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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) CONNECTED TRANSACTION —  
2025–2026 MASTER TENANCY AGREEMENT;  
AND  
(2) CONTINUING CONNECTED TRANSACTIONS —  
2025–2027 CONSIGNMENT  
FRAMEWORK AGREEMENT  
REGARDING THE CONSIGNMENT OF THE OPERATION IN  
RELATION TO THE SALES OF  
THE PROCESSED SCRAP MATERIALS**

**Financial Adviser to the Company**



**BACKGROUND**

**THE 2025–2026 MASTER TENANCY AGREEMENT**

References are made to the announcements of the Company dated 29 December 2021 and 4 January 2022 in relation to the 2022–2024 Master Tenancy Agreement. Wuling Industrial (as tenant) and Guangxi Automobile (as landlord) entered into the 2022–2024 Master Tenancy Agreement in respect of the lease of, among others, the Liuzhou Leased Properties and Additional Properties for the period of three years commencing from 1 January 2022 and expiring on 31 December 2024. As the 2022–2024 Master Tenancy Agreement is due to expire on 31 December 2024, Wuling Industrial (as tenant) and Guangxi Automobile (as landlord) entered into the 2025–2026 Master Tenancy Agreement on 28 November 2024 (i) in respect of the lease of the Liuzhou Leased Properties; and (ii) to set out a framework of terms governing the leases of the Additional Properties by Wuling Industrial from Guangxi Automobile, both for a term of two years commencing from 1 January 2025 and expiring on 31 December 2026.

## **THE 2025–2027 CONSIGNMENT FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 29 July 2022 in relation to the 2022–2024 Consignment Framework Agreement. Wuling Industrial entered into the 2022–2024 Consignment Framework Agreement with Wuling Real Estate, pursuant to which Wuling Industrial may make consignment arrangements with Wuling Real Estate in relation to the sales of the Processed Scrap Materials for the period commencing from 29 July 2022 and expiring on 31 December 2024. As the 2022–2024 Consignment Framework Agreement is due to expire on 31 December 2024, Wuling Industrial entered into the 2025–2027 Consignment Framework Agreement with Wuling Real Estate on 28 November 2024, pursuant to which Wuling Industrial may make consignment arrangements with Wuling Real Estate in relation to the sales of the Processed Scrap Materials for the period commencing from 1 January 2025 and expiring on 31 December 2027.

## **LISTING RULES IMPLICATIONS**

As of the date of this announcement, Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in 1,864,698,780 Shares in issue of the Company, representing approximately 56.54% of the total number of Shares in issue of the Company, and is the ultimate controlling Shareholder of the Company. Wuling Industrial is owned as to approximately 60.90% by the Company and is a non-wholly subsidiary of the Company. In addition, Guangxi Automobile directly holds 39.10% of the equity interest in Wuling Industrial, and directly holds 100% of the equity interest in Wuling Real Estate. In light of the above, Guangxi Automobile and Wuling Real Estate are associates of the Group and thus the connected persons of the Group under Chapter 14A of the Listing Rules. The transaction contemplated under the 2025–2026 Master Tenancy Agreement constitutes connected transaction for the Company and the Consignment Sale Transactions constitute continuing connected transactions for the Company under the Listing Rules.

The HKFRS 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants, which forms part of the financial reporting standards applicable to the Group, came into effect on 1 January 2019. Under HKFRS 16, the Group, as the lessee, shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of financial position of the Group. As such, the transaction contemplated under the 2025–2026 Master Tenancy Agreement should be regarded as an acquisition of asset under the definition of transaction set out in Rule 14A.24(1) of the Listing Rules. The Value of the Right-of-use Asset recognised under the transaction contemplated under the 2025–2026 Master Tenancy Agreement is approximately RMB56,164,000. The amount of lease liability recognised under the transaction contemplated under the 2025–2026 Master Tenancy Agreement shall be the same as the Value of the Right-of-use Asset recognised. The Value of the Right-of-use Asset will be amortised over the lease period.

As the highest applicable percentage ratio for the Value of the Right-of-use Asset in respect of the connected transaction contemplated under the 2025–2026 Master Tenancy Agreement exceeds 0.1% but is less than 5%, this transaction is subject to the reporting and announcement requirements but exempt from circular (including independent financial advice) and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) in respect of the CFA Proposed Annual Caps, on the annual basis, is more than 0.1% and less than 5%, the entering into the 2025–2027 Consignment Framework Agreement together with the Consignment Sale Transactions (including but not limited to the CFA Proposed Annual Caps) constitute continuing connected transactions which are subject to the reporting, annual review and announcement requirements but exempt from circular (including independent financial advice) and the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

## **THE CONNECTED TRANSACTION IN RELATION TO 2025–2026 MASTER TENANCY AGREEMENT**

References are made to the announcements of the Company dated 29 December 2021 and 4 January 2022 in relation to the 2022–2024 Master Tenancy Agreement. Wuling Industrial (as tenant) and Guangxi Automobile (as landlord) entered into the 2022–2024 Master Tenancy Agreement in respect of the lease of, among others, the Liuzhou Leased Properties and Additional Properties for the period of three years commencing from 1 January 2022 and expiring on 31 December 2024. As the 2022–2024 Master Tenancy Agreement is due to expire on 31 December 2024, Wuling Industrial (as tenant) and Guangxi Automobile (as landlord) entered into the 2025–2026 Master Tenancy Agreement on 28 November 2024 (i) in respect of the lease of the Liuzhou Leased Properties; and (ii) to set out a framework of terms governing the leases of the Additional Properties by Wuling Industrial from Guangxi Automobile, both for a term of two years commencing from 1 January 2025 and expiring on 31 December 2026.

### **2025–2026 Master Tenancy Agreement**

The principal terms of the 2025–2026 Master Tenancy Agreement are summarised as follows:

Date:	28 November 2024
Landlord:	Guangxi Automobile
Tenant:	Wuling Industrial
Term:	Two years from 1 January 2025 to 31 December 2026
Properties to be leased:	<b>The Liuzhou Leased Properties</b>

Liuzhou Leased Properties, being five parcels of land and 54 buildings, all of which are located in Liuzhou, Guangxi Zhuang Autonomous Region, the PRC. Wuling Industrial Group will continue to use the Liuzhou Leased Properties as offices and production plants under the 2025–2026 Master Tenancy Agreement.

During the term of the 2025–2026 Master Tenancy Agreement, Wuling Industrial may enter into the Additional Tenancy Agreements with Guangxi Automobile for the leasing of the Additional Properties to cater for possible further business development of the Wuling Industry Group, provided that:

- (1) the market rentals for the Additional Properties will be assessed by an independent valuer and the rentals payable for them will be equivalent to the then market rentals of similar properties as assessed;
- (2) the transaction contemplated under the Additional Tenancy Agreements shall be conducted in the usual and ordinary course of business of the Group;
- (3) the terms of the Additional Tenancy Agreements shall be subject to arm's length negotiations among the MTA Parties, on normal terms or on terms which are no less favourable than those offered by independent third parties to Wuling Industrial and in the interests of the Group and the Shareholders as a whole;
- (4) the transaction contemplated under the Additional Tenancy Agreements shall be in compliance with all applicable laws and regulations (including the Listing Rules) and the 2025–2026 Master Tenancy Agreement; and
- (5) the total monthly rental payable for the Additional Tenancy Agreements shall be not more than RMB233,995.62, representing approximately 10% of the monthly rental payable for the Liuzhou Leased Properties pursuant to the 2025–2026 Master Tenancy Agreement.

Rental and payment terms: The rental for the Liuzhou Leased Properties for the two years commencing from 1 January 2025 shall be RMB2,340,171.04 per month in aggregate, representing the amount of approximately RMB28,082,000 for each of the two years ending 31 December 2025 and 2026, which details are set out below:

	Total site area/floor area <i>(in square meter)</i>	Monthly rental payable per square meter <i>(RMB)</i>	Total monthly rental payable <i>(RMB)</i>
Land of the Liuzhou Leased Properties	459,043.53	0.78	358,053.95
Buildings and constructions of the Liuzhou Leased Properties	144,098.44	13.76 <i>(Note)</i>	1,982,117.09
	_____	_____	_____
Total			<u><u>2,340,171.04</u></u>

*Note:* This represents the average monthly rental payable per square meter on the buildings and constructions of the Liuzhou Leased Properties calculated on an aggregate basis.

Pursuant to the 2025–2026 Master Tenancy Agreement, Wuling Industrial may enter into Additional Tenancy Agreements with Guangxi Automobile for the leasing of Additional Properties. The total monthly rental payable under the Additional Tenancy Agreements shall not exceed RMB233,995.62, representing approximately 10% of the monthly rental payable for the Liuzhou Leased Properties under the 2025–2026 Master Tenancy Agreement. As a result, the combined rental for the Liuzhou Leased Properties and the Additional Properties for the two years commencing 1 January 2025 shall not exceed RMB2,574,166.66 per month, amounting to a maximum of approximately RMB30,890,000 for each of the two years ending 31 December 2025 and 2026.

The rental of the Liuzhou Leased Properties and the Additional Properties shall be payable in arrears semiannually in the next month following the receipt of the relevant invoice by Wuling Industrial.

If the leasing of any of the Liuzhou Leased Properties and/or the Additional Properties is terminated, the rental payable by Wuling Industrial as tenant shall be calculated on a pro-rata basis with reference to the actual number of days for which the occupation of such land and/or buildings under such leasing is subsisting.

Basis for determination of the rental:

The rental payable for the Liuzhou Leased Properties pursuant to the 2025–2026 Master Tenancy Agreement was determined by the MTA Parties upon arm’s length negotiation according to the following bases: (i) with respect to the buildings of the Liuzhou Leased Properties, equivalent to the respective prevailing market rentals of similar properties as assessed by Guangxi Tianhua Asset Land And Real Estate Appraisal Company Limited (廣西天華資產土地房地產評估有限責任公司), an independent valuer; and (ii) with respect to the land of the Liuzhou Leased Properties, the estimated costs incurred by Guangxi Automobile in the holding of the land which comprise its original acquisition costs, taxes and insurance premiums. The rental payable for the Additional Properties shall be determined with reference to similar bases above.

The Directors (including the independent non-executive Directors) consider that (i) the entering into of the 2025–2026 Master Tenancy Agreement is in the ordinary and usual course of business of the Group; and (ii) the terms of the 2025–2026 Master Tenancy Agreement with the transaction contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Warranties:

Guangxi Automobile warrants that, among others, should there be any dispute arising from the ownership of titles or any dispute arising from claim or debt in relation to Guangxi Automobile or for any reason which result in the Wuling Industrial Group unable to reasonably use (whether part of or the whole) the Liuzhou Leased Properties and/or the Additional Properties, Guangxi Automobile shall be responsible and compensate Wuling Industrial for all resulting economic losses.

Wuling Industrial warrants that, among others, it shall obtain written approval from Guangxi Automobile before making any alternation to the Liuzhou Leased Properties and/or the Additional Properties and the costs for such alteration shall be borne by the Wuling Industrial.



Conditions Precedent: The 2025–2026 Master Tenancy Agreement shall be effective upon the satisfaction of the following conditions precedent:

- (1) the 2025–2026 Master Tenancy Agreement having been signed and/or stamped by Guangxi Automobile and Wuling Industrial; and
- (2) the Company having obtained all necessary authorisations, consents and approvals internally and from regulatory bodies (including but not limited to the Stock Exchange) for the 2025–2026 Master Tenancy Agreement and the transaction contemplated thereunder, and the 2025–2026 Master Tenancy Agreement and the transaction contemplated thereunder having been approved by the Independent Shareholders in accordance with the Listing Rules (if the 2025–2026 Master Tenancy Agreement and the transaction contemplated thereunder require approval from the Independent Shareholders pursuant to the Listing Rules).

#### **HISTORICAL TRANSACTION AMOUNTS UNDER THE 2022–2024 MASTER TENANCY AGREEMENT**

	<b>Amount</b> <i>(RMB'000)</i>
<b>2022–2024 Master Tenancy Agreement</b>	
Total value of the right-of-use assets as recognised	<u><u>82,352</u></u>

In addition, for the two years ended 31 December 2023 and the eight months ended 31 August 2024, the total amount of lease payments paid by the Group and the corresponding maximum amount of lease payments pursuant to the 2022–2024 Master Tenancy Agreement for the corresponding years/period are set out as follows:

<b>Period</b>	<b>Amount of lease payments</b>	
	<b>Maximum amount</b> <i>(RMB'000)</i>	<b>Actual amount paid</b> <i>(RMB'000)</i>
For the year ended 31 December 2022	36,530	30,386
For the year ended 31 December 2023	36,530	26,246
For the eight months ended 31 August 2024	36,530	18,038

## **REASONS FOR AND BENEFITS ON ENTERING INTO THE 2025–2026 MASTER TENANCY AGREEMENT**

Wuling Industrial Group has been leasing the Liuzhou Leased Properties for its business operation pursuant to 2022–2024 Master Tenancy Agreement. The Liuzhou Leased Properties are crucial in supporting businesses of Wuling Industrial Group, including the manufacturing of vehicle power supply systems, automotive components, commercial vehicle assembly, and related operations. To ensure the seamless continuity of Wuling Industrial Group's business and operations beyond the conclusion of the 2022–2024 Master Tenancy Agreement on 31 December 2024, a new agreement was forged between Wuling Industrial and Guangxi Automobile on 28 November 2024. This agreement covers a two-year term from 1 January 2025 to 31 December 2026, safeguarding the stability and ongoing operations of Wuling Industrial Group.

In light of the above, the Directors (including the independent non-executive Directors) consider that (i) the entering into of the 2025–2026 Master Tenancy Agreement is in the ordinary and usual course of business of the Group; and (ii) the terms of the 2025–2026 Master Tenancy Agreement with the transaction contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Mr. Yuan Zhijun, Mr. Wei Mingfeng and Ms. Zhu Fengyan, 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 2025–2026 Master Tenancy Agreement with the transaction contemplated thereunder. As at the date of this announcement, Mr. Yuan Zhijun and his associates held 3,000,000 Shares, representing approximately 0.09% of the Shares in issue of the Company. Mr. Wei Mingfeng and his associates held 270,000 Shares,

representing approximately 0.01% of the Shares in issue of the Company. Ms. Zhu Fengyan and her associates did not hold any Shares of the Company as at the date of this announcement. Save as disclosed above, no other Director is regarded having a material interest in the 2025–2026 Master Tenancy Agreement and required to abstain from voting on the Board resolution to approve the 2025–2026 Master Tenancy Agreement with the transaction contemplated thereunder.

## **THE CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2025–2027 CONSIGNMENT FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 29 July 2022 in relation to the 2022–2024 Consignment Framework Agreement. Wuling Industrial entered into the 2022–2024 Consignment Framework Agreement with Wuling Real Estate, pursuant to which Wuling Industrial may make consignment arrangements with Wuling Real Estate in relation to the sales of the Processed Scrap Materials for the period commencing from 29 July 2022 and expiring on 31 December 2024. As the 2022–2024 Consignment Framework Agreement is due to expire on 31 December 2024, Wuling Industrial entered into the 2025–2027 Consignment Framework Agreement with Wuling Real Estate on 28 November 2024, pursuant to which Wuling Industrial may make consignment arrangements with Wuling Real Estate in relation to the sales of the Processed Scrap Materials for the period commencing from 1 January 2025 and expiring on 31 December 2027. Wuling Real Estate may sell the Processed Scrap Materials to its own customers, the sales price of which shall be determined by Wuling Real Estate at its own discretion and confirmed by Wuling Industrial. When the consigned Processed Scrap Materials are sold to its customers by Wuling Real Estate, Wuling Industrial shall pay Wuling Real Estate the consignment fee for the provision of Consignment Services, which is determined based on the gross sales revenue of the consigned Processed Scrap Materials multiplied by the applicable consignment commission rate. In this connection, Wuling Industrial shall make profit from the net sales revenue, which is equal to the gross sales revenue of the consigned Processed Scrap Materials less the respective consignment fee payable to Wuling Real Estate.

### **2025–2027 Consignment Framework Agreement**

The principal terms of the 2025–2027 Consignment Framework Agreement are set out below:

#### **Date**

28 November 2024

## **CFA Parties to the 2025–2027 Consignment Framework Agreement**

- (i) Wuling Industrial (as the consignor); and
- (ii) Wuling Real Estate (as the consignee)

## **Scope of services by the CFA Parties to the 2025–2027 Consignment Framework Agreement**

Pursuant to the 2025–2027 Consignment Framework Agreement:

- (i) Wuling Industrial consigns the sales operation of the Processed Scrap Materials which may be arisen from the manufacturing operation of Wuling Industrial Group and its customers to Wuling Real Estate; and
- (ii) Wuling Real Estate is responsible for the provision of the related Consignment Services, which include but not limited to the collecting, screening, processing, recycling and storing of the scrap materials arisen from the manufacturing processes and the subsequent sale and disposal of the Processed Scarp Materials, by way of tender and/or other appropriate marketing processes in accordance with the general industry practices.

## **Terms**

Three years from 1 January 2025 to 31 December 2027

## **Basis of the consignment fee and the consignment commission rate under the 2025–2027 Consignment Framework Agreement**

The consignment fee under the 2025–2027 Consignment Framework Agreement is determined based on the gross sales revenue of the consigned Processed Scrap Materials multiplied by the applicable consignment commission rate, which is determined on negotiation between Wuling Industrial and Wuling Real Estate on an arm's length basis with reference to the specific scope of services involved in the processes and the consignment commission rates normally adopted by other recyclers in the recycling industry.

## HISTORICAL TRANSACTION AMOUNTS AND 2022–2024 CFA ANNUAL CAPS UNDER THE 2022–2024 CONSIGNMENT FRAMEWORK AGREEMENT

For the period from 29 July 2022 to 31 December 2022, the year ended 31 December 2023, and the eight months ended 31 August 2024, the actual transaction amounts paid by the Group pursuant to the 2022–2024 Consignment Framework Agreement and the 2022–2024 CFA Annual Caps are set out as follows:

Period	Actual	2022–2024	Utilization Rate
	transaction amount	CFA Annual Caps	
	(RMB'000)	(RMB'000)	%
For the period from 29 July 2022 to 31 December 2022	6,367	9,580	66.5
For the year ended 31 December 2023	16,569	18,500	89.6
For the eight months ended 31 August 2024	9,652	18,500	52.2

The Company expects the actual transaction amount of the Group for the year ending 31 December 2024 would not exceed the 2022–2024 CFA Annual Caps for the corresponding year.

## CFA PROPOSED ANNUAL CAPS UNDER THE 2025–2027 CONSIGNMENT FRAMEWORK AGREEMENT

The Company proposed to adopt the CFA Proposed Annual Caps for the three years ending 31 December 2027 as set out below:

Period	CFA Proposed Annual Cap
	(RMB'000)
For the year ending 31 December 2025	7,420
For the year ending 31 December 2026	7,660
For the year ending 31 December 2027	8,010

The CFA Proposed Annual Caps have been determined based on (i) the forecasted sales revenue of the Processed Scrap Materials by Wuling Industrial during the terms of the 2025–2027 Consignment Framework Agreement, i.e., from 1 January 2025 to 31 December 2027, as prepared by the management of Wuling Industrial; (ii) the actual amount of

proceeds from the sale of Processed Scrap Materials received by Wuling Industrial under the 2022–2024 Consignment Framework Agreement; and (iii) the applicable consignment commission rate as described under the section headed “THE CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2025–2027 CONSIGNMENT FRAMEWORK AGREEMENT — Basis of the consignment fee and the consignment commission rate under the Consignment Framework Agreement” in this announcement.

## **REASONS FOR AND BENEFITS FOR ENTERING THE 2025–2027 CONSIGNMENT FRAMEWORK AGREEMENT**

Wuling Industrial is engaged in the manufacturing of automotive components, vehicles’ power supply systems and commercial vehicles assembly. It is common on the production of automotive products that inevitably results in certain industrial scraps and waste (i.e. by-products) in the production. Given the usage of the potential value in these by-products after proper screening, processing, and recycling, the management at Wuling Industrial used to take an approach that internally transforms these by-products into valued materials (i.e. Processed Scrap Materials) with their own expense. Moreover, Wuling Industrial actively engage with potential customers, offering these Processed Scrap Materials through tender processes and other suitable marketing avenues, to maximize the value of the by-products and generate extra revenue-stream.

As (i) significant time-consuming for the management of Wuling Industrial to engage ultimate customers in marketing, selling and transport coordinating the Processed Scrap Materials; and (ii) given Wuling Industrial strategic focus on core business activities such as manufacturing automotive components and assembling commercial vehicles, the decision was made to delegate the sales operations of these Processed Scrap Materials to specialized recyclers.

Having considered the above, Wuling Industrial has considered Wuling Real Estate, which is engaged in (i) recycling productive scrap metal, (ii) processing, sale and recycling of recycled resources, with another recycler independent of the Group in Liuzhou City, Guangxi Zhuang Autonomous Region, where Wuling Industrial is located. After careful consideration, Wuling Industrial decided to consign the sales operation of the Processed Scrap Materials to Wuling Real Estate due to the following reasons:

- (i) the close proximity between the Group and Guangxi Automobile, Wuling Industrial would be able to (a) swift response from Wuling Real Estate during the Consignment Sale Transactions; and (b) minimizing the operation risks of any default and maximizing economic benefits through the Consignment Sale Transactions; and
- (ii) the consignment commission rate offer by Wuling Real Estate is no less favorable to Wuling Industrial as that of the recycler independent from the Group.

The Directors (including the independent non-executive Directors) are of the view that (i) the terms of the 2025–2027 Consignment Framework Agreement are fair and reasonable; (ii) the Consignment Sale Transactions are on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the Consignment Sale Transactions are in the interests of the Company and its Shareholders as a whole.

The Board approved the 2025–2027 Consignment Framework Agreement, the Consignment Sale Transactions, and the CTA Proposed Annual Caps on 28 November 2024. As at the date of this announcement, Mr. Yuan Zhijun, Mr. Wei Mingfeng and Ms. Zhu Fengyan, being the Directors and the directors and/or senior executives of Guangxi Automobile, were abstained from voting on the board resolutions passed to approve. Save as disclosed above, none of the other Directors was considered having a material interest in the 2025–2027 Consignment Framework Agreement and the Consignment Sale Transactions and was required to abstain from voting in respect of the resolutions approving the Consignment Sale Transactions and the CTA Proposed Annual Caps.

## **INFORMATION ON THE PARTIES**

### **The Group**

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

### **Guangxi Automobile**

Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in 1,864,698,780 Shares in issue of the Company, 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.

### **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.

### **Wuling Real Estate**

Wuling Real Estate is principally engaged in housing leasing, non-residential real estate leasing, parking services, commercial complex management services, recycling of productive scrap metal, processing of recycled resources, sale of recycled resources and recycling of recycled resources (other than productive scrap metal). As at the date of this announcement, Wuling Real Estate is a wholly-owned subsidiary of Guangxi Automobile, which is also the ultimate controlling shareholder of the Company.

### **LISTING RULES IMPLICATIONS**

As of the date of this announcement, Guangxi Automobile, through its direct and indirect wholly owned subsidiaries, is interested in 1,864,698,780 Shares in issue of the Company, representing approximately 56.54% of the total number of Shares in issue of the Company, and is the ultimate controlling Shareholder of the Company. Wuling Industrial is owned as to approximately 60.90% by the Company and is a non-wholly subsidiary of the Company. In addition, Guangxi Automobile directly holds 39.10% of the equity interest in Wuling Industrial, and directly holds 100% of the equity interest in Wuling Real Estate. In light of



the above, Guangxi Automobile and Wuling Real Estate are associates of the Group and thus the connected persons of the Group under Chapter 14A of the Listing Rules. The transaction contemplated under the 2025–2026 Master Tenancy Agreement constitutes connected transaction for the Company and the Consignment Sale Transactions constitute continuing connected transactions for the Company under the Listing Rules.

The HKFRS 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants, which forms part of the financial reporting standards applicable to the Group, came into effect on 1 January 2019. Under HKFRS 16, the Group, as the lessee, shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of financial position of the Group. As such, the transaction contemplated under the 2025–2026 Master Tenancy Agreement should be regarded as an acquisition of asset under the definition of transaction set out in Rule 14A.24(1) of the Listing Rules. The Value of the Right-of-use Asset recognised under the transaction contemplated under the 2025–2026 Master Tenancy Agreement is approximately RMB56,164,000. The amount of lease liability recognised under the transaction contemplated under 2025–2026 Master Tenancy Agreement shall be the same as the Value of the Right-of-use Asset recognised. The Value of the Right-of-use Asset will be amortised over the lease period.

As the highest applicable percentage ratio for the Value of the Right-of-use Asset in respect of the connected transaction contemplated under the 2025–2026 Master Tenancy Agreement exceeds 0.1% but is less than 5%, this transaction is subject to the reporting and announcement requirements but exempt from circular (including independent financial advice) and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) in respect of the CFA Proposed Annual Caps, on the annual basis, is more than 0.1% and less than 5%, the entering into the 2025–2027 Consignment Framework Agreement together with the Consignment Sale Transactions (including but not limited to the CFA Proposed Annual Caps) constitute continuing connected transactions which are subject to the reporting, annual review and announcement requirements but exempt from circular (including independent financial advice) and the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

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

“2022–2024 CFA Annual Caps”	the annual caps of the continuing connected transactions contemplated under the 2022–2024 Consignment Framework Agreement from 29 July 2022 to 31 December 2024
“2022–2024 Consignment Framework Agreement”	the consignment framework agreement regarding the consignment of the operation in relation to the sales of the Processed Scrap Materials for the period from 29 July 2022 to 31 December 2024 entered into between Wuling Industrial and Wuling Real Estate on 29 July 2022
“2025–2027 Consignment Framework Agreement”	the consignment framework agreement regarding the consignment of the operation in relation to the sales of the Processed Scrap Materials for a term of three years from 1 January 2025 to 31 December 2027 entered into between Wuling Industrial and Wuling Real Estate on 28 November 2024
“2022–2024 Master Tenancy Agreement”	the 2022–2024 master tenancy agreement dated 29 December 2021 entered into between Wuling Industrial and Guangxi Automobile in relation to the leasing of the Liuzhou Leased Properties and certain other properties in the PRC for a term of three years from 1 January 2022 to 31 December 2024
“2025–2026 Master Tenancy Agreement”	the 2025–2026 master tenancy agreement dated 28 November 2024 entered into between Wuling Industrial and Guangxi Automobile in relation to the leasing of the Liuzhou Leased Properties and certain other properties in the PRC for a term of two years from 1 January 2025 to 31 December 2026
“Additional Properties”	other properties including but not limited to those adjacent to the Liuzhou Leased Properties owned by Guangxi Automobile

“Additional Tenancy Agreements”	the additional tenancy agreements Wuling Industrial may enter into with Guangxi Automobile for the leasing of the Additional Properties to cater for possible further business development of the Wuling Industry Group during the term of the 2025–2026 Master Tenancy Agreement
“Board”	the board of Directors
“CFA Parties”	Parties to the 2025–2027 Consignment Framework Agreement, namely, Wuling Industrial and Wuling Real Estate
“CFA Proposed Annual Caps”	the annual caps of the continuing connected transactions contemplated under the 2025–2027 Consignment Framework Agreement for each of the three years ending 31 December 2027, details of which are set out in the section headed “CFA Proposed Annual Caps under the 2025–2027 Consignment Framework Agreement” of this announcement
“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
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Consignment Sale Transactions”	the consignment of the operation in relation to the sales of the Processed Scrap Materials by Wuling Industrial to Wuling Real Estate starting from 1 January 2025 contemplated under the 2025–2027 Consignment Framework Agreement

“Consignment Services”	including but not limited to the collecting, screening, processing, recycling and storing of the scrap materials arisen from the manufacturing processes and the subsequent sale and disposal of the Processed Scarp Materials, by way of tender and/or other appropriate marketing processes in accordance with the general industry practices
“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 company established in the PRC, being the ultimate beneficial controlling Shareholder which is indirectly interested in approximately 56.54% of the total number of Shares in issue of the Company
“HKFRS”	Hong Kong Financial Reporting Standards
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	Shareholder(s) other than Guangxi Automobile and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liuzhou Leased Properties”	five parcels of land and 54 buildings and constructions, all of which are located in Liuzhou, Guangxi Zhuang Autonomous Region, the PRC and with a total site area and floor area of approximately 459,043.53 square meters and 144,098.44 square meters respectively

“MTA”	master tenancy agreement entered into between Wuling Industrial and Guangxi Automobile in relation to the leasing of the Liuzhou Leased Properties and certain other properties in the PRC
“MTA Parties”	Parties to the 2025–2026 Master Tenancy Agreement, namely, Guangxi Automobile and Wuling Industrial
“Parties”	Parties to both 2025–2027 Consignment Framework Agreement and 2025–2026 Master Tenancy Agreement
“PRC”	The People’s Republic of China
“Processed Scrap Materials”	certain industrial scraps and waste arisen from the manufacturing processes (i.e. by-products) after proper screening, processing, and recycling, the management at Wuling Industrial used to take an approach that internally transforms these by-products into valued materials for sale and/or disposal
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Value of the Right-of-use Asset”	the value of the right-of-use asset recognised under the transaction contemplated under the 2025–2026 Master Tenancy Agreement of approximately RMB56,164,000
“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 a wholly-owned subsidiary of Guangxi Automobile as at the date of this announcement

“%”

per cent

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

Hong Kong, 28 November 2024

*As at the date of this announcement, the Board comprises Mr. Yuan Zhijun (Chairman), Mr. Wei Mingfeng and Ms. Zhu Fengyan as executive Directors, Mr. Li Zheng as non-executive Director, and Mr. Ye Xiang, Mr. Wang Yuben and Mr. Xu Jinli as independent non-executive Directors.*

\* *For identification purposes only*