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**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)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
DISPOSAL OF PROPERTY**

The Company announces that on 26 April 2021, the Seller, a non-wholly owned subsidiary of the Company and the Buyer, an Independent Third Party, entered into the Sale and Purchase Agreement, pursuant to which the Seller agreed to sell and the Buyer agreed to purchase the Property at a consideration of RMB55,000,000 (approximately HK\$65,750,000).

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

**INTRODUCTION**

The Company announces that on 26 April 2021, the Seller, a non-wholly owned subsidiary of the Company and the Buyer, an Independent Third Party, entered into the Sale and Purchase Agreement, pursuant to which the Seller agreed to sell and the Buyer agreed to purchase the Property at a consideration of RMB55,000,000 (approximately HK\$65,750,000).

The principal terms of the Sale and Purchase Agreement are as follows:

## **THE SALE AND PURCHASE AGREEMENT**

**Date:** 26 April 2021

**Parties:** Seller:  
寧波新江廈連鎖超市有限公司 (Ningbo Xinjiangxia Chain Supermarket Co., Ltd.)\*, a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company

Buyer:  
Zhou Long Ke\* 周龍科, an individual who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, is an Independent Third Party

**Property:** The site comprising the 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

### **Consideration**

The Consideration is RMB55,000,000 (approximately HK\$65,750,000), which will be paid by the Buyer in the following manner:

- (a) within three (3) days after the signing of the Sale and Purchase Agreement, the Buyer shall pay RMB1,000,000 (approximately HK\$1,190,000) to the Seller as deposit; and
- (b) the remaining balance of the Consideration shall be settled and paid by the Buyer after the completion of the transfer of the title and ownership of the Property.

The Consideration was arrived at after arm's length negotiations between the Seller and the Buyer and was determined with reference to a preliminary valuation to the Property of approximately RMB39.5 million as of February 2021 prepared under market approach by an independent valuer.

### **Completion**

Upon signing of the Sale and Purchase Agreement, the Seller and the Purchaser shall commence to transfer the title and ownership of the Property from the Seller to the Purchaser or its nominees.

## **INFORMATION OF THE PROPERTY**

The Property was utilised by the Group for operating the department stores and supermarket. The net book values of the Property as at 31 March 2020 and 31 March 2021 were approximately RMB39,100,000 and RMB38,400,000 respectively.

## **POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS**

The Disposal is expected to enable the Group to recognise an unaudited gain of approximately RMB8,300,000, being the difference between the Consideration over the carrying value of the Property before any expenses and tax. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit and will be determined as at the date of the Completion. The net proceeds from the Disposal after deducting relevant costs and expenses (before tax), estimated to be approximately RMB49,410,000, are intended to be applied for general working capital of the Group.

## **REASONS AND BENEFITS OF THE DISPOSAL**

The Company is a company incorporated in Bermuda with limited liability. Its principal activity is investment holding. The Group is principally engaged in provision of car trading platform related services, trading of imported cars manufacturing and trading of plastic and metal household products; operation of department stores and supermarkets; wholesale of alcohol, wine, beverages and electrical appliances; and investment holding.

The Directors are of the view that the Disposal would benefit the Group by providing the Group with an immediate cash inflow from the Disposal and improving the liquidity and overall financial position of the Group.

The Directors consider the terms of the Sale and Purchase Agreement are on normal commercial terms, fair and reasonable and the Disposal is in the interests of the Company and the shareholders of the Company as a whole.

## **GENERAL**

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

### **“Buyer”**

Zhou Long Ke\* 周龍科, an individual who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is an Independent Third Party

<b>“Company”</b>	China Automobile New Retail (Holdings) Limited (stock code: 526), a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
<b>“Consideration”</b>	RMB55,000,000 (approximately HK\$65,750,000), being the consideration of the Disposal
<b>“Directors”</b>	the directors of the Company
<b>“Disposal”</b>	the disposal of the Property pursuant to the terms of the Sale and Purchase Agreement
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Group”</b>	the Company and its subsidiaries
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“percentage ratios”</b>	has the meaning ascribed thereto under the Listing Rules
<b>“PRC”</b>	the People’s Republic of China, which for the purpose of this announcement and unless context suggests otherwise, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
<b>“Property”</b>	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
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Seller”</b>	寧波新江廈連鎖超市有限公司 (Ningbo Xinjiangxia Chain Supermarket Co., Ltd.), a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 26 April 2021 entered into between the Seller and the Buyer in respect of the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

*In case of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.*

*For the purpose of this announcement, the exchange rate of HK\$1.00 = RMB0.84 have been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at such a rate.*

\* *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.*