

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)

CONTINUING CONNECTED TRANSACTIONS

2022 Lease Agreement, 2022 Mutual Supply Agreement, 2022 Export Agency Agreement and 2022 Import Agency Agreement

On 20 December 2021 after trading hours, Lisi Household, a wholly owned subsidiary of the Company, entered into (i) the 2022 Lease Agreement with Da Mei to lease the Property; (ii) the 2022 Export Agency Agreement with Lisi Import & Export for the provision of export agency services and (iii) the 2022 Import Agency Agreement with Lisi Import & Export for the provision of import agency services.

On 20 December 2021 after trading hours, New JoySun, a wholly owned subsidiary of the Company, entered into the 2022 Mutual Supply Agreement with Lisi Group for the mutual supply of products to each other.

Da Mei, Lisi Import & Export and Lisi Group are connected persons of the Company. Accordingly, each of the 2022 Lease Agreement, the 2022 Mutual Supply Agreement, the 2022 Export Agency Agreement and the 2022 Import Agency Agreement constitutes continuing connected transactions for the Company.

Since the applicable percentage ratios under Chapter 14A of the Listing Rules in respect of the maximum annual values under the 2022 Lease Agreement and the 2022 Mutual Supply Agreement are more than 0.1% but less than 5%, therefore, the 2022 Lease Agreement and the 2022 Mutual Supply Agreement are subject to the reporting and announcement requirements but exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios under Chapter 14A of the Listing Rules in respect of the maximum aggregate annual values under each of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement are more than 5%, each of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

An independent board committee, comprising all the independent non-executive Directors has been established to advise the Independent Shareholders on the terms of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement. The Board has appointed Lego Corporate Finance Limited as independent financial adviser to advise the independent board committee and the Independent Shareholders on the terms of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the 2022 Export Agency Agreement and the 2022 Import Agency Agreement; (ii) the recommendation from the independent board committee; (iii) a letter of advice from an independent financial adviser to the Independent Shareholders and (iv) notice of the SGM, will be despatched to the Shareholders on or before 10 January 2022.

THE 2022 LEASE AGREEMENT

Date

20 December 2021

Parties

- (i) 達美(寧波)新材料有限公司 (Da Mei (Ningbo) New Materials Company Limited*) as the lessor; and
- (ii) 寧波利時日用品有限公司 (Ningbo Lisi Household Products Company Limited*) as the lessee.

Da Mei is principally engaged in property holding. Da Mei is a non-wholly owned subsidiary of Lisi Group, which is beneficially owned as to 98.15% by Mr Li Lixin, an executive Director and the controlling shareholder of the Company, and his son. Therefore Da Mei is a connected person of the Company.

Subject Matter

Da Mei shall lease the Property to Lisi Household pursuant to the terms and conditions of the 2022 Lease Agreement.

Details of Property

Description	Approximate gross area
Workshop (1st Floor)	24,823.56 sq. m
Workshop (2nd Floor)	15,055.93 sq. m
Office (2nd to 5th Floor)	10,759.49 sq. m

Term

The 2022 Lease Agreement is for a term of nine months commencing from 1 January 2022 and expiring on 30 September 2022.

Historical transaction amount

The historical amounts of rental payments paid to Da Mei under the 2018 Lease Agreement are as follows:

Period	Amount
From 1 January 2019 to 31 March 2019	RMB1,596,726
From 1 April 2019 to 31 March 2020	RMB6,386,904
From 1 April 2020 to 31 March 2021	RMB6,386,904
From 1 April 2021 to 30 November 2021	RMB4,257,936

Consideration and annual cap

The monthly rental for the Property shall be approximately RMB701,528. A security deposit equivalent to one month's rental will be paid to Da Mei. The rental shall be payable quarterly.

The monthly rental was determined after arm's length negotiations by the parties with reference to the market rental charge for adjacent lands and buildings in the local property market.

The aggregate amount of rent payable by Lisi Household to Da Mei for the entire lease term of the 2022 Lease Agreement (from 1 January 2022 to 30 September 2022) will not exceed RMB6,313,752. The above annual cap has been determined by the Directors after arm's length negotiations between Da Mei and Lisi Household with reference to (i) the historical amount of rent paid to Da Mei under the 2018 Lease Agreement; and (ii) the prevailing market rent of comparable properties in the vicinity.

THE 2022 MUTUAL SUPPLY AGREEMENT

Date

20 December 2021

Parties

- (i) New JoySun (for itself and on behalf of its subsidiaries); and
- (ii) Lisi Group (for itself and on behalf of its subsidiaries).

Term

The term of the 2022 Mutual Supply Agreement is from 1 January 2022 to 31 December 2024, unless at any time any one party gives at least three (3) months' prior notice of termination to the other party.

Mutual supply of products

Pursuant to the 2022 Mutual Supply Agreement, New JoySun agreed to procure its subsidiaries to supply to Lisi Group and its subsidiaries household electronic appliances, food and beverage products.

In return, Lisi Group agreed to procure its subsidiaries to supply to New JoySun and its subsidiaries certain household products.

The parties will enter into individual supply contracts to set out specific terms of supply including but not limited to the products to be supplied, price, payment terms and terms of delivery. Such terms will be consistent with the principles and the terms of the 2022 Mutual Supply Agreement. If there is any conflict between the terms of an individual supply contract and the 2022 Mutual Supply Agreement, the latter shall prevail.

Pricing basis and payment terms

The terms of the individual supply contracts including unit price of the products and payment terms shall be determined and negotiated based on normal commercial terms and with reference to the prevailing fair market prices of comparable products, and such terms shall be no less favourable than those offered to or from New JoySun and its subsidiaries by or to independent third parties. For further information about the pricing policy of the Company in respect of the 2022 Mutual Supply Agreement, please refer to the section headed "Internal Control" below.

Depending on the products to be supplied, market demand, level of inventory and volume and time of delivery for each transaction, it is generally expected that payment shall be made by telegraphic transfer or by cash. The time of payment will be negotiated upon the parties entering into individual supply contracts.

Historical transaction amount

The historical transaction amount in respect of the mutual supply of products between New JoySun and Lisi Group and their respective subsidiaries under the 2018 Mutual Supply Agreement are as follows:

Period	Supply of products from New JoySun to Lisi Group (RMB)	Supply of products from Lisi Group to New JoySun (RMB)	Total (RMB)
From 1 January 2019 to 31 March 2019	257,000	–	257,000
From 1 April 2019 to 31 March 2020	2,664,000	–	2,664,000
From 1 April 2020 to 31 March 2021	8,993,000	1,403,000	10,396,000
From 1 April 2021 to 30 November 2021	4,785,000	–	4,785,000

Annual Caps

The respective gross transaction amounts during the term of the 2022 Mutual Supply Agreement are expected not to exceed the following amounts:

Period	Supply of products from New JoySun to Lisi Group (RMB)	Supply of products from Lisi Group to New JoySun (RMB)	Total (RMB)
From 1 January 2022 to 31 March 2022	3,037,000	300,000	3,337,000
From 1 April 2022 to 31 March 2023	12,391,000	1,200,000	13,591,000
From 1 April 2023 to 31 March 2024	13,382,500	1,200,000	14,582,500
From 1 April 2024 to 31 December 2024	10,627,500	900,000	11,527,500

The above annual caps are determined, after arm's length negotiations between the parties with reference to, among others (i) the historical transaction amount for similar transactions between New JoySun and Lisi Group under the 2018 Mutual Supply Agreement; (ii) the price of comparable products sold to or purchased from independent third parties; and (iii) the expected growth in business between New JoySun and Lisi Group.

THE 2022 EXPORT AGENCY AGREEMENT

Date

20 December 2021

Parties

- (i) 寧波利時進出口有限公司 (Lisi Import and Export Company Limited*); and
- (ii) 寧波利時日用品有限公司 (Ningbo Lisi Household Products Company Limited*).

Lisi Import & Export is principally engaged in import and export of goods and materials in the PRC. Lisi Import & Export is owned as to 80% by Lisi Group and 18.18% by a company wholly owned by Mr. Li Lixin and his son. Therefore Lisi Import & Export is a connected person of the Company.

Subject Matter

Lisi Import & Export shall provide export agency services to Lisi Household pursuant to the 2022 Export Agency Agreement. These export agency services primarily include assisting Lisi Household on handling government applications such as custom declarations, and settlement services and other liaison services between local government departments and the customers as requested by Lisi Household from time to time. The major category of products involved in the 2022 Export Agency Agreement will be plastic and metal household products. Lisi Import & Export would provide all such requested services for every transaction assigned by the Group.

Term

The 2022 Export Agency Agreement is for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 subject to approval being obtained from the Independent Shareholders at the SGM.

Consideration

For the provision of the export agency services, Lisi Import & Export will charge an amount calculated based on the formula as set out in the 2022 Export Agency Agreement, which is equivalent to approximately 1.11% (subject to the change of the value added tax rebate on exports) of the gross transactions amounts to be handled by Lisi Import & Export on behalf of Lisi Household as at the date of this announcement. Currently the rate of value added tax is 13% and the tax rebate is 13%. Change in the tax rebate from 0% to 13% will result in change in the rate of the export service fee from approximately 0.98% to 1.13% respectively. The actual export service fee in RMB will be subject to exchange rate fluctuations. The service fee is payable within three days after completion of each transaction which is no less favourable than those offered by other independent third party agents.

The rate of service fees was determined after arm’s length negotiations by the parties with reference to the market rates of comparable companies engaging in similar services.

Condition precedent

The 2022 Export Agency Agreement is conditional upon the approval being obtained from the Independent Shareholders at the SGM.

Historical transaction amount

The historical amounts of service fees paid to Lisi Import & Export under the 2018 Export Agency Agreement are as follows:

Period	Amount
From 1 January 2019 to 31 March 2019	RMB1,056,000
From 1 April 2019 to 31 March 2020	RMB5,240,000
From 1 April 2020 to 31 March 2021	RMB6,789,000
From 1 April 2021 to 30 November 2021	RMB5,903,000

Annual Caps

The respective amounts of service fees payable to Lisi Import & Export during the term of the 2022 Export Agency Agreement are expected not to exceed the following amounts:

Period	Amount
From 1 January 2022 to 31 March 2022	RMB3,250,000
From 1 April 2022 to 31 March 2023	RMB13,150,000
From 1 April 2023 to 31 March 2024	RMB15,780,000
From 1 April 2024 to 31 December 2024	RMB13,320,000

The above proposed annual caps have been determined by the Directors with reference to, among others, (i) the amount of past transactions between Lisi Import & Export and Lisi Household under the 2018 Export Agency Agreement, (ii) the estimated annual sales of Lisi Household of approximately USD210 million for the calendar year of 2022, (iii) the expected growth of the business of Lisi Household at the rate of 20% per annum and the corresponding increase in the service fees payable for the calendar years from 2022 to 2024, and (iv) buffer for the annual growth and the impact of exchange rate fluctuation on export activities (assuming further depreciation of the RMB exchange rate for up to 5% per year).

The estimated growth rate of the business of Lisi Household of 20% per annum is based on, among others, the following assumptions: (i) the amount of past transactions between Lisi Import & Export and Lisi Household under the 2018 Export Agency Agreement; (ii) the strength of Lisi Household in maintaining and enlarging its customer base; (iii) the continuous effort of the Group in cost control measures and business strategy of focusing on higher margin products and customers and development of new products and customers; and (iv) the sales growth of Lisi Household supported by continuous exchange rate depreciation of RMB in coming years which is widely expected in the market.

THE 2022 IMPORT AGENCY AGREEMENT

Date

20 December 2021

Parties

- (i) 寧波利時進出口有限公司 (Lisi Import and Export Company Limited*); and
- (ii) 寧波利時日用品有限公司 (Ningbo Lisi Household Products Company Limited*).

By the reasons as set out in the section headed “The 2022 Export Agency Agreement” above, Lisi Import & Export is a connected person of the Company.

Subject Matter

Lisi Import & Export shall provide import agency services to Lisi Household pursuant to the 2022 Import Agency Agreement. These services include the handling of government applications, settlement services and the provision of guarantees in respect of payment obligations under raw materials or goods purchase contracts entered into between Lisi Household with other third parties. The government applications would include customs declarations and tax refund. The major category of products involved will be raw materials such as polypropylene and copolyester. Lisi Import & Export would provide all such services for every transaction assigned by the Group. In providing the import agency services, due to customs declaration, it is necessary for Lisi Import & Export to purchase the products in its name and resell the products to the Group at costs.

Term

The 2022 Import Agency Agreement is for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 subject to approval being obtained from the Independent Shareholder at the SGM.

Consideration

Lisi Household will purchase raw materials or goods from Lisi Import & Export at costs. In addition, for the provision of the import agency services, Lisi Import & Export will charge an amount equivalent to 0.6% of the gross transaction amounts handled by Lisi Import & Export on behalf of Lisi Household. The purchase price and the service fees are payable after completion of each transaction which is no less favourable than those offered by other independent third party agents.

The rate of service fees was determined after arm's length negotiations by the parties with reference to the market rates of comparable companies engaging in similar services.

Condition precedent

The 2022 Import Agency Agreement is conditional upon the approval being obtained from the Independent Shareholders at the SGM.

Historical transaction amount

The historical gross transaction amounts with Lisi Import & Export under the 2018 Import Agency Agreement are as follows:

Period	Amount
From 1 January 2019 to 31 March 2019	RMB10,020,000
From 1 April 2019 to 31 March 2020	RMB76,405,000
From 1 April 2020 to 31 March 2021	RMB98,663,000
From 1 April 2021 to 30 November 2021	RMB92,004,000

Annual Caps

The respective gross transaction amounts with Lisi Import & Export during the term of the 2022 Import Agency Agreement are expected not to exceed the following amounts:

Period	Amount
From 1 January 2022 to 31 March 2022	RMB27,200,000
From 1 April 2022 to 31 March 2023	RMB163,400,000
From 1 April 2023 to 31 March 2024	RMB183,400,000
From 1 April 2024 to 31 December 2024	RMB166,000,000

The above proposed annual caps have been determined by the Directors with reference to, among others, (i) the amount of past transactions between Lisi Import & Export and Lisi Household under the 2018 Import Agency Agreement; (ii) the annual purchase of Lisi Household under the 2018 Import Agency Agreement for calendar year of 2021 in the approximate amount of RMB118 million; (iii) the expected growth of the business of Lisi Household at the rate of 15% per annum for the calendar years of 2022 to 2024; and (iv) buffer for the annual growth and the impact of exchange rate fluctuation on import activities (assuming further depreciation of the RMB exchange rate for 5% per year).

INTERNAL CONTROL

The Company has established various internal control measures in order to ensure that the transactions under the 2022 Lease Agreement, the 2022 Mutual Supply Agreement, the 2022 Export Agency Agreement and the 2022 Import Agency Agreement will be conducted in accordance with the pricing policies of the Group and their respective terms are on normal commercial terms or on terms no less favourable than those offered by independent third parties for similar products or services in its ordinary and usual course of business. Such internal control measures mainly include the following:

- (i) The management obtains price quotation from at least two independent service providers or suppliers (subject to practical availability and feasibility), taking into account factors including the relevant experience, capability and available resources of the service providers or suppliers (“**Factors**”), to ensure the quality standards of the service providers or suppliers.
- (ii) In the event that the pricing terms and the Factors offered by Lisi Group and/or Lisi Import & Export (as the case may be) are not considered to be comparable with the pricing terms and the Factors offered by the other independent service providers or suppliers, the Group will not approve and accept the price quotation from Lisi Group and/or Lisi Import & Export (as the case may be). The final acceptance of price quotation offered by Lisi Group and/or Lisi Import & Export (as the case may be) shall be approved by the senior management of the Group in accordance with the pricing policies of the Group and will not be prejudicial to the interests of the Group and the Shareholders as a whole.
- (iii) The operation team of the Company conducts regular checks (once per quarter) on whether the transactions under the 2022 Lease Agreement, the 2022 Mutual Supply Agreement, the 2022 Export Agency Agreement and the 2022 Import Agency Agreement are conducted in accordance with the agreed contract terms.
- (iv) The independent non-executive Directors will conduct annual review with respect to the continuing connected transactions of the Company throughout the preceding financial year and confirm on the transactional amounts and terms of the continuing connected transactions in the annual report of the Company pursuant to the requirements under the Listing Rules, and to ensure that the transactions are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of the relevant agreements governing the continuing connected transactions.

REASONS FOR THE 2022 LEASE AGREEMENT, 2022 MUTUAL SUPPLY AGREEMENT, 2022 EXPORT AGENCY AGREEMENT AND 2022 IMPORT AGENCY AGREEMENT

The principal activities of the Group are (i) provision of car trading platform related services; (ii) trading of imported cars; (iii) manufacturing and trading of plastic and metal household products; (iv) operation of department stores and supermarkets; (v) wholesale of alcohol, wine, beverages and electrical appliances and (vi) investment holding.

The 2022 Lease Agreement, the 2022 Export Agency Agreement and the 2022 Import Agency Agreement will enable Lisi Household to make use of the Property as its factory and office and the export and import agency services provided by Lisi Import & Export which are necessary for the continued smooth operation of Lisi Household's business.

The 2022 Mutual Supply Agreement will enable the Group to acquire prompt and stable supply of products from Lisi Group, thus lowering the operation risks and costs and facilitating the Group's routine management on its business operations.

Each of the 2022 Lease Agreement, 2022 Mutual Supply Agreement, 2022 Export Agency Agreement and 2022 Import Agency Agreement is a renewal of the respective existing agreements of the same subject matters which shall expire on 31 December 2021.

Since Mr. Li Lixin, who is an executive Director and the controlling shareholder of the Company, has material interest in each of the 2022 Lease Agreement, 2022 Mutual Supply Agreement, 2022 Export Agency Agreement and 2022 Import Agency Agreement, he has abstained from voting on the Board resolutions approving the 2022 Lease Agreement, 2022 Mutual Supply Agreement, 2022 Export Agency Agreement and 2022 Import Agency Agreement.

In respect of the 2022 Lease Agreement and the 2022 Mutual Supply Agreement, the Directors (including the independent non-executive Directors) are of the view that the terms of the 2022 Lease Agreement and the 2022 Mutual Supply Agreement, including their respective annual caps, are fair and reasonable and on normal commercial terms or better and in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

In respect of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement, the Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee to be contained in the circular) are of the view that the terms of each of the 2022 Export Agency Agreement and 2022 Import Agency Agreement including their respective annual caps, are fair and reasonable and on normal commercial terms or better and in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Da Mei is a non-wholly owned subsidiary of Lisi Group, which is beneficially owned as to 98.15% by Mr Li Lixin, an executive Director and the controlling shareholder of the Company, and his son. Lisi Import & Export is owned as to 80% by Lisi Group and 18.18% by a company wholly owned by Mr Li Lixin and his son. Therefore, Da Mei, Lisi Import & Export and Lisi Group are connected persons of the Company. Accordingly, each of the 2022 Lease Agreement, the 2022 Mutual Supply Agreement, the 2022 Export Agency Agreement and the 2022 Import Agency Agreement constitutes continuing connected transactions for the Company.

GENERAL

Since the applicable percentage ratio under Chapter 14A of the Listing Rules in respect of the maximum annual values under the 2022 Lease Agreement and the 2022 Mutual Supply Agreement are more than 0.1% but less than 5%, therefore, the 2022 Lease Agreement and the 2022 Mutual Supply Agreement is subject to the reporting and announcement requirements but exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios under Chapter 14A of the Listing Rules in respect of the maximum aggregate annual values under each of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement are more than 5%, each of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement are subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

An independent board committee, comprising all the independent non-executive Directors has been established to advise the Independent Shareholders on the terms of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement. The Board has appointed Lego Corporate Finance Limited as independent financial adviser to advise the independent board committee and the Independent Shareholders on the terms of the 2022 Export Agency Agreement and the 2022 Import Agency Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the 2022 Export Agency Agreement and the 2022 Import Agency Agreement; (ii) the recommendation from the independent board committee; (iii) a letter of advice from an independent financial adviser to the Independent Shareholders and (iv) notice of the SGM, will be despatched to the Shareholders on or before 10 January 2022.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“2018 Export Agency Agreement”	the export agency agreement dated 22 November 2018 made between Lisi Import & Export and Lisi Household relating to the provision of export agency services
“2018 Import Agency Agreement”	the import agency agreement dated 22 November 2018 made between Lisi Import & Export and Lisi Household relating to the provision of import agency services
“2018 Lease Agreement”	the lease agreement dated 22 November 2018 made between Da Mei (as lessor) and Lisi Household (as lessee) relating to the leasing of the Property
“2018 Mutual Supply Agreement”	the mutual supply agreement dated 22 November 2018 between New JoySun (for itself and on behalf of its subsidiaries) and Lisi Group (for itself and on behalf of its subsidiaries)
“2022 Export Agency Agreement”	the export agency agreement dated 20 December 2021 made between Lisi Import & Export and Lisi Household relating to the provision of export agency services
“2022 Import Agency Agreement”	the import agency agreement dated 20 December 2021 made between Lisi Import & Export and Lisi Household relating to the provision of import agency services
“2022 Lease Agreement”	the lease agreement dated 20 December 2021 made between Da Mei (as lessor) and Lisi Household (as lessee) relating to the leasing of the Property
“2022 Mutual Supply Agreement”	the mutual supply agreement dated 20 December 2021 between New JoySun (for itself and on behalf of its subsidiaries) and Lisi Group (for itself and on behalf of its subsidiaries)
“Board”	the Board of directors of the Company
“Company”	China Automobile New Retail (Holdings) Limited (stock code: 526), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange

“Da Mei”	達美(寧波)新材料有限公司 (Da Mei (Ningbo) New Materials Company Limited*), a sino-foreign equity joint venture incorporated under the laws of the PRC
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders who are not involved or interested in the transactions contemplated under the 2022 Export Agency Agreement and the 2022 Import Agency Agreement
“Lisi Group”	利時集團股份有限公司 (Lisi Group Co., Ltd*)
“Lisi Household”	寧波利時日用品有限公司 (Ningbo Lisi Household Products Company Limited*), a wholly foreign owned enterprise established in the PRC and a wholly owned subsidiary of the Company
“Lisi Import & Export”	寧波利時進出口有限公司 (Lisi Import and Export Company Limited*)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New JoySun”	寧波新江廈股份有限公司 (New JoySun Corp.*), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“PRC”	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
“Property”	39,879.49 square meters of factory space and 10,759.49 square meters of office premises located in中國寧波市鄞州區投資創業中心誠信路518號(518 Cheng Xin Lu, Yinzhou Investment & Venture Centre, Yinzhou, Ningbo, PRC*) which is the subject matter of the 2022 Lease Agreement

“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting to be convened by the Company for the purposes of considering and, if thought fit, approving the 2022 Export Agency Agreement and the 2022 Import Agency Agreement and the respective transactions contemplated thereunder
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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

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

Hong Kong, 20 December 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.

* *for identification purpose only*