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重慶長安民生物流股份有限公司
Changan Minsheng APLL Logistics Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01292)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF LAND AND PROPERTY**

ACQUISITION

The Board is pleased to announce that on 29 July 2022, Shenyang Changyou, a non-wholly owned subsidiary of the Company, as Purchaser, entered into the Real Estate Purchase and Sale Agreement with Changyou Parts, as Vendor, for the acquisition of certain land and property located in Dadong District, Shengyang, the PRC at a consideration of RMB 68,522,400 after trading hours.

LISTING RULES IMPLICATIONS

Changyou Parts is a wholly-owned subsidiary of Changyou Automobile, which in turn is a substantial shareholder of Shenyang Changyou and therefore a connected person at the subsidiary level of the Company under Chapter 14A of the Listing Rules.

Based on the financial statements of Shenyang Changyou of the latest three financial years ended 31 December 2019, 2020 and 2021, as the total assets, profits and revenue of Shenyang Changyou compared to those of the Group are less than 10% under the percentage ratios for each of the latest three financial years, Shenyang Changyou will be regarded as an insignificant subsidiary pursuant to Rule 14A.09 of the Listing Rules.

Given the application of the insignificant subsidiary exemption under Chapter 14A of the Listing Rules, Changyou Parts will not be regarded as a connected person of the Group and the Acquisition is therefore exempted from any reporting and annual review requirements under Chapter 14A of the Listing Rules.

However, as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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Date
29 July 2022

Parties

- (i) Shenyang Changyou, as Purchaser; and
- (ii) Changyou Parts, as Vendor

Asset to be acquired

Pursuant to the Real Estate Purchase and Sale Agreement, the Purchaser has agreed to acquire, and the Vendor has agreed to sell certain land and property, located in Dadong District, Shengyang, which consists of one production plant and one ancillary office building, covering a land area of 31,979 square meters and a building floor area of 19,972.50 square meters, approximately 10 kilometers away from BMW Brilliance Plant Dadong.

Consideration of the Acquisition

The consideration of the Acquisition is RMB68,522,400, which was determined after arm's length negotiation between the Purchaser and the Vendor having taken into account, among others, (i) the valuation of the Land and Property according to an evaluation report prepared based on cost approach, market approach and coefficient correction method of benchmark price by China Enterprise Appraisals Co., Ltd., and (ii) the related tax arising out of the transaction.

The consideration of the Acquisition will be funded by internal resources of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

At present, Shenyang Changyou rents the plant of Changyou Parts for G18 wheel assembly project. In order to strengthen the wheel assembly project of BMW, one of the core customers of the Group, and expand other business, Shenyang Changyou decided to purchase the current rent production plant and ancillary office building.

The Acquisition is in line with Shenyang Changyou's strategy. Purchasing the plant will reduce Shenyang Changyou's operation cost, control operation risks and improve business efficiency. In addition, the Acquisition will help to build "green" industrial chain, solar photovoltaics and new energy capacity, and upgrade green intelligent plants.

CONFIRMATION OF THE BOARD

The transaction contemplated thereunder was considered and approved by the Board. No directors are required to abstain from voting in respect of the Acquisition.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Real Estate Purchase and Sale Agreement are on normal commercial terms and on terms that are fair and reasonable, and that entering into the Real Estate Purchase and Sale Agreement is in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE PARTIES

The Company is a foreign-invested limited liability company incorporated in the PRC and provides a variety of logistics services mainly for car manufacturers and car component and parts suppliers in China.

Shenyang Changyou is a non-wholly owned subsidiary of the Company, of which 51% is owned by the Company and the remaining 49% is owned by Changyou Automobile. Shenyang Changyou is mainly engaged in supply chain management; production of automobile components and modules; storage (other than dangerous chemicals), distribution, packaging and assembly; transport of finished vehicles and ordinary freight; production, sale, leasing and maintenance of containers; provision of

business information consulting services; logistics planning, management and consulting services; logistics equipment and facilities leasing; import and export of goods, and import and export of technology.

Changyou Parts was established on 20 August 2019 in the PRC. According to the information currently available to the Company, Changyou Parts is a wholly-owned subsidiary of Changyou Automobile. Changyou Automobile is 60% owned by Shenyang China-Germany Park Development and Construction Group Co., Ltd.* (沈陽中德園開發建設集團有限公司), which in turn is ultimately owned by Shenyang Economic and Technological Development Zone Committee, and the remaining 40% of Changyou Automobile is owned by Shenyang Tairuier Auto Parts Co., Ltd* (沈陽泰銳爾汽車部件有限公司), which in turn is owned by Mr. Zhang Honghe. Changyou Parts is mainly engaged in production and sale of automobile components and modules; storage (other than dangerous chemicals); road transport of goods; transport of ordinary freight; production, sale, leasing and maintenance of plastics; provision of business information consulting services.

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Given the application of the insignificant subsidiary exemption under Chapter 14A of the Listing Rules, Changyou Parts will not be regarded as a connected person of the Group and the Acquisition is therefore exempted from any reporting and annual review requirements under Chapter 14A of the Listing Rules.

However, as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Acquisition”	the proposed acquisition of certain land and property, located in Dadong District, Shengyang, the PRC pursuant to the terms of the Real Estate Purchase and Sale Agreement
“Real Estate Purchase and Sale Agreement”	an agreement entered into between Shenyang Changyou, a non-wholly owned subsidiary of the Company, and Changyou Parts on 29 July 2022 in relation to the sale and purchase of certain land and property, located in Dadong District, Shengyang, PRC
“Board”	the board of directors of the Company

“Company”	Changan Minsheng APLL Logistics Co., Ltd.* (重慶長安民生物流股份有限公司), a limited company incorporated in the PRC
“Changyou Automobile”	Shenyang Changyou Automobile Supply Chain Co., Ltd.* (沈陽長友汽車供應鏈有限公司)
“Changyou Parts”	Shenyang Changyou Auto Parts Co., Ltd.* (沈陽長友汽車部件有限公司)
“Director(s)”	member(s) of the Board of the Company
“Group”	the Company and its subsidiaries from time to time
“insignificant subsidiary”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shenyang Changyou”	Shenyang Changyou Supply Chain Co., Ltd. * (沈陽長友供應鏈有限公司), a limited company incorporated in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board

Changan Minsheng APLL Logistics Co., Ltd.

Xie Shikang

Chairman

Chongqing, the PRC

29 July 2022

As at the date of this announcement, the board of directors of the Company comprises: (1) Mr. Xie Shikang, Mr. Chen Wenbo and Mr. Wan Nianyong as executive directors; (2) Mr. Che Dexi, Mr. Man Hin Wai Paul (also known as Paul Man) and Mr. Xia Lijun as non-executive directors; (3) Mr. Chong Teck Sin, Mr. Poon Chiu Kwok, Mr. Jie Jing and Ms. Zhang Yun as independent non-executive directors.

** For identification purpose only*