

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)

**CONTINUING CONNECTED TRANSACTIONS**  
**2023–2025 MASTER AGREEMENT**

**Financial Adviser to the Company**



**THE 2023–2025 MASTER AGREEMENT**

References are made to the announcements of the Company dated 22 November 2019, 7 September 2020, and 18 March 2021 and the circulars of the Company dated 27 December 2019, 9 October 2020, and 27 April 2021 in relation to the 2020–2022 Master Agreement and its supplementary agreements.

Given the 2020–2022 Master Agreement will expire on 31 December 2022, on 17 November 2022 (after trading hours), Wuling Industrial and Guangxi Automobile entered into the 2023–2025 Master Agreement to govern the New CCTs (i.e., the Sale Transactions, the Purchaser (Materials and Parts) Transactions, the Utility Supply Transactions, and the IT Service Transactions) between the Wuling Industrial Group and the Guangxi Automobile Group for a term of three years from 1 January 2023 to 31 December 2025.

**LISTING RULES IMPLICATIONS**

As at 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 New CCTs contemplated under the 2023–2025 Master Agreement constitute continuing connected transactions for the Company under the Listing Rules.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the Proposed Annual Caps for each of the Sale Transactions and the Purchase (Materials and Parts) Transactions contemplated under the 2023–2025 Master Agreement, on annual basis, exceeds 5% but is less than 25% and such Proposed Annual Caps are more than HK\$10 million, the Sale Transactions and the Purchase (Materials and Parts) Transactions constitute continuing connected transactions of the Company and are subject to the reporting, announcement, annual review and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the Proposed Annual Caps for each of the Utility Supply Transactions and the IT Service Transactions contemplated under the 2023–2025 Master Agreement, on annual basis, exceeds 0.1% but is less than 5%, the Utility Supply Transactions and the IT Service Transactions constitute continuing connected transactions of the Company which are subject to the announcement, reporting and annual review requirements under Rule 14A.76 of the Listing Rules, but exempt from the Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Board approved the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps on 17 November 2022. As at the date of this announcement, since Mr. Yuan Zhijun, Mr. Yang Jianyong and Mr. Wei Mingfeng, being the Directors and the directors and/or senior executives of Guangxi Automobile, have material interest in the 2023–2025 Master Agreement, they were abstained from voting on the Board resolutions to approve the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps. Save as disclosed above, none of the other Directors was considered having material interest in the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps. As such, no other Directors was required to abstain from voting on the resolutions approving the same.

## **GENERAL**

The approval of the Independent Shareholders will be sought at the SGM by way of poll in respect of the 2023–2025 Master Agreement as well as the Sale Transactions and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders’ approval requirement under the Listing Rules as mentioned above) contemplated thereunder. In view of their interests in the 2023–2025 Master Agreement, Guangxi Automobile and its associates will abstain from voting on the resolution(s) in relation to the 2023–2025 Master Agreement, together with the Sale Transactions, the Purchase (Materials and Parts) Transactions, and the respective Proposed Annual Caps thereof, at the SGM.

The Independent Board Committee (which consists all of independent non-executive Directors) has been established to advise the Independent Shareholders the terms of the New CCTs under the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders’ approval requirement under the Listing Rules as mentioned above) contemplated thereunder. Silverbricks Securities Company Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the New CCTs under the 2023–2025 Master Agreement; (ii) a letter from the Independent Board Committee to the Independent Shareholders giving its recommendations; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice in relation to the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the respective Proposed Annual Caps thereof) contemplated thereunder; and (iv) a notice of the SGM, will be despatched to the Shareholders on or before 8 December 2022.

## **BACKGROUND**

References are made to the announcements of the Company dated 22 November 2019, 7 September 2020, and 18 March 2021 and the circulars of the Company dated 27 December 2019, 9 October 2020, and 27 April 2021 in relation to the 2020–2022 Master Agreement and its supplementary agreements.

Given the 2020–2022 Master Agreement will expire on 31 December 2022, on 17 November 2022 (after trading hours), Wuling Industrial and Guangxi Automobile entered into the 2023–2025 Master Agreement to govern the New CCTs (i.e., the Sale Transactions, the Purchaser (Materials and Parts) Transactions, the Utility Supply Transactions, and the IT Service Transactions) between the Wuling Industrial Group and the Guangxi Automobile Group for a term of three years from 1 January 2023 to 31 December 2025.

## **THE 2023–2025 MASTER AGREEMENT**

The principal terms of the 2023–2025 Master Agreement are summarized as follows:

Date: 17 November 2022

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

(ii) Guangxi Automobile, being the controlling Shareholder which indirectly interested in approximately 56.54% of the total number of Shares in issue as at the date of this announcement and a connected person of the Company under the Listing Rules.

Scope of products and services to be provided or received:

The New CCTs to be carried out are categorized as follows:

***(i) Sale Transactions***

The Wuling Industrial Group has conditionally agreed to supply certain automotive components and materials for production and trading purposes (including engines, various types of automotive parts and accessories, raw materials (including steel) and other consumables and materials) to the Guangxi Automobile Group.

***(ii) Purchase (Materials and Parts) Transactions***

The Wuling Industrial Group has conditionally agreed to purchase certain automotive components and related products for production and trading purposes (including various types of automotive parts and accessories, moulds and tooling, automotive air-conditioner-related parts and accessories) from the Guangxi Automobile Group.

***(iii) Utility Supply Transactions***

The Wuling Industrial Group has conditionally agreed to provide water and power supply services to the Guangxi Automobile Group.

***(iv) IT Service Transactions***

The Wuling Industrial Group has conditionally agreed to procure IT development, operation and maintenance service from the Guangxi Automobile Group.

Term:

Three years from 1 January 2023 to 31 December 2025 (both dates inclusive).

- Pricing principles: The pricing for the products or services acquired by the Wuling Industrial Group from the Guangxi Automobile Group, or vice versa, will be determined:
- (i) with references to the relevant market prices; or
  - (ii) (if market prices are not available) on fair basis, and on normal commercial terms or on terms which are no less favorable than those available to the Wuling Industrial Group from the Independent Third Parties or those offered by the Guangxi Automobile Group to the Independent Third Parties.
- Payment terms: Payments for the products or services acquired by the Wuling Industrial Group from the Guangxi Automobile Group, or vice versa, will be settled by way of cash or in other manner(s) as agreed by the parties and in accordance with the agreed timing and manners as specified in the Specific Product & Service Contracts to be entered into between the Wuling Industrial Group and the Guangxi Automobile Group.
- The payment terms will be on market terms which are no less favorable than those obtainable by the Wuling Industrial Group from the Independent Third Parties or those offered by the Guangxi Automobile Group to the Independent Third Parties.
- Condition precedent: The 2023–2025 Master Agreement, together with the New CCTs contemplated thereunder, is conditional upon (i) the approval of the Independent Shareholders in respect of the 2023–2025 Master Agreement, the Sale Transactions, the Purchase (Materials and Parts) Transactions, and the respective Proposed Annual Caps thereof being obtained at the SGM; and (ii) the compliance of any other applicable laws and regulations (including but not limited to the Listing Rules) by the parties.
- Termination: If any transaction under the 2023–2025 Master Agreement fails to meet the requirements of the continuing connected transactions under the Listing Rules, such transaction shall be terminated immediately.

If any Specific Product & Service Contracts and the transactions contemplated thereunder fail to meet the principles of the 2023–2025 Master Agreement or would result in the actual amount of the relevant New CCTs on annual basis exceeding the related Proposed Annual Caps, such Specific Product & Service Contracts shall then be terminated.

In addition, the 2023–2025 Master Agreement should be terminated upon occurrence of any of the following events:

- (i) all transactions proceeded pursuant to the 2023–2025 Master Agreement having been terminated pursuant to the arrangements mentioned above; or
- (ii) three-month written notice of termination having been served by a party to the 2023–2025 Master Agreement.

## HISTORICAL TRANSACTION AMOUNTS AND PROPOSED ANNUAL CAPS

### (1) Details of the historical transaction amounts and the Proposed Annual Caps

The tables below set out (i) the Existing Annual Caps, (ii) the historical transaction amounts of the Existing CCTs for FY2020, FY2021, and 9M2022, and (iii) the Proposed Annual Caps for each of FY2023, FY2024, and FY2025:

#### *Sale Transactions*

		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Existing Annual Caps/ Proposed Annual Caps	<i>a</i>	296,000	646,700	756,400	310,000	325,000	329,000
<i>Including:</i>							
<i>Annual caps for the transactions</i>		269,275	587,921	687,684	284,824	297,085	299,190
<i>Buffer of about 10%</i>		26,725	58,779	68,716	25,176	27,915	29,810
Historical transaction amounts	<i>b</i>	87,495	285,461	187,340	N/A	N/A	N/A
				(Note 1)			
Utilization rate	<i>c=b/a</i>	29.56%	44.14%	24.77%	N/A	N/A	N/A
				(Note 2)			

***Purchase (Materials and Parts) Transactions***

		<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Existing Annual Caps/ Proposed Annual Caps	<i>a</i>	273,600	486,200	617,300	182,000	182,500	186,000
<i>Including:</i>							
Annual caps for the transactions		248,184	441,476	560,868	166,474	165,976	170,788
Buffer of about 10%		25,416	44,724	56,432	15,526	16,524	15,212
Historical transaction amounts	<i>b</i>	140,162	376,583	382,606	N/A	N/A	N/A
				<i>(Note 1)</i>			
Utilization rate	<i>c=b/a</i>	51.23%	77.45%	61.98%	N/A	N/A	N/A
				<i>(Note 2)</i>			

***Utility Supply Transactions***

		<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Existing Annual Caps/ Proposed Annual Caps	<i>a</i>	9,200	9,700	10,100	19,615	20,503	21,597
<i>Including:</i>							
Annual caps for the transactions		8,370	8,790	9,228	17,837	18,729	19,666
Buffer of about 10%		830	910	872	1,778	1,774	1,931
Historical transaction amounts	<i>b</i>	4,801	5,359	3,923	N/A	N/A	N/A
				<i>(Note 1)</i>			
Utilization rate	<i>c=b/a</i>	52.18%	55.25%	38.84%	N/A	N/A	N/A
				<i>(Note 2)</i>			

## *IT Service Transactions*

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Existing Annual Caps/ Proposed Annual Caps	N/A	N/A	N/A	10,000	15,000	16,800
<i>Including:</i>						
<i>Annual caps for the transactions</i>	N/A	N/A	N/A	9,126	13,843	15,423
<i>Buffer of about 10%</i>	N/A	N/A	N/A	874	1,157	1,377
Historical transaction amounts	N/A	N/A	N/A	N/A	N/A	N/A
Utilization rate	N/A	N/A	N/A	N/A	N/A	N/A

### *Notes:*

1. The amounts represented the historical transaction amounts recorded for 9M2022.
2. The utilization rates of the Existing Annual Caps for FY2022 in the above tables are calculated based on the historical transaction amounts for 9M2022 divided by the relevant Existing Annual Caps for FY2022.

The New CCTs under the 2023–2025 Master Agreement are categorized into four main categories, namely, (i) the Sale Transactions; (ii) the Purchase (Materials and Parts) Transactions; (iii) the Utility Supply Transactions; and (iv) the IT Service Transactions, which are determined in accordance with the nature of the subject products/services and activities.

Pursuant to the 2023–2025 Master Agreement, the Proposed Annual Cap of a particular New CCT cannot be applied to any other New CCT.

## **(2) Basis of determination of the Proposed Annual Caps**

The Proposed Annual Caps for the New CCTs have been determined by Wuling Industrial and Guangxi Automobile by making references to:

- (i) the historical transaction amounts of the relevant Existing CCTs during 9M2022, details of which are set out in the above tables;



- (ii) the types and natures of the products and services, together with the estimated quantities and price ranges thereof, proposed to be supplied by the Wuling Industrial Group to the Guangxi Automobile Group, or vice versa, for each of FY2023, FY2024, and FY2025, which will be further discussed under the paragraph headed “Products and services to be supplied and acquired under the Proposed Annual Caps” below; and
- (iii) the buffer of each category of the New CCTs with similar nature as detailed in the above tables, which is set to prepare for any unforeseeable circumstances, including but not limited to (a) the increase in volume of products and services acquired by the Wuling Industrial Group from the Guangxi Automobile Group, or vice versa, in case the business performance of the Wuling Industrial Group/the Guangxi Automobile Group is better than currently expected; (b) the unexpected fluctuations in the production costs (including the raw material costs, transportation costs and labor costs) and selling prices of the relevant products and services; and (c) the changes in government policies on automobile industry.
- (3) Products and services to be supplied and acquired under the Proposed Annual Caps**

Set out below are the types and nature of the products and services to be supplied/acquired pursuant to the 2023–2025 Master Agreement:

***Sale Transactions***

	<b>FY2023</b> <i>RMB'000</i>	<b>FY2024</b> <i>RMB'000</i>	<b>FY2025</b> <i>RMB'000</i>
Steel	244,110	255,166	256,277
Automotive components and materials	<u>40,714</u>	<u>41,919</u>	<u>42,913</u>
Total annual caps for the transactions	<u><u>284,824</u></u>	<u><u>297,085</u></u>	<u><u>299,190</u></u>

### *Purchase (Materials and Parts) Transactions*

	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Automotive components and accessories	125,255	112,968	108,991
Moulds and tooling	41,024	52,774	61,524
Automotive air-conditioner-related parts and accessories	<u>195</u>	<u>234</u>	<u>273</u>
Total annual caps for the transactions	<u><u>166,474</u></u>	<u><u>165,976</u></u>	<u><u>170,788</u></u>

### *Utility Supply Transactions*

	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Electricity supply	17,707	18,592	19,522
Water supply	<u>130</u>	<u>137</u>	<u>144</u>
Total annual caps for the transactions	<u><u>17,837</u></u>	<u><u>18,729</u></u>	<u><u>19,666</u></u>

### *IT Service Transactions*

	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
IT development service	3,086	8,105	9,972
IT operation and maintenance service	<u>6,040</u>	<u>5,738</u>	<u>5,451</u>
Total annual caps for the transactions	<u><u>9,126</u></u>	<u><u>13,843</u></u>	<u><u>15,423</u></u>

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is incorporated in Bermuda with limited liability and is an investment holding company. As at the date of this announcement, the ultimate controlling shareholder of the Company is Guangxi Automobile, which owns approximately 56.54% of the issued share capital of the Company.

The Group, through Wuling Industrial, is principally engaged in the manufacturing and trading of automotive components, vehicles' power supply systems and commercial vehicles assembly, as well as the trading of raw materials and the provision of water and power.

### **INFORMATION ON WULING INDUSTRIAL**

Wuling Industrial was established on 30 October 2006 in the PRC. Wuling Industrial is currently owned as to approximately 60.90% by the Company and as to approximately 39.10% by Guangxi Automobile. Wuling Industrial and its subsidiaries are principally engaged in the manufacturing and trading of automotive components, vehicles' power supply systems and commercial vehicles assembly, as well as trading of raw materials and the provision of water and power.

### **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, and is the ultimate controlling shareholder of the Company.

As at the date of this announcement, Guangxi Automobile is 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, including passenger coaches, mini-buses and new energy vehicles, etc., 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 2023–2025 MASTER AGREEMENT**

The following sets out the reasons for and the benefits of entering into the 2023–2025 Master Agreement:

### **(1) The Sale Transactions**

The Wuling Industrial Group has been providing centralized procurement services to its group companies, customers and suppliers, such as supplying raw materials. Such centralized procurement mechanism strengthens the business relationships among the entities involved by enhancing their operation efficiency and productivity through the benefits of bulk purchases.

In addition, the Wuling Industrial Group will continue to maintain a diversified revenue stream by supplying products to the Guangxi Automobile Group. The Wuling Industrial Group therefore would maintain the Sale Transactions to the Guangxi Automobile Group for another three-year term upon expiry of the existing terms of the relevant transactions on 31 December 2022.

The Directors (excluding the independent non-executive Directors who will form their views after considering the recommendation from the Independent Financial Adviser) consider that (i) the entering into of the 2023–2025 Master Agreement is in the ordinary and usual course of business of the Group; and (ii) the terms of the 2023–2025 Master Agreement, together with the Sale Transactions and its Proposed Annual Caps, are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

### **(2) The Purchase (Materials and Parts) Transactions**

The Wuling Industrial Group has been procuring from the Guangxi Automobile Group certain parts and components, as well as services, for the manufacture of products for a number of years. As a result of such long-term business relationship, the two groups have been familiar with the standards and specifications of products and services set by each other and have been able to respond quickly in a cost-efficient manner to any new requirements that the other group may request. In view of the above, the Wuling Industrial Group considers that it would be in its interests and benefits to secure a stable and reliable supply of materials for its production from the Guangxi Automobile Group under the 2023–2025 Master Agreement.

The Directors (excluding the independent non-executive Directors who will form their views after considering the recommendation from the Independent Financial Adviser) consider that (i) the entering into of the 2023–2025 Master Agreement is in the ordinary and usual course of business of the Group; and (ii) the terms of the 2023–

2025 Master Agreement, together with the Purchase (Materials and Parts) Transactions and its Proposed Annual Caps, are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

### **(3) The Utility Supply Transactions**

The Wuling Industrial Group has been providing utilities services, such as the provision of water and electricity, to the Guangxi Automobile Group. Such centralized procurement mechanism strengthens the business relationships among the entities involved by enhancing their operation efficiency and productivity through the benefits of scale operation.

In addition, the Wuling Industrial Group will continue to maintain a diversified revenue stream by providing utility services to the Guangxi Automobile Group. The Wuling Industrial Group therefore would maintain the Utility Supply Transactions for provision of utility services to the Guangxi Automobile Group for another three-year term upon expiry of the existing terms of the relevant transactions on 31 December 2022.

The Directors (including the independent non-executive Directors) consider that the Utility Supply Transactions and the terms thereof as contemplated under the 2023–2025 Master Agreement, including its Proposed Annual Caps, are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

### **(4) The IT Service Transactions**

Due to the reorganization of the departments between the Company and Guangxi Automobile and the intention to cut the administrative cost of the Company, the staffs under the IT department of the Company have been transferred from the Company to Guangxi Automobile. Given that (i) the Company still requires IT service, including but not limited to (a) the maintenance on the network and server; and (b) the provision of daily maintenance, optimization, and upgrading services to the systems, during its daily operation; and (ii) Guangxi Automobile has been familiar with the IT operation of the Company and is able to fulfil the IT requirements raised by the Company in a cost-effective manner, the Wuling Industrial Group would request the Guangxi Automobile Group to provide IT Service Transactions for three years ending 31 December 2025.

The Directors (including the independent non-executive Directors) consider that the IT Service Transactions and the terms thereof as contemplated under the 2023–2025 Master Agreement, including its Proposed Annual Caps, are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at 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 New CCTs contemplated under the 2023–2025 Master Agreement constitute continuing connected transactions for the Company under the Listing Rules.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the Proposed Annual Caps for each of the Sale Transactions and the Purchase (Materials and Parts) Transactions contemplated under the 2023–2025 Master Agreement, on annual basis, exceeds 5% but is less than 25% and such Proposed Annual Caps are more than HK\$10 million, the Sale Transactions and the Purchase (Materials and Parts) Transactions constitute continuing connected transactions of the Company and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the Proposed Annual Caps for each of the Utility Supply Transactions and the IT Service Transactions contemplated under the 2023–2025 Master Agreement, on annual basis, exceeds 0.1% but is less than 5%, the Utility Supply Transactions and the IT Service Transactions constitute continuing connected transactions of the Company which are subject to the announcement, reporting and annual review requirements under Rule 14A.76 of the Listing Rules, but exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board approved the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps on 17 November 2022. As at the date of this announcement, since Mr. Yuan Zhijun, Mr. Yang Jianyong and Mr. Wei Mingfeng, being the Directors and the directors and/or senior executives of Guangxi Automobile, have material interest in the 2023–2025 Master Agreement, they were abstained from voting on the Board resolutions to approve the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps. Save as disclosed above, none of the other Directors was considered having material interest in the 2023–2025 Master Agreement, the New CCTs, and the Proposed Annual Caps. As such, no other Directors was required to abstain from voting on the resolutions approving the same.

## **GENERAL**

The approval of the Independent Shareholders will be sought at the SGM by way of poll in respect of the 2023–2025 Master Agreement as well as the Sale Transactions and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders' approval requirement under the Listing Rules as mentioned above)

contemplated thereunder. In view of their interests in the 2023–2025 Master Agreement, Guangxi Automobile and its associates will abstain from voting on the resolution(s) in relation to the 2023–2025 Master Agreement, together with the Sale Transactions, the Purchase (Materials and Parts) Transactions, and the respective Proposed Annual Caps thereof, at the SGM.

The Independent Board Committee (which consists all of independent non-executive Directors) has been established to advise the Independent Shareholders the terms of the New CCTs under the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders’ approval requirement under the Listing Rules as mentioned above) contemplated thereunder. Silverbricks Securities Company Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the New CCTs under the 2023–2025 Master Agreement; (ii) a letter from the Independent Board Committee to the Independent Shareholders giving its recommendations; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice in relation to the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the respective Proposed Annual Caps thereof) contemplated thereunder; and (iv) a notice of the SGM, will be despatched to the Shareholders on or before 8 December 2022.

## **DEFINITION**

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

“2020–2022 Master Agreement”	the agreement dated 22 November 2019 entered into between Wuling Industrial and Guangxi Automobile in relation to the Existing CCTs for a term of three years from 1 January 2020 to 31 December 2022
“2023–2025 Master Agreement”	the agreement dated 17 November 2022 entered into between Wuling Industrial and Guangxi Automobile in relation to the New CCTs for a term of three years from 1 January 2023 to 31 December 2025

“9M2022”	the nine months ended 30 September 2022
“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
“Director(s)”	the director(s) of the Company
“Existing Annual Caps”	the annual caps of the Existing CCTs set out in the 2020–2022 Master Agreement (as amended by its supplementary agreements as appropriate) for each of the three years ending 31 December 2022
“Existing CCTs”	continuing connected transactions of the Group carried out by the Wuling Industrial Group pursuant to the 2020–2022 Master Agreement (as amended by its supplementary agreements as appropriate), including the following transactions under the any above agreements: (i) the sale transactions; (ii) the purchase (materials and parts) transactions; (iii) the purchase (finished products) transactions; and (iv) the utility supply transactions
“FY2020”	the year ended 31 December 2020
“FY2021”	the year ended 31 December 2021
“FY2022”	the year ending 31 December 2022
“FY2023”	the year ending 31 December 2023
“FY2024”	the year ending 31 December 2024
“FY2025”	the year ending 31 December 2025
“Group”	the Company and its subsidiaries



“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 which, through its direct and indirect wholly owned subsidiaries, is interested in approximately 56.54% of the total number of Shares in issue as at the date of this announcement
“Guangxi Automobile Group”	Guangxi Automobile, its subsidiaries and associates (excluding the Group and the subsidiaries of the Group)
“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 terms of the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders’ approval requirement under the Listing Rules as mentioned above) contemplated thereunder
“Independent Financial Adviser”	Silverbricks Securities Company Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the 2023–2025 Master Agreement, the Sale Transactions, and the Purchase (Materials and Parts) Transactions (together with the Proposed Annual Caps of each of such continuing connected transactions which are subject to Independent Shareholders’ approval requirement under the Listing Rules as mentioned above) contemplated thereunder

“Independent Shareholder(s)”	Shareholder(s) other than Guangxi Automobile and its associates
“Independent Third Party(ies)”	person(s) or entity(ies) who/which is(are) not a connected person(s) of the Company
“IT Service Transactions”	(i) provision of management and maintenance on the network, server, and storage; (ii) provision of management on network security and system and data assess; (iii) provision of data backup and recovery services; (iv) provision of daily maintenance, optimization, and upgrading of the systems; and (v) provision of technical support, to the Wuling Industrial Group from the Guangxi Automobile Group (applicable for the three years ending 31 December 2025 pursuant to the 2023–2025 Master Agreement only) and any transactions of similar nature that may be entered into between the two groups
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New CCT(s)”	continuing connected transactions of the Group to be carried out by the Wuling Industrial Group pursuant to the 2023–2025 Master Agreement, including (i) the Sale Transactions; (ii) the Purchase (Materials and Parts) Transactions; (iii) the Utility Supply Transactions; and (iv) the IT Service Transactions
“PRC”	The People’s Republic of China, but for the purpose of this announcement only and except where the context requires otherwise, references in this announcement to “PRC” do not include Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Annual Cap(s)”	the proposed annual cap(s) of the New CCTs set out in the 2023–2025 Master Agreement for each of the three years ending 31 December 2025

“Purchase (Materials and Parts) Transactions”	purchase of various types of automotives parts and accessories, moulds and tooling, automotive air-conditioner-related parts and accessories, by the Wuling Industrial Group from the Guangxi Automobile Group (applicable for the three years ending 31 December 2025 pursuant to the 2023–2025 Master Agreement only) and any transactions of similar nature that may be entered into between the two groups
“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 (applicable for the three years ending 31 December 2025 pursuant to the 2023–2025 Master Agreement only) and any transactions of similar nature that may be entered into between the two groups
“SGM”	the special general meeting of the Company to be held to approve the 2023–2025 Master Agreement and the transactions contemplated thereunder, including the New CCTs (other than the Utility Supply Transactions and the IT Service Transactions) and the Proposed Annual Caps (other than the Proposed Annual Caps of the Utility Supply Transactions and the IT Service Transactions)
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Specific Product & Service Contracts”	the product/service contract to be entered into by the respective members of the Wuling Industrial Group and the Guangxi Automobile Group setting out the detailed terms of a transaction to be carried out pursuant to the 2023–2025 Master Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Utility Supply Transactions”	provision of utilities, including water and power supplies, by the Wuling Industrial Group to the Guangxi Automobile Group (applicable for the three years ending 31 December 2025 pursuant to the 2023–2025 Master Agreement only) and any transactions of similar nature that may be entered into between the two groups
“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 as at the date of this announcement
“Wuling Industrial Group”	Wuling Industrial and its subsidiaries
“%”	per cent

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

Hong Kong, 17 November 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, Mr. Li Zheng as non-executive Director and Mr. Ye Xiang, Mr. Wang Yuben and Mr. Mi Jianguo as independent non-executive Directors.*

\* *For identification purposes only*