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HUAZHONG IN-VEHICLE HOLDINGS COMPANY LIMITED

華眾車載控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6830)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE OFFICIAL LAUNCH OF HUATAI TELEMATICS IN-VEHICLE SYSTEM

This is a voluntary announcement made by Huazhong In-Vehicle Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for keeping the shareholders and potential investors informed of the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, Huatai Telematics* (華太車聯網), an in-vehicle system, has officially been launched. So far, orders for 8,000 units of the in-vehicle system have been received, and the system is expected to be officially marketed by the end of this year.

Huatai Telematics* (華太車聯網) shall primarily provide leading mass-data value-added services through online and offline platforms to enterprises (such as car manufacturers, car services companies, insurance companies, and large e-commerce and internet enterprises) and private car users. Huatai Telematics* (華太車聯網) will be principally engaged in the development of cloud platform technology, innovative internet-related and smart phone-compatible automobile system products (mass data value-added platforms, software and hardware), and the development, production, sales and related services of integrated information, entertainment and wireless data communication products.

As China's economy continues to develop, its people's living standards requirements increase with automobiles providing speed and convenience to people as their pace of life quickens. As car users spend more and more time in their cars, they increasingly demand in their automobile internet functions such as mobile office, shopping and information exchange. Meanwhile, car services companies, insurance companies, and other related enterprises wish to provide automotive customers with quality services within the fastest time, over the shortest distance, and at the lowest cost. The market currently lacks mature Internet-connected vehicle systems that can adequately fulfill these demands.

With increasing automobile sales and ownership in China, enterprises (such as car manufacturers, car services companies, insurance companies, and large e-commerce and internet enterprises) and private car users increasingly demand Internet-connected in-vehicle systems, providing broad market prospects for Huatai Telematics* (華太車聯網).

We believe that Huatai Telematics* (華太車聯網) will become a competitive automobile internet enterprise in China, a mass data platform bringing together people, cars, smart-phone systems and e-commerce, as well as a vertically-integrated enterprise with production facilities, sales and services, providing quality services for enterprises (such as car manufacturers, car services companies, insurance companies and large e-commerce and internet enterprises) and private car users. We believe that the launch of Huatai Telematics* (華太車聯網) will enable the Company to penetrate the automotive telematics and Internet-connected vehicle system market, and to consolidate its position as a leading manufacturer of automotive parts in China.

In addition, the Company has entered into cooperation agreements with an automobile sales group and a Chinese automobile after-market mobile Internet platform, pursuant to which the Company will sell its products through these companies' sales service companies, and online and brick-and-mortar stores across China. Furthermore, through the integration of the in-vehicle system and the sharing of customer resources, an ecosystem combining automobile services, consulting and automobile shopping will be formed.

By order of the Board
Huazhong In-Vehicle Holdings Company Limited
Zhou Minfeng
Chairman and Executive Director

Hong Kong, 1 December 2015

As at the date of this announcement, the executive Directors are Mr. Zhou Minfeng and Mr. Chang Jingzhou; the non-executive Directors are Ms. Lai Cairong, Mr. Wang Yuming, Mr. He Jifeng and Mr. Guan Xin; and the independent non-executive Directors are Mr. Wong Luen Cheung Andrew, Mr. Yu Shuli, Mr. Tian Yushi and Mr. Xu Jiali.

** for identification purpose only*