

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.



CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED

中國汽車新零售（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

MAJOR AND CONNECTED TRANSACTION

(1) SUPPLEMENTAL AGREEMENT

IN RELATION TO DISPOSAL OF THE TARGET GROUP

AND

(2) FURTHER DELAY IN DISPATCH OF CIRCULAR

INTRODUCTION

Reference is made to the announcement of the China Automobile New Retail (Holdings) Limited (the “**Company**”) dated 28 May 2020, 18 June 2020, 31 July 2020, 30 September 2020, 31 December 2020 and 26 February 2021 (the “**Announcements**”) relating to the major and connected transaction in relation to disposal of the entire issued share capital of each of Magician Investments (BVI) Limited, Magician Strategic Limited and Wealthy Honor Holdings Limited, and the announcement of the Company dated 26 April 2021 (the “**Disposal of Property Announcement**”) relating to the disposal of a parcels of land at 寧波市鄞州區姜山鎮人民路26號 (No. 26, Remin Lu, Jiang Shan Zhen, Yin Zhou Qu, Ningbo Shi)* with a total site area of approximately 1,382 square metres, together with the commercial building complexes erected thereon with a total floor area of approximately 4,363.71 square metres (the “**Property**”).

Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as set out in the Announcements.

As disclosed in the Disposal of Property Announcement, seller in the disposal of the Property is 寧波新江厦連鎖超市有限公司 (Ningbo Xinjiangxia Chain Supermarket Co., Ltd.)*, which is a member of the Target Group.

SUPPLEMENTAL AGREEMENT

On 26 April 2021, the Company and the Purchaser entered into the supplemental agreement (“**Supplemental Agreement**”) to supplement the Agreement, pursuant to which, the Company and the Purchaser mutually agreed, among others, the subject matter to be disposed of in the Disposal remains unchanged as the entire issued share capital of each of the Target Companies, while the assets of the Target Group shall not include the Property and the Consideration remains unchanged.

Given the net proceeds from the disposal of the Property will remain in the Target Group, the Company and the Purchaser determined that the Consideration to remain unchanged at RMB1,250 million, which was arrived at after arm’s length negotiations between the Company and the Purchaser.

Save as disclosed above, the Supplemental Agreement and the Agreement shall be read and construed as one instrument and save as amended, all other terms and provisions of the Agreement shall remain in full force and effect.

Reasons for entering into the Supplemental Agreement

As disclosed in the Disposal of Property Announcement, the disposal of Property is expected to enable the Group to recognise an unaudited gain of approximately RMB8.3 million. The Board considers that the disposal of the Property and the entering into of the Supplemental Agreement provide the Group with an immediate cash inflow from the disposal of the Property for strengthening the Group’s liquidity and financial position and as general working capital of the Group.

FURTHER DELAY IN DISPATCH OF CIRCULAR

As stated in the Announcements, a circular (the “**Circular**”) containing, among other things, (i) further details of the Agreement, the Supplemental Agreement and the Disposal; (ii) a letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter from the independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iv) other information as required to be disclosed under the Listing Rules; and (v) a notice of the SGM and a form of proxy, was expected to be despatched to the Shareholders on or before 30 April 2021. As additional time is required to update and finalise certain information to be included in the Circular, the date of despatch of the Circular is expected to be postponed to a date falling on or before 30 July 2021.

Completion of the Disposal is subject to fulfillment of the conditions precedent set out in the Agreement, and therefore the Disposal may or may not proceed to Completion. The Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

** for identification purpose only*

By order of the Board
CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED
Cheng Jianhe
Director

Hong Kong, 26 April 2021

As at the date of this announcement, the Board comprises Mr Li Lixin, Mr Cheng Jianhe and Ms Jin Yaxue being executive Directors, Ms Cheng Weihong being non-executive Director, Mr He Chengying, Mr Shin Yick Fabian and Mr Kwong Kwan Tong being independent non-executive Directors.