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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 or registered institution in securities, 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, together with the enclosed form of proxy, to the purchaser(s) or the transferee(s) or to the bank manager, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

PROPOSALS FOR (1) RE-ELECTION OF DIRECTORS; (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES; (3) CHANGE OF COMPANY NAME AND (4) NOTICE OF ANNUAL GENERAL MEETING

Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as defined under the section “Definitions” of this circular.

A notice convening the AGM to be held at 14/F., Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong on Thursday, 29 September 2022 at 3:00 p.m. is set out on pages AGM-1 and AGM-5 of this circular.

Whether or not you are able to attend the AGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not later than 48 hours before the time designated for holding the AGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish and in such event the relevant form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE AGM

Please see page ii of this circular for measures being taken to prevent and control the spread of the COVID-19 pandemic, including but not limited to:

- compulsory temperature check before entering the AGM Venue, and those with a body temperature of over 37.3 degrees Celsius or with the flu-like symptoms or is otherwise unwell will not be admitted to the AGM Venue;
- wearing of surgical face mask is compulsory at any time within the AGM Venue; and
- signing of health declaration form before admission to the AGM Venue.

Any person who declines any of the aforementioned precautionary measures will not be admitted to the AGM Venue. The Company reminds the Shareholders that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

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PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing COVID-19 pandemic, the Company will adopt the following precautionary measures at the AGM in order to safeguard the health and safety of the Shareholders, staff and stakeholders who attend the AGM in person:

1. At the entrance of the AGM Venue, a compulsory body temperature check will be conducted on every person attending the AGM. Any person with a body temperature of over 37.3 degrees Celsius, or any individual who has any flu-like symptoms or is otherwise unwell will not be admitted to the AGM Venue.
2. Every attendees will be required to sign and complete a health declaration form before admission to the AGM Venue.
3. Seating at the AGM Venue will be arranged so as to allow for appropriate social distancing. As a result, there will be limited capacity for Shareholders to attend the AGM. The Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
4. Every attendee is required to wear a surgical face mask at any time within the AGM Venue.
5. Any attendee who declines any of the abovementioned measures will not be admitted to the AGM Venue.
6. No food or beverages or gifts will be provided to the attendees at the AGM.

To the extent permitted under the applicable laws, the Company reserves the right to deny any person entry into the AGM venue or require any person to leave the AGM venue so as to ensure the health and safety of the other attendees at the AGM. Subject to the development of COVID-19, the Company may be required to change the AGM arrangements at short notice.

Shareholders should check the websites of the Company (www.lisigroup.com.hk) and the Stock Exchange (www.hkexnews.hk) for further announcements and updates on the AGM arrangements.

Voting by proxy in advance of the AGM: The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to COVID-19. For the health and safety of the Shareholders, the Company encourages Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy instead of attending the AGM in person. Physical attendance is not necessary for the purpose of exercising the voting rights of the Shareholders.

Appointment of proxy by non-registered Shareholders: Non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) for assistance in the appointment of proxies.

DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“AGM”	the annual general meeting of the Company to be convened and held at 14/F., Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong on Thursday, 29 September 2022 at 3:00 p.m., a notice of which is set out on pages AGM-1 to AGM-5 of this circular
“AGM Venue”	14/F., Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company, as amended from time to time
“Change of Company Name”	the proposed change of the name of the Company from “China Automobile New Retail (Holdings) Limited” to “Lisi Group (Holdings) Limited” and adopt the Chinese name “利時集團(控股)有限公司” as its secondary name to replace the existing Chinese name “中國汽車新零售(控股)有限公司”
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	China Automobile New Retail (Holdings) Limited (stock code: 526), a company incorporated in Bermuda with limited liability with its Shares listed on the Stock Exchange
“Company Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“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

DEFINITIONS

“Issue Mandate”	the proposed general and unconditional mandate to be granted to the Directors to allot, issue and deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing of the relevant resolution at the AGM
“Latest Practicable Date”	31 August 2022, 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 Regina of the PRC and Taiwan
“Repurchase Mandate”	the proposed general and unconditional 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 as at the date of passing of the relevant resolution at the AGM
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeover Code”	the Code on Takeovers and Mergers as amended from time to time
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr Li Lixin
Mr Cheng Jianhe
Ms Jin Yaxue

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-Executive Directors:

Mr He Chengying
Mr Shin Yick Fabian
Mr Kwong Kwan Tong

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

1 September 2022

To the Shareholders

Dear Sir/Madam

**PROPOSALS FOR
(1) RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) CHANGE OF COMPANY NAME
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the AGM and the notice of the AGM includes, inter alia, (i) the re-election of Directors; (ii) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and (iii) the Change of Company Name.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr Li Lixin, Mr Cheng Jianhe and Ms Jin Yaxue and the independent non-executive Directors are Mr He Chengying, Mr Shin Yick Fabian and Mr Kwong Kwan Tong.

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 and Ms Jin Yaxue, the executive Directors, shall retire at the AGM and, being eligible, offer themselves for re-election.

Nomination Procedure

When identifying suitable candidates for directorship, the nomination committee will make reference to the skills, experience, professional knowledge, educational background, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

Board Diversity Policy

The Company has adopted a board diversity policy which setting out the approach to achieve diversity on the Board. Pursuant to the board diversity policy, the nomination committee will carry out the selection process by making reference to a range of diversity perspectives, including but not limited to gender, age, cultural, educational background, ethnicity, professional experience, skills, knowledge, length of service and any other factors that the Board may consider relevant and applicable from time to time. If involving the appointment of an independent non-executive Director, the nomination Committee shall also consider the perspectives, skills and experience that the person can bring to the Board, and how the person would contribute to the diversity of the Board. The Company shall also considers whether the candidates fit the Group's needs and business model, and will base on the merit and contribution of the candidates will bring to the Board to decide whether the proposed candidates are suitable to be re-elected.

LETTER FROM THE BOARD

Recommendation of the nomination committee

In considering the nomination of Mr Cheng Jianhe and Ms Jin Yaxue (collectively, the “Retiring ED”) for re-election, the nomination committee reviewed the suitability of the Retiring ED according to the Company’s nomination policy and board diversity policy. The nomination committee considered each of the Retiring ED’s extensive experience in manufacturing and trading of household products and sundries and other experience and factors as set out in Appendix I to this circular that can assist the Group in carrying out its overall strategies, client and sales management and the project management. The nomination committee satisfied the Retiring ED have the required character, integrity and experience in fulfilling the role as an executive Director and recommended the Retiring ED to the Board for re-election. The nomination committee and the Board are of the view that the re-election of the Retiring ED would be in the best interests of the Company and its Shareholders as a whole.

Accordingly, with the recommendation of the nomination committee, the Board has proposed that Mr Cheng Jianhe and Ms Jin Yaxue stand for re-election as Directors at the AGM.

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

ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to allot and issue new Shares representing up to 20 per cent of the aggregate number of issued Shares at the date of passing the resolution.

As at the Latest Practicable Date, the total number of issued Shares comprised of 8,044,020,391 Shares. Assuming that there is no change in the number of issued Shares 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.

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 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 on the date of the passing of the resolution.

In addition, if the resolution for the granting of the Repurchase Mandate is passed, an ordinary resolution will be proposed to grant the Extension Mandate to authorise the Directors to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Act or the Bye-laws to be held; or (c) when the mandate given to the Directors thereunder is revoked, varied or renewed by ordinary resolution(s) of the Shareholders in a general meeting.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix II to this circular.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from “China Automobile New Retail (Holdings) Limited” to “Lisi Group (Holdings) Limited” and adopt the Chinese name “利時集團(控股)有限公司” as its secondary name to replace the existing Chinese name “中國汽車新零售(控股)有限公司”. A special resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, to approve the Change of Company Name.

Reasons for the Change of Company Name

Reference is made to the announcements of the Company dated 6 May 2022, 15 June 2022 and 21 June 2022 and the circular of the Company dated 26 May 2022. On 21 June 2022, the Group has ceased to engage in the trading of imported cars business and the provision of imported cars platform services business after the completion of disposal of such business segment. As at the date of this announcement, the Group is principally engaged in (i) manufacturing and trading of plastic and metal household products; (ii) operation of department stores and supermarkets; (iii) wholesale of alcohol, wine, beverages and electrical appliances and (iv) investment holding.

The proposed Change of Company Name is to reflect the current status of the Group’s business and to better promote the corporate image and the future business development of the Group. The Board believes that the proposed Change of Company Name will provide the Company with better identification of the current business and future business development of the Group. As such, the Board believes that the proposed Change of Company Name is in the interests of the Company and the Shareholders as a whole.

Conditions of the Change of Company Name

The Change of Company Name is subject to:

- (a) the approval of the Shareholders by way of a special resolution at the AGM; and
- (b) the approval by the Registrar of Companies in Bermuda having been obtained.

LETTER FROM THE BOARD

Subject to the satisfaction of the conditions set out above, the Change of Company Name will become effective from the date on which the Registrar of Companies in Bermuda enters the Company's new name on the register maintained by the Registrar of Companies in Bermuda in place of the existing name of the Company as set out in the certificate of incorporation on change of name to be issued by the Registrar of Companies in Bermuda. Thereafter, the Company will then carry out the necessary filing procedures with the Companies Registry in Hong Kong.

Further announcement will be made by the Company to inform the Shareholders of the effective date of the Change of Company Name and the trading arrangement in respect of the new stock short name of the Company on the Stock Exchange.

Effects of the Change of Company Name

The Change of Company Name will not affect any of the rights of the Shareholders. All existing share certificates in issue bearing the existing name of the Company will, after the Change of Company Name having become effective, continue to be evidence of legal title to the Shares and the existing share certificates of the Company will continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangements for free exchange of the existing share certificates of the Company for new share certificates under the new name of the Company. Once the Change of Company Name becomes effective, the Shares will be traded under new stock short name of the Company and any issue of share certificates will be under the new name of the Company.

AGM

The notice of the AGM is set out on pages AGM-1 and AGM-5 of this circular. All resolutions to be proposed at the AGM will be voted by way of poll pursuant to the Listing Rules and Bye-Laws and the Company will announce the results of the polls pursuant to the Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event no later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish proxy shall be deemed to be revoked.

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 resolution to be proposed at the AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the re-election of the Directors, the granting of the Issue Mandate, the granting of the Repurchase Mandate, the granting of Extension Mandate and the Change of Company Name 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.

GENERAL INFORMATION

Your attention is also drawn to the information set out in the Appendices to this circular.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,

For and on behalf of the Board

CHINA AUTOMOBILE NEW RETAIL (HOLDINGS) LIMITED

Cheng Jianhe

Executive Director

APPENDIX I BIOGRAPHIES OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

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 56, 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 33 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 was appointed as executive Director of the Group in September 2008.

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.

Ms JIN Yaxue, aged 52, executive Director and member of the remuneration committee of the Company. She is also a director of Da Mei (Ningbo) Electrical Appliance Limited, an indirect wholly-owned subsidiary of the Company and a General Manager of household products business of the Group. Ms Jin has been responsible for sales and operations management of Ningbo plant since 1998. She holds an Executive Master of Business Administration degree from Fudan University. She has over 26 years experience in development and sales of household products and sundries. She joined the Group when the Ningbo plant was acquired by the Group in 2010 and was appointed as an executive Director in July 2014.

Save as disclosed, Ms Jin did not hold any other directorship in any public listed companies in the last three years. There is no service contract between Ms Jin and the Company. Her appointment has no fixed term which is subject to retirement and re-election at the annual general meeting of the Company.

Ms Jin will not receive any remuneration in her role as the executive director of the Company. Ms Jin has no relationship with any directors, senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Ms Jin has no interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed, Ms Jin does not hold any other position with the Company or any of its subsidiaries. There is no information to be disclosed by Ms Jin 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.

APPENDIX II EXPLANATORY STATEMENT TO SHARE REPURCHASE MANDATE

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 2022 (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.

APPENDIX II EXPLANATORY STATEMENT TO SHARE REPURCHASE MANDATE

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>
2021		
August	0.068	0.068
September	0.068	0.034
October	0.060	0.039
November	0.056	0.039
December	0.050	0.039
2022		
January	0.052	0.038
February	0.052	0.037
March	0.047	0.035
April	0.046	0.030
May	0.043	0.027
June	0.089	0.028
July	0.035	0.027
August (up to the Latest Practicable Date)	0.031	0.026

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"), executive Director of the Company, together with his controlled corporations and his son, had in aggregate 2,770,703,680 Shares, representing 34.44% of the Shares of the Company in issue.

In the event that the Directors should exercise the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the increase of the shareholding of Mr Li may trigger the mandatory offer obligations under the Takeovers Code for Mr Li 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 obligations for Mr Li 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).

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of China Automobile New Retail (Holdings) Limited (the “Company”) will be held at 14/F., Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong on 29 September 2022, Thursday at 3:00 p.m. for the following purpose:

AS ORDINARY BUSINESS

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 2022.
2.
 - (a) To re-elect Mr Cheng Jianhe as executive Director;
 - (b) To re-elect Ms Jin Yaxue as executive Director;
 - (c) 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:

NOTICE OF ANNUAL GENERAL MEETING

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;
- (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).”

NOTICE OF ANNUAL GENERAL MEETING

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
- (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. 4 and no. 5 above being passed, the general and unconditional mandate granted to the Directors to allot, issue and deal with shares of the Company pursuant to ordinary resolution no. 4 above and is hereby extended by the addition thereto of the aggregate number of shares of the Company repurchased by the Company under the mandate granted pursuant to the ordinary resolution no. 5 above.”

SPECIAL RESOLUTION

To consider and, if thought fit, to pass the following resolution as a special resolution:

7. **“THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda, the name of the Company be and is hereby changed from “China Automobile New Retail (Holdings) Limited” to “Lisi Group (Holdings) Limited” and adopt the Chinese name “利時集團(控股)有限公司” as its secondary name to replace the existing Chinese name “中國汽車新零售(控股)有限公司” and the directors of the Company be and are hereby authorised to do all such acts, and execute all such documents as they may, in their absolute discretion, deem fit in order to effect such change of name.”

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

Hong Kong, 1 September 2022

NOTICE OF ANNUAL GENERAL MEETING

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 17/F., Far East Finance Centre, 16 Harcourt Road, 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. The transfer books and register of members of the Company will be closed from 26 September 2022 to 29 September 2022, both days inclusive, to determine the entitlement of Shareholders of the Company to attend and vote at the AGM, during which period on Share transfers can be registered. In order to attend the AGM, all transfer of Shares, accompanied by the relevant share certificates and transport forms, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on 23 September 2022.
5. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited, the resolutions as set out in this notice will be decided by poll at the meeting.
6. If tropical cyclone warning signal no. 8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 3:00 p.m. on Thursday, 29 September 2022, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warnings signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.

In view of the current COVID-19 pandemic situation, the Company will implement the following precautionary measures at the AGM to protect the Shareholders and other attendees from risk of infection:

- a. At the entrance of the AGM Venue, a compulsory body temperature check will be conducted on every person attending the AGM. Any person with a body temperature of over 37.3 degrees Celsius, or any individual who has any flu-like symptoms or is otherwise unwell will not be admitted to the AGM Venue.
- b. Every attendees will be required to sign and complete a health declaration form before admission to the AGM Venue.
- c. Seating at the AGM Venue will be arranged so as to allow for appropriate social distancing. As a result, there will be limited capacity for Shareholders to attend the AGM. The Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
- d. Every attendee is required to wear a surgical face mask at any time within the AGM Venue.
- e. Any attendee who declines any of the abovementioned measures will not be admitted to the AGM Venue.
- f. No food or beverages or gifts will be provided to the attendees at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

To the extent permitted under the laws of Hong Kong, the Company reserves the right to deny entry to the AGM Venue or require any person to leave the AGM Venue in order to ensure the safety of the attendees at the AGM.

The Company would like to remind the Shareholders to consider appointing the Chairman of the AGM as his/her/its proxy to vote on the resolution at the AGM as an alternative to attending the AGM in person. In order to be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's Hong Kong branch share registrar, Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the AGM.

Subject to the development of the COVID-19 situation, the Company may implement and/or adjust precautionary measures for the AGM at short notice as the public health situation changes, and may issue further announcement(s) on such measures as and when appropriate.

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