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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in China Automobile New Retail (Holdings) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED**  
**中國汽車新零售（控股）有限公司**

*(Formerly known as Lisi Group (Holdings) Limited 利時集團(控股)有限公司)*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 526)**

**PROPOSED RE-ELECTION OF DIRECTORS,  
GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of China Automobile New Retail (Holdings) Limited to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong at 3:00 p.m. on 27 September 2019 is set out on pages 12 to 14 of this circular. Whether or not you intend to attend the meeting, you are advised to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

4 September 2019

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be held on 27 September 2019 at 3:00 p.m. at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	Bye-laws of the Company
“Company”	China Automobile New Retail (Holdings) Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	30 August 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate number of issued shares of the Company as at the date of passing of the relevant resolution granting such mandate

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## DEFINITIONS

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“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers as amended from time to time
“%”	per cent.

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## LETTER FROM THE BOARD

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# CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED 中國汽車新零售（控股）有限公司

*(Formerly known as Lisi Group (Holdings) Limited 利時集團(控股)有限公司)*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 526)**

*Executive Directors*

Mr Li Lixin (Chairman)  
Mr Tong Shiping (Chief Executive Officer)  
Mr Cheng Jianhe  
Ms Jin Yaxue

*Registered office:*

Clarendon House  
Church Street  
Hamilton HM 11  
Bermuda

*Non-executive Director*

Ms Cheng Weihong

*Principal place of business in Hong Kong:*

Workshop 06 & 07, 36th Floor,  
King Palace Plaza,  
No. 52A Sha Tsui Road,  
Tsuen Wan, New Territories,  
Hong Kong

*Independent Non-executive Directors*

Mr He Chengying  
Mr Cheung Kiu Cho Vincent  
Mr Shin Yick Fabian  
Mr Kwong Kwan Tong

4 September 2019

*To the Shareholders*

Dear Sir/Madam,

### **PROPOSED RE-ELECTION OF DIRECTORS, GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, AND NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to give you information regarding (i) re-election of Directors (ii) grant of the Issue Mandate and (iii) grant of the Repurchase Mandate. This circular contains the explanatory statement required to be given to the Shareholders in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions in the AGM.

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## **LETTER FROM THE BOARD**

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### **PROPOSED RE-ELECTION OF DIRECTORS**

According to Bye-law 86(2), any Director appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly Ms Cheng Weihong and Mr Kwong Kwan Tong, being Directors appointed by the Board prior to the AGM, shall retire at the AGM and, being eligible, offer themselves for re-election.

According to Bye-law 87, at each annual general meeting one-third of the Directors (including the chairman of the Board and/or the managing director of the Company) for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall retire from office by rotation at least once every three years. Accordingly Mr Cheng Jianhe, executive Director, and Mr Shin Yich Fabian, independent non-executive Director, shall retire at the AGM and, being eligible, offer themselves for re-election.

Biographies of the Directors to be re-elected at the AGM are set out in Appendix I to this circular.

### **GENERAL MANDATE TO ISSUE SHARES**

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to allot and issue further Shares representing up to 20 per cent of the aggregate number of issued Shares of the Company at the date of passing the resolution. In addition, if the resolution for the granting of the Repurchase Mandate is passed, a resolution will be proposed to authorise the Directors to allot and issue Shares up to an amount equal to the aggregate number of Shares purchased under the Repurchase Mandate.

As at the Latest Practicable Date, the total number of issued shares of the Company comprised 8,044,020,391 Shares. Assuming that there is no change in the number of issued shares of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 1,608,804,078 Shares.

### **GENERAL MANDATE TO REPURCHASE SHARES**

At the AGM, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase the Shares subject to the criteria set out in this circular. Under the Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed such number as represents 10 per cent of the number of issued Shares of the Company on the date of the passing of the resolution. The Company's authority is restricted to purchases made on the Stock Exchange and otherwise in accordance with the Listing Rules. An explanatory statement to the Repurchase Mandate is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### AGM

Notice of the AGM is set out on pages 12 to 14 of this circular. All resolutions to be proposed at the AGM will be voted on by poll.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend, you are advised to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

### RECOMMENDATION

The Directors consider that the re-election of the Directors, the granting of the Issue Mandate and Repurchase Mandate are in the interest of the Company and the Shareholders as a whole and so recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully

By Order of the Board

**CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED**

**Li Lixin**

*Chairman*

*This appendix sets out the brief biography of each of the Directors to be re-elected at the AGM.*

### **Executive Director**

**Mr CHENG Jianhe**, aged 53, executive Director. Mr Cheng graduated from the Jiangxi University of Finance and Economics and majored in financial accounting. Mr Cheng completed the Advanced Program in Business Administration for Managers offered by Tsinghua University. He holds an Executive Master of Business Administration degree from Renmin University of China. By profession, Mr Cheng is a Certified Public Accountant in the PRC and a member of the Chinese Institute of Certified Public Accountants. Mr Cheng has over 30 years of experience in the financial management, tax planning, cost control, investment and financing management fields in various industries, including manufacturing, business and paper mills. He is currently the executive vice president of 利時集團股份有限公司 (Lisi Group Co., Ltd), a company incorporated in the PRC with limited liability, and is beneficially and wholly owned by Mr Li Lixin and his associates.

Mr Cheng did not hold any other directorship in any public listed companies in the last three years. Mr Cheng's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Cheng and the Company. Mr Cheng is not entitled to any remuneration. Mr Cheng is a director in various subsidiaries of the Company. Save as disclosed, Mr Cheng does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Cheng does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Cheng pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the shareholders.



**Non-Executive Director**

**Ms CHENG Weihong**, aged 57, non-executive Director. Ms Cheng is the founder of 天津開利星空實業有限公司 (Tianjin Kaili Xingkong Industrial Co. Ltd.), a company incorporated in the PRC principally engaged in resources consolidation and strategic planning for parallel imports of cars in the PRC. Ms Cheng was a director of China Auto Logistics Inc. a company listed on NASDAQ, until December 2017. Ms Cheng has over 21 years' experience in car imports and sales in the PRC.

Save as disclosed, Ms Cheng did not hold any other directorship in any public listed companies in the last three years. There is no service contract between Ms Cheng and the Company. Ms Cheng's appointment is for a fixed term of three years subject to retirement and re-election at the annual general meeting of the Company. Ms Cheng will not receive any remuneration as director of the Company. Ms Cheng is the spouse of Mr Tong Shiping, executive Director and chief executive officer of the Company. As at the Latest Practicable Date, Ms Cheng Weihong is interested in 956,407,702 Shares through Mighty Mark Investments Limited and 733,000,000 Shares through Hopeful Glad Limited. The entire issued share capital of Mighty Mark Investments Limited and Hopeful Glad Limited are owned by Ms Cheng Weihong. Ms Cheng's associates, being Beasy East Asia Limited, Valuable Peace Limited and two individuals, are interested in 99,144,754 Shares, 500,000,000 Shares, 2,000,000 Shares and 3,000,000 Shares respectively. Save as disclosed, Ms Cheng does not hold any other position with the Company or any of its subsidiaries. There is no information required to be disclosed by Ms Cheng pursuant to Rule 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and there is no other information that need to be brought to the attention of the shareholders.

**Independent Non-Executive Director**

**Mr SHIN Yick Fabian**, aged 50, independent non-executive Director, chairman of the audit committee and member of the remuneration committee and nomination committee. Mr Shin is currently a non-executive director of Pak Tak International Limited (2668.HK), an independent director of BIO-Key International, Inc (NASDAQ: BKYI), and an independent non-executive director of Newton Resources Limited (1231.HK), Zhengye International Holdings Company Limited (3363. HK) and China Tianrui Automotive Interiors Co., Ltd (6162.HK). Mr Shin was an independent nonexecutive director of China Shun Ke Long Holdings Ltd. (974.HK) and Huabang Financial Holdings Limited (3638.HK).

Mr Shin graduated from the University of Birmingham in England with a bachelor's degree in commerce. After graduation, he worked in the audit department of Deloitte Touche Tohmatsu. He had also worked in a listed company in Hong Kong as group financial controller and company secretary. He is a fellow member of Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountants, Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. He joined the Group in 2013.

Save as disclosed above, Mr Shin did not hold any other directorship in any public listed companies in the last three years. Mr Shin's appointment will be for a term of three years commencing from the date of election, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Shin and the Company. Mr Shin is entitled to an annual remuneration of HK\$264,000 which was determined by the Board with reference to his duties and responsibilities with the Company. Mr Shin does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company. Save as disclosed, he does not hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Shin does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Shin pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the Shareholders.

**Mr KWONG Kwan Tong**, aged 53, independent non-executive Director. Mr Kwong is currently the Chief Financial Officer, Company Secretary and Authorised Representative of Weichai Power Co., Ltd., a company listed on Hong Kong stock exchange (stock code: 2338) and Shenzhen stock exchange (stock code: 000338). Mr Kwong obtained a diploma in accountancy from the Morrison Hill Technical Institute in Hong Kong in 1987. He is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants. He has worked for companies listed on The Stock Exchange of Hong Kong Limited and has over 25 years' experience in the accounting, internal audit and financial management fields.

Save as disclosed, Mr Kwong did not hold any other directorship in any public listed companies in the last three years. There is no service contract between Mr Kwong and the Company. Mr Kwong's appointment is for a fixed term of three years subject to retirement and re-election at the annual general meeting of the Company. Mr Kwong is entitled to a remuneration of HK\$240,000 per annum. Mr Kwong has no relationship with any directors, senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr Kwong no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr Kwong does not hold any other position with the Company or any of its subsidiaries. There is no information required to be disclosed by Mr Kwong pursuant to Rule 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and there is no other information that need to be brought to the attention of the shareholders.

This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Mandate.

### **1. SHARE CAPITAL**

On the Latest Practicable Date, there were in issue an aggregate of 8,044,020,391 ordinary Shares of HK\$0.01 each in the Company. Exercise in full of the Repurchase Mandate, on the basis that no further Shares of the Company are issued or repurchased prior to the date of the AGM, would result in up to a maximum of 804,402,039 Shares being repurchased by the Company. The Repurchase Mandate allows the Company to make or agree to make purchases only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or by the Bye-laws (as amended from time to time) or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **2. REASON FOR REPURCHASE SHARES**

Although the Directors have no present intention of repurchasing any Shares, they consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase as and when appropriate and is beneficial to the Company. Such repurchases may enhance the Company's net asset value and/or earnings per share. The Directors would only make such purchases in circumstances whereby they consider them to be in the best interests of the Company and the Shareholders as a whole.

As compared with the financial position of the Company at 31 March 2019 (being the date to which the latest audited financial statements of the Company have been made up), the Directors consider that there might be material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Mandate were exercised in full. No repurchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

### **3. FUNDING OF REPURCHASES**

Repurchase of the Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the repurchase in accordance with the Bye-laws (as amended from time to time) and the applicable laws of Bermuda. Under the laws of Bermuda, the repurchased Shares will be cancelled and the Company's issued share capital will be reduced by the nominal value of those repurchased Shares accordingly. However, the aggregate amount of the Company's authorised share capital will not be reduced.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date respectively are as follows:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2018</b>		
August	0.980	0.690
September	1.060	0.830
October	1.120	0.880
November	1.000	0.830
December	1.000	0.850
<b>2019</b>		
January	1.000	0.840
February	0.900	0.830
March	0.920	0.700
April	0.890	0.750
May	0.880	0.750
June	0.860	0.740
July	0.860	0.750
August (up to the Latest Practicable Date)	0.810	0.680

#### 5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules, all applicable laws of Bermuda, and in accordance with the regulations set out in the memorandum of association and Bye-laws (as amended from time to time).

#### 6. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of the close associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell any Shares to the Company nor has he/she undertaken not to sell any Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

## **7. EFFECT OF TAKEOVERS CODE**

If, as a result of repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, may be treated, as a result of repurchase of Shares by the Company, as having obtained or consolidated control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr Li Lixin ("Mr Li"), Chairman and executive Director of the Company, together with his controlled corporations and his son, had in aggregate 2,805,911,680 Shares, representing 34.88% of the Shares of the Company in issue. Ms Cheng Weihong (Ms Cheng"), non-executive Director of the Company, through her controlled corporations and together with her associates, had in aggregate 2,293,552,456 Shares, representing 28.51% of the Shares of the Company in issue.

If the respective holdings of voting rights in the Company by Mr Li and Ms Cheng (as disclosed above), both being substantial Shareholders of the Company, increase by more than 2% from their lowest percentage holdings in the 12 months ending on date of a repurchase of Shares by the Company, Mr Li and Ms Cheng may be obliged to make a mandatory general offer under the Takeovers Code unless a waiver is granted by the Securities and Futures Commission. The Directors do not presently envisage exercising the Repurchase Mandate to effect on-market repurchase of Shares in circumstances where this will trigger such mandatory general offer obligation for Mr Li and Ms Cheng under the Takeovers Code.

## **8. SHARE REPURCHASE MADE BY THE COMPANY**

In the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

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## NOTICE OF THE ANNUAL GENERAL MEETING

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### CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED 中國汽車新零售（控股）有限公司

*(Formerly known as Lisi Group (Holdings) Limited 利時集團(控股)有限公司)*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 526)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of China Automobile New Retail (Holdings) Limited (中國汽車新零售(控股)有限公司) (“Company”) will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 27 September 2019 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors (“Directors”) and auditors of the Company for the year ended 31 March 2019.
2.
  - (a) To re-elect Mr Cheng Jianhe as executive Director;
  - (b) To re-elect Ms Cheng Weihong as non-executive Director;
  - (c) To re-elect Mr Shin Yick Fabian as independent non-executive Director;
  - (d) To re-elect Mr Kwong Kwan Tong as independent non-executive Director;
  - (e) To authorize the board of Directors to fix the remunerations of the Directors.
3. To appoint KPMG as the Company’s auditor until the conclusion of the forthcoming annual general meeting and to authorise the board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

4. **“THAT**
  - (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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(c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue (as defined below) or the exercise of the subscription rights under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate number of issued shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company (“Bye-laws”) or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

5. **“THAT**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent of the aggregate number of issued shares of the Company as at the date of this resolution and the said approval be limited accordingly; and

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## NOTICE OF THE ANNUAL GENERAL MEETING

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(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon resolution no. 5 above being passed, the aggregate number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 5 above shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 4 above.”

By Order of the Board  
**CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED**  
**Li Lixin**  
*Chairman*

Date: 4 September 2019

*Notes:*

- 1 A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- 2 To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited with the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.
4. In order to attend the AGM, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 24 September 2019.

*As at the date of this notice, the Board comprises Mr Li Lixin (Chairman), Mr Tong Shiping, Mr Cheng Jianhe and Ms Jin Yaxue being executive Directors, Ms Cheng Weihong being non-executive Director, Mr He Chengying, Mr Cheung Kiu Cho Vincent, Mr Shin Yick Fabian and Mr Kwong Kwan Tong being independent non-executive Directors.*