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POWER XINCHEN

新 晨 動 力

XINCHEN CHINA POWER HOLDINGS LIMITED

新 晨 中 國 動 力 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

The Board announces that on 14 February 2018, Mianyang Xinchun, a wholly-owned subsidiary of the Company, as borrower and the Company as guarantor entered into the Facility Letters with the Lenders, respectively.

Each of the Facility Letters imposes a covenant relating to specific performance of certain controlling shareholders of the Company.

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of Xinchun China Power Holdings Limited (the “**Company**”) announces that on 14 February 2018, Mianyang Xinchun Engine Co., Ltd.* (綿陽新晨動力機械有限公司) (“**Mianyang Xinchun**”), a wholly-owned subsidiary of the Company, as borrower and the Company as guarantor entered into (i) a banking facility agreement (the “**Facility Letter A**”) with a financial institution as lender (“**Lender A**”) for a standby loan facility of up to RMB96,000,000, subject to annual review by Lender A (the “**Facility A**”); and (ii) a banking facility agreement (the “**Facility Letter B**”, together with Facility Letter A, the “**Facility Letters**”) with a financial institution as lender (“**Lender B**”, together with Lender A, the “**Lenders**”) for a term loan facility of US\$60,000,000 (the “**Facility B**”, together with Facility A, the “**Facilities**”), with the final maturity date being three years from the date of drawdown. The Lenders are independent third parties and not connected persons (as defined in the Listing Rules) of the Company.

As at the date of this announcement, the Facilities have not been drawdown.

Under each of the Facility Letters, it shall be an event of default, amongst others, if:

- (1) Brilliance China Automotive Holdings Limited (華晨中國汽車控股有限公司*) (“**Brilliance China**”), a controlling shareholder of the Company, holds less than 25% (directly or indirectly) of the issued share capital of the Company; or
- (2) Sichuan Province Yibin Wuliangye Group Co., Ltd.* (四川省宜賓五糧液集團有限公司) (“**Wuliangye**”), a controlling shareholder of the Company, holds less than 25% (directly or indirectly) of the issued share capital of the Company.

Under each of the Facility Letters, if an event of default occurs, the relevant Lender may, by notice to Mianyang Xincheng, cancel the commitments under the relevant Facility Letter and/or declare that all or part of the loan(s) together with interest accrued thereon and all other amounts accrued or payable under the relevant Facility Letter to be immediately due and payable.

As at the date of this announcement, Brilliance China is deemed or taken to be interested in approximately 31.20% of the issued share capital of the Company in which its wholly-owned subsidiary is interested; and Wuliangye is deemed or taken to be interested in approximately 31.20% of the issued share capital of the Company in which its non wholly-owned subsidiary is interested.

The Company will continue to comply with its continuing disclosure requirements under the Listing Rules for so long as such obligations remain.

By the order of the Board
Xincheng China Power Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

Hong Kong, 14 February 2018

As at the date of this announcement, the Board comprises two executive directors, Mr. Wu Xiao An (also known as Mr. Ng Siu On) (Chairman) and Mr. Wang Yunxian (Chief Executive Officer); two non-executive directors, Mr. Liu Tongfu and Mr. Yang Ming; and four independent non-executive directors, Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin.

* for identification purposes only