxi Automobile Group”	Guangxi Automobile, its subsidiaries and associates (excluding the Group, and including but not limited to 柳州五菱寶馬利汽車空調有限公司 (Liuzhou Wuling Baomali Automotive Air-Conditioner Co., Limited*), Guangling, Guilin Bus, Qingdao Wushun, Wuling Auto Tech, Guangxi Guangyu and Wuling Real Estate)
“Guangxi Guangyu”	廣西光裕新能源汽車空調壓縮機有限公司 (Guangxi Guangyu New Energy Vehicles Air-conditioner Compressor Co., Limited*), a company established in the PRC of which Guangxi Automobile was beneficially interested in approximately 50% of its total registered capital as at the date of this announcement
“Guilin Bus”	桂林客車發展有限責任公司 (Guilin Bus Development Co., Limited*), a company established in the PRC of which Guangxi Automobile is beneficially interested in approximately 70% of its total registered capital as at the date of this announcement
“GX Purchase Transactions”	purchase of certain electric vehicle-related parts and accessories (including but not limited to lithium battery system, motor controllers, permanent magnet synchronous motors and other related accessories and components by the Wuling Industrial Group from the Guangxi Automobile Group. GX Purchase Transactions form part of the Purchase (Materials and Parts) Transactions under the 2020–2022 Master Agreement as amended by the Supplemental Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company (which comprises all independent non-executive Directors) formed to consider the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the revised terms of the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions
“Independent Shareholder(s)”	Shareholder(s) other than Guangxi Automobile and its associates
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the Listing Rules) any of the directors, chief executives or substantial shareholders of the Company or subsidiaries of the Company or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Annual Caps”	the annual caps of the GX Purchase Transactions for each of the three years ending 31 December 2022 under the 2020–2022 Master Agreement as amended by the Supplemental Agreement
“PRC”	the People’s Republic of China
“Purchase (Finished Products) Transactions”	purchase of vehicles mainly passenger mini-buses, primarily passenger coaches and mini-buses and related products by the Wuling Industrial Group from the Guangxi Automobile Group for the three years ending 31 December 2020, 2021 and 2022 under the 2020–2022 Master Agreement

“Purchase (Materials and Parts) Transactions”	purchase of various types of automotive parts and accessories, moulds and toolings, scrap materials, automotive air-conditioner-related parts and accessories and electric vehicle-related parts and accessories by the Wuling Industrial Group from the Guangxi Automobile Group, including the GL Purchase Transactions, WS Purchase Transactions, GXGY Purchase Transactions and GX Purchase Transactions for the three years ending 31 December 2020, 2021 and 2022 under the 2020–2022 Master Agreement as amended by the Supplemental Agreement
“Qingdao Wushun”	青島五順汽車模具部件有限公司 (Qingdao Wushun Car Molding Tool Parts Co., Limited*), a company established in the PRC and the equity interest of which is held as to approximately 70% by Guangxi Automobile as at the date of this announcement
“Revised Annual Caps”	the proposed annual caps of the GL Sale Transactions, the WS Sale Transactions, the aggregate Sale Transactions respectively for each of the two years ending 31 December 2021 and 2022 under the 2020–2022 Master Agreement and as appropriate, as amended by the Second Supplemental Agreement for the each of the two years ending 31 December 2021 and 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Transactions”	sale of engines, various types of automotive parts and accessories, raw materials (including steel) and other consumables and materials by the Wuling Industrial Group to the Guangxi Automobile Group for the three years ending on 31 December 2022 under the 2020–2022 Master Agreement as amended by the Second Supplemental Agreement

“Second Supplemental Agreement”	the second supplemental agreement dated 18 March 2021 entered into between Wuling Industrial and Guangxi Automobile to amend certain terms of the 2020–2022 Master Agreement and to revise the Annual Caps for the aggregate Sale Transactions, which include the Annual Caps for GL Sale Transactions, and WS Sale Transactions and hence revision of the aggregate Annual Caps for the Sale Transactions for the two years ending 31 December 2021 and 2022.
“SGM”	the special general meeting of the Company to be held to approve the Second Supplemental Agreement and the Revised Annual Caps with respect to the aggregate Sale Transactions
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the ordinary share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 7 September 2020 entered into between Wuling Industrial and Guangxi Automobile to amend certain terms of the 2020–2022 Master Agreement and adoption of New Annual Caps for the GX Purchase Transactions under the 2020–2022 Master Agreement
“Utility Supply Transactions”	provision of utilities, including water and power supplies, by the Wuling Industrial Group to the Guangxi Automobile Group, for the three years ending on 31 December 2022 under the 2020–2022 Master Agreement
“WS Sale Transactions”	sale of various types of automotive parts and accessories and raw materials (mainly steels) by the Wuling Industrial Group to Qingdao Wushun pursuant to the 2020–2022 Master Agreement and as amended by the Second Supplemental Agreement. WS Sale Transactions also form part of the Sale Transactions under the 2020–2022 Master Agreement

“Wuling Auto Tech”	柳州五菱汽車科技有限公司 (Liuzhou Wuling Automotive Technology Limited*), a company established in the PRC and is currently a wholly-owned subsidiary of Guangxi Automobile
“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
“Wuling Real Estate”	柳州五菱置業投資有限公司 (Liuzhou Wuling Real Estate Limited*), a company established in the PRC and is currently a wholly-owned subsidiary of Guangxi Automobile
“%”	per cent

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

Hong Kong, 18 March 2021

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

* For identification purposes only