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五菱汽車集團控股有限公司
WULING MOTORS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) (股份代號 Stock Code : 305)

INSIDE INFORMATION
INCREASE IN NET LOSS OF THE GROUP AND DECREASE IN LOSS
ATTRIBUTABLE TO THE OWNERS OF THE COMPANY
FOR THE YEAR ENDED 31 DECEMBER 2021

This announcement is made by Wuling Motors Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 and information currently available to the Board, (i) the Group will report a net loss of approximately RMB 30,000,000 for the year ended 31 December 2021 which will be increased as compared to the net loss of RMB21,867,000 for the year ended 31 December 2020; and (ii) the Group will also report a loss attributable to the owners of the Company of approximately RMB 14,000,000 for the year ended 31 December 2021, which will be decreased as compared to the loss attributable to the owners of the Company of RMB33,403,000 for the year ended 31 December 2020.

Based on the information currently available, the Board wishes to further announce that the increase in the net loss of the Group for the year ended 31 December 2021 was mainly due to the decrease in the Group’s gross profits resulting from the increase of the cost of raw materials and the decreases in revenue of the vehicles’ power supply systems division and the commercial vehicles assembly division as adversely affected by the tightening supply of the semiconductor which caused disruptions in planned production schedule of these divisions, especially in the second half of 2021. Meanwhile, increase in the research and development expenses of the Group incurred for the implementation of new business projects (mainly the new energy vehicles projects) had also adversely affected the profitability performance of the commercial vehicles assembly division during the year. On the other hand, benefited from the continuous increases in the business volume to the key customer and other new customers, revenue of the automotive components and other industrial services division was able to record a mild increase for the year, from which the profitability performance of this division was improved.

In addition, due to a substantial decrease in the finance cost of the Company, despite an increase in net loss of the Group for the year ended 31 December 2021 as compared to previous year, loss attributable to the owners of the Company for the year ended 31 December 2021 is expected to decrease as compared to previous year.

The Company has commenced the related audit work for the annual results of the Group for the year ended 31 December 2021, though has yet to finalise. The information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 and the information currently available, which have not been reviewed by the audit committee of the Company nor audited by the auditors of the Company. The related work, including but not limited to the assessment of the carrying values of the Group's non-current assets, which include property, plant and equipment, investment properties, right-of-use assets, as well as interests in associates and joint ventures, is yet to be completed, and will also be subject to the final review and confirmation by the Company's audit committee. In addition, the Company's auditors are also carrying out their audit work on the consolidated financial statements of the Group for year ended 31 December 2021. Accordingly, the actual results of the Group for the year ended 31 December 2021 may differ from the information set out in this announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 1 March 2022

As at the date of this announcement, the Board comprises Mr. Yuan Zhijun (Chairman), Mr. Yang Jianyong and Mr. Wei Mingfeng as executive Directors, and Mr. Ye Xiang, Mr. Wang Yuben and Mr. Mi Jianguo as independent non-executive Directors.