
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Deewin Tianxia Co., Ltd, you should at once hand this circular and the enclosed proxy form to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer 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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德銀天下股份有限公司

DEEWIN TIANXIA CO.,LTD

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

(Stock Code: 2418)

- (1) DISCLOSEABLE TRANSACTIONS AND CONTINUING
CONNECTED TRANSACTIONS: THE ENTERING INTO
THE AMENDED FRAMEWORK AGREEMENTS FOR
SUPPLY OF PRODUCTS AND SERVICES;**
- (2) PROPOSED CHANGE IN THE REGISTERED CAPITAL AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND**
- (3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



山證國際

SHANXI SECURITIES INTERNATIONAL

A letter from the Board is set out on pages 6 to 25 of this circular. A letter from the Independent Board Committee is set out on pages 26 to 27 of this circular. A letter from Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 28 to 49 of this circular.

A notice convening the Extraordinary General Meeting (“EGM”) of Deewin Tianxia Co., Ltd to be held at the 1st Conference Room, 16th Floor, Unit 1, Building 1, Jingwei International Center, Xijin Road, Jingwei New City, Economic and Technological Development Zone, Xi’an City, Shaanxi Province, the PRC at 10:00 a.m. on Friday, 20 September 2024 is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed and is also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for the holding of EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the EGM or any adjournment thereof (as the case may be) and voting in person if you so wish.

29 August 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms and expressions shall have the following meanings:

“Amended Framework Agreements for Supply of Products and Services”	the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement and the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement
“Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement”	the supply of products and services framework agreement between the Company and Shaanxi Automobile Holding dated 29 August 2024
“Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement”	the supply of products and services framework agreement between the Company and Shaanxi Heavy Duty Automobile dated 29 August 2024
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board” or “Board of Directors”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, only for the purpose of this circular, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region of the People’s Republic of China, and Taiwan
“Company”	Deewin Tianxia Co., Ltd (德銀天下股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Deewin Finance Lease”	Deewin Finance Lease Co., Ltd.* (德銀融資租賃有限公司), which is a limited liability company established in the PRC on 24 November 2011 with 100% of its equity interest being held by the Company, is a wholly-owned subsidiary of the Company

DEFINITIONS

“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be convened and held on 20 September 2024, to consider and approve, as appropriate, the entering into the Amended Framework Agreements for Supply of Products and Services, and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“H Shareholder(s)”	holder(s) of the H Shares
“H Share(s)”	overseas listed share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and listed on the Stock Exchange
“HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent Board committee comprising all independent non-executive Directors, to advise the Independent Shareholders on the entering into the Amended Framework Agreements for Supply of Products and Services
“Independent Financial Adviser”	Shanxi Securities International Capital Limited, a corporation licensed to conduct Type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the entering into the Amended Framework Agreements for Supply of Products and Services

DEFINITIONS

“Independent Shareholders”	Shareholders other than Shaanxi Automobile Holding, Shaanxi Heavy Duty Automobile, Shaanxi Automobile and Shaanxi Commercial Automobile
“IoV”	the business which uses sensing technology to collect data in relation to automobile, in particular the data of automobile operation, driving behavior of drivers and driving location, in order to provide data service and information service to various market participants of automobile ecosphere
“Latest Practicable Date”	29 August 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Prospectus”	the prospectus being issued by the Company dated 30 June 2022 in connection with the Global Offering
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shaanxi Automobile”	Shaanxi Automobile Group Co., Ltd.* (陝西汽車集團股份有限公司), a limited liability company established in the PRC on 18 November 1989 and registered as a joint stock company with limited liability on 30 March 2021. It is a Controlling Shareholder of the Company and a subsidiary of Shaanxi Automobile Holding
“Shaanxi Automobile Holding”	Shaanxi Automobile Holding Group Co., Ltd.* (陝西汽車控股集團有限公司), a limited liability company established in the PRC on 20 August 2012 and a Controlling Shareholder of the Company, in which 51.00% equity interest is held by the State-owned Assets Supervision and Administration Commission of the People’s Government of Shaanxi Province and 49.00% equity interest is held by a company that is wholly-owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Shaanxi Province

DEFINITIONS

“Shaanxi Automobile Holding Supply of Products and Services Framework Agreement”	the supply of products and services framework agreement between the Company and Shaanxi Automobile Holding dated 23 June 2022
“Shaanxi Commercial Automobile”	Shaanxi Group Commercial Automobile Co., Ltd.* (陝汽集團商用車有限公司), a limited liability company established in the PRC on 10 April 2002, in which 68.51% equity interest is held by Shaanxi Automobile and 31.49% equity interest is held in aggregate by three independent third parties. The Company was held as to 0.54% by Shaanxi Commercial Automobile as of the Latest Practicable Date
“Shaanxi Heavy Duty Automobile”	Shaanxi Heavy Duty Automobile Co., Ltd.* (陝西重型汽車有限公司), a limited liability company established in the PRC on 18 September 2002, in which 49.00% equity interest is held by Shaanxi Automobile and 51.00% equity interest is held by Weichai Power Co., Ltd. (濰柴動力股份有限公司), which is a company listed on the Main Board of the Stock Exchange (stock code: 2338) and the Main Board of Shenzhen Stock Exchange (stock code: SZ000338) and is an independent third party. The Company was held as to 5.37% by Shaanxi Heavy Duty Automobile as of the Latest Practicable Date
“Shaanxi Heavy Duty Automobile Import and Export Company”	Shaanxi Heavy Duty Automobile Import and Export Co., Ltd.* (陝西重型汽車進出口有限公司), a limited liability company established in the PRC on 24 April 2006 with 100% of its equity interest being held by Shaanxi Heavy Duty Automobile, which is a wholly-owned subsidiary of Shaanxi Heavy Duty Automobile
“Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement”	the supply of products and services framework agreement between the Company and Shaanxi Heavy Duty Automobile dated 23 June 2022
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	ordinary share(s) in the issued share capital of the Company, with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Supervisor(s)”	supervisor(s) of the Company
“Tianxingjian IoV”	Shaanxi Tianxingjian Internet of Vehicle Information Technology Co., Ltd. (陝西天行健車聯網信息技術有限公司), a limited liability company established in the PRC on 18 June 2013 with 100% of its equity interest being held by the Company, which is a wholly-owned subsidiary of the Company
“%”	per cent

* *For identification purposes only*

LETTER FROM THE BOARD



德銀天下股份有限公司

DEEWIN TIANXIA CO.,LTD

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2418)

Executive Directors:

Mr. Wang Runliang
Mr. Wang Wenqi

Non-executive Directors:

Mr. Guo Wancai (*Chairman*)
Mr. Tian Qiang
Mr. Zhao Chengjun
Ms. Feng Min

Independent Non-executive Directors:

Mr. Li Gang
Mr. Ip Wing Wai
Mr. Yu Qiang

Registered Address:

16th Floor, Unit 1
Building 1, Jingwei International Centre
29 West Section of Xijin Road
Jingwei New City
Economic and Technological
Development Zone
Xi'an City, Shaanxi Province
The PRC

Principal Place of Business in

Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

29 August 2024

To the Shareholders:

Dear Sir or Madam,

- (1) DISCLOSABLE TRANSACTIONS AND CONTINUING
CONNECTED TRANSACTIONS: THE ENTERING INTO
THE AMENDED FRAMEWORK AGREEMENTS FOR
SUPPLY OF PRODUCTS AND SERVICES;
(2) PROPOSED CHANGE IN THE REGISTERED CAPITAL AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A. INTRODUCTION

Reference is made to the announcement of the Company dated 29 August 2024, in relation to (among other things) the entering into the Amended Framework Agreements for Supply of Products and Services (the “**Entering into the Amended Framework Agreements for Supply of Products and Services**”).

LETTER FROM THE BOARD

The purpose of this circular is to provide you with (among other things), (i) details relating to the Entering into the Amended Framework Agreements for Supply of Products and Services; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) further details of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the aforementioned matters; and (iv) the notice of the Extraordinary General Meeting.

B. THE ENTERING INTO THE AMENDED FRAMEWORK AGREEMENTS FOR SUPPLY OF PRODUCTS AND SERVICES

I. The Entering into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

Reference is made to the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement between the Company and Shaanxi Automobile Holding as stated in the Prospectus, pursuant to which the Group will supply the following types of products and services to Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries): (i) supply chain services, (ii) commercial vehicle-related products and (iii) data-related services. The Board announces that on 29 August 2024, the Company and Shaanxi Automobile Holding entered into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement to supersede the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement. Pursuant to this amended agreement (among other things), (a) the service coverage under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is expanded to cover supply chain financial services (including finance lease and factoring related services); (b) the original pricing policy of products and services provided by the Group under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is adjusted, and the pricing policy of supply chain financial services is correspondingly added; and (c) the exclusivity terms specifying the Group as the sole supplier under the agreement are deleted.

1. Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

Date: 29 August 2024

Parties: (i) The Company; and
(ii) Shaanxi Automobile Holding

LETTER FROM THE BOARD

Term: Upon being affixed with corporate seals of the parties, the agreement shall take effect from the date of approval at the EGM, and expire on 31 December 2024. Subject to compliance with applicable laws and regulations (including but not limited to the Listing Rules) and the requirements of the securities regulatory authorities, the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement may be renewed automatically for a further term of three years from time to time, unless terminated by the Company by notice in writing during its term or for other reasons stated in the agreement. From the date on which the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement takes effect, the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is automatically terminated and superseded.

Major Matters: The Group (the “**Supplier**”) will provide Shaanxi Automobile Holding and its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries) with products and services, namely (1) supply chain services, including components collection, transportation, distribution, warehousing, sorting, packaging, precision distribution and other supply chain logistics services, automobile logistics services, etc.; (2) commercial vehicle-related products, i.e., intelligent IoV products; (3) data-related services, including platform operation and platform development and other services; and (4) supply chain financial services, including finance lease and factoring services, etc.

Pricing Policy: The sales price or the services fee of the supply of products and services charged by the Supplier under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will be determined based on the market rate after arm’s length negotiations between both parties. The “market rate” represents the price provided by the Group to an independent third party in respect of the same or a similar product or service in the same area on normal commercial terms during the ordinary course of business of the parties. If the market rate is unavailable, it will be determined on a “cost-plus” basis (principle of cost plus a reasonable margin^{note}). In particular:

- With respect to the supply chain services, the service fee of supply chain services will be determined based on the market rate. If the market rate is unavailable, the service fee of supply chain services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will update its

LETTER FROM THE BOARD

fee rates in relation to its provision of logistics services on an annual basis by taking into account relevant factors, including but not limited to gasoline and diesel prices, national toll billing policies, transportation methods, management expense, tax rates and reasonable gross profit margins, and for each transaction entered into by both parties under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, the service fee charged by the Supplier will be in line with such fee rates.

- With respect to the commercial vehicle-related products, the sales price of such products will be determined based on the market rate. If the market rate is unavailable, the sales price of such products will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to costs of the products, management expense, tax rates and reasonable gross profit margins.
- With respect to the data-related services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee will be determined on a “cost-plus” basis. For each transaction entered into by both parties under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, if it is determined on a “cost-plus” basis, the parties will take into account relevant factors, including but not limited to research and development costs, labor and operating costs as well as reasonable gross profit margins.
- With respect to the supply chain financial services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee of the supply chain financial services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to labor, materials and time cost.

Note: The above fee rates for the services and sales price of the products will vary depending on the types of services or products involved. For the reasonable margin for such services and products provided by the Supplier under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, in general, the profit margins for supply chain services will range from approximately 3% to 10%, the profit margins for commercial vehicles-related products will range from approximately 5% to 10%, the profit margins for data-related services will range from approximately 10% to 20%, and the service fee rates for supply chain financial services (calculated based on the principal) will range from approximately 0.5% to 10%. Except for the fee rate for the entrusted lease service which the Supplier has not provided to independent third-party customers, the aforesaid service fee rates and profit margins shall not be lower than those charged by the Supplier for providing the same or similar types of services to independent third-party customers.

LETTER FROM THE BOARD

2. Annual caps

	Annual Caps under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the Year Ended/Ending 31 December (RMB'000)						Actual Transaction Amount under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the Year Ended/Ending 31 December (RMB'000)			Annual Caps under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the Year Ending 31 December (RMB'000)
	2022	2023	2024	2022	2023	2024 ^{Note}				2024
Supply of commercial vehicle-related products										
Intelligent IoV products	78,170	110,500	111,600	35,312	60,273	55,067				111,600
Supply of supply chain services	146,000	192,000	199,600	59,432	105,250	20,797				199,600
Supply of data-related services	400	500	600	90	41	6				1,980
Supply of supply chain financial services	Principal	N/A	N/A	N/A	N/A	N/A	N/A	N/A		190,000
	Interest and commission fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A		6,013
Total	224,570	303,000	311,800	94,834	165,564	75,870				509,193

Note: This refers to the actual transaction amount under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the six months ended 30 June 2024.

As at the Latest Practicable Date, the actual transaction amount under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement have not exceeded the existing annual cap for the transactions contemplated under such agreement for the year ending 31 December 2024.

The annual caps under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the year ending 31 December 2024 are determined on the basis of:

- (a) The historical transaction amount related to products and services supplied to Shaanxi Automobile Holding;
- (b) The current product supply and service capabilities of the Group; among which, regarding the principal cap for the newly added supply chain financial services of RMB190 million, it is based on the production and sales volume forecast of Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries) and their funding needs: (i) the Group intends to

LETTER FROM THE BOARD

provide factoring services to Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries) for a factoring amount of approximately RMB100 million; (ii) the Group intends to provide equipment finance lease services to Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries) for an amount of approximately RMB40 million; and (iii) Shaanxi Automobile Holding intends to conduct entrusted leasing business^{note} through the Group, with a total amount of entrusted fund of RMB50 million to provide finance lease-related services to its customers; regarding the interest and commission fees cap for the newly added supply chain financial services of RMB 6.013 million, it is determined based on the principal cap, the estimated average fee rate of the supply chain financial services (i.e., the commission fee rate and interest rate charged by the Group for the principal of providing supply chain financial services to Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries)), which are as follows: (x) the commission fee rate for entrusted leasing business is approximately 0.5%-1%, which is calculated on the amount of the entrusted funds for entrusted lease business; (y) the comprehensive annualized interest rate for regular finance lease business is approximately 5%-10%; and (z) the comprehensive annualized interest rate for factoring services is approximately 4%-10%, and the Group's commercial policy on financial services; and

- (c) The Group's existing intention to conduct new cooperation with Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries). Among them, the increase of RMB1.38 million in the annual cap for data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the year ending 31 December 2024 as compared to the annual cap for the year ending 31 December 2024 under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, is based on the Group's intention to cooperate with Shaanxi Automobile (i.e. the subsidiary of Shaanxi Automobile Holding) in the construction of an internet information system. The Group will provide relevant technical services and platform construction services to it, and the manpower costs and development costs involved in the technical services shall be charged in compliance with the Group's commercial policies. In particular, Shaanxi Automobile plans to entrust Tianxingjian IoV to complete the construction of the industrial internet network trust support cooperation platform and the remote emission end data analysis platform, with the service amount expected to be RMB0.65 million and RMB0.73 million, respectively. In addition, for the existing annual cap for data-related services under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the year ending 31 December 2024 of RMB0.6 million, the transaction amount of the signed contracts as at 30 June 2024 was approximately RMB216,500 (among which, RMB121,400 is expected to be recognized as revenue in 2024). The Group expects that data-related services transactions under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will continue to occur in the second half of 2024, and has accordingly reserved a certain buffer amount.

LETTER FROM THE BOARD

Note: In the above entrusted lease business, Deewin Finance Lease, a wholly-owned subsidiary of the Company, acts as the trustee, signing the entrusted lease contract with Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries), the trustor, and carries out finance lease business with the lessees designated by the trustor according to the trustor's mandate. Deewin Finance Lease signs the finance lease contracts with the lessees in accordance with the terms of the entrusted lease contract, and purchases the leased assets owned by the lessees under the finance lease contracts, and then leases the relevant assets back to the lessees through a sale and leaseback arrangement. Under the finance lease contracts, Deewin Finance Lease purchases the leased assets from the lessees using funds provided by the trustor in the form of entrusted funds. The lessees pay rent and other payables to Deewin Finance Lease, which then remits the entire sums received from the lessees to the trustor as stipulated in the entrusted lease contract. Deewin Finance Lease charges a service fee for the services provided to the trustor as per the entrusted lease contract. The trustor will pay the service fee separately and in a lump sum to Deewin Finance Lease before Deewin Finance Lease carries out finance lease business with the lessees. Events of payment default by the lessees will not affect the service fee charged by Deewin Finance Lease.

3. Reasons for and benefits of the entering into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

The Board considers that the entering into of the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement would benefit the Group for the following reasons:

- (a) the Group and Shaanxi Automobile Holding and its associates are long-standing partners;
- (b) prices and terms for the products and services (excluding entrusted lease services) provided by the Group to Shaanxi Automobile Holding and/or its associates are similar to those offered by the Group to independent third parties;
- (c) Shaanxi Automobile Holding, including its close associates, is the fourth largest commercial vehicle manufacturer in the commercial vehicle sales market in the PRC, thus the supply of products and services to Shaanxi Automobile Holding and/or its associates will provide the Group with a steady revenue source, which is in the interest of the Company and its Shareholders as a whole;
- (d) provision of diversified services to commercial vehicle manufacturers is one of the Group's important business models and development strategies. Among them, in terms of the newly added supply chain financial services, the provision of supply chain financial services to Shaanxi Automobile Holding and/or its associates can provide a more diversified range of products and services to commercial vehicle cooperative channels while meeting the funding needs of Shaanxi Automobile Holding and/or its associates for production and operation, which enables both parties to synergize their advantages and build a business model with rational structure and efficient operation, and further enriches the Group's revenue source. Among the aforesaid, considering that (i) Deewin Finance Lease will purchase the leased assets only after receiving entrusted funds from the trustor; (ii) Deewin Finance Lease will not be liable for the breach committed by the trustor of the relevant lease arrangements with the lessees; (iii) Deewin Finance Lease will not be

LETTER FROM THE BOARD

liable to pay the relevant lease principal and/or interest to the trustor in the event of payment default by the lessees; and (iv) the trustor will pay the service fee separately and in a lump sum to Deewin Finance Lease before Deewin Finance Lease carries out finance lease business with the lessees, and events of payment default by the lessees will not affect the service fee charged by Deewin Finance Lease, the Group is of the view that the newly added entrusted lease business does not pose any additional risk compared to the Group's current routine finance lease and factoring business;

- (e) with respect to the adjustment to the pricing policy, the pricing policy of products and services provided by the Group under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is determined after arm's length negotiation between both parties, reflecting the latest negotiation results between the parties to the agreement; taking the "market rate" as the priority pricing benchmark is a market-oriented adjustment based on the original pricing policy and industry practices, which is commercially reasonable. The Group will adopt the internal control procedures referred to in the section headed "C. Internal control procedures in relation to continuing connected transactions" in this circular to ensure that the pricing policy of each transaction under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is on normal commercial terms; and
- (f) the Group's service scope to Shaanxi Automobile Holding and its associate(s) has been further expanded to include the supply chain financial services. Unlike supply chain logistics services, intelligent IoV products, and other production-related services, Shaanxi Automobile Holding and/or its associates may choose other supply chain financial service providers or data service providers, thus the Group will no longer be the sole provider of the relevant services in practice with respect to the services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement. Therefore, deleting the exclusivity terms is in line with business reality. After the removal of the exclusivity terms, the Group's exclusive right to supply relevant products and services under the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will no longer be guaranteed, which may result in the Group's share of supplying relevant products and services to Shaanxi Automobile Holding and/or its associates being split by other suppliers.

II. The Entering into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

Reference is made to the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement between the Company and Shaanxi Heavy Duty Automobile as stated in the Prospectus, pursuant to which the Group will supply the following types of products and services to Shaanxi Heavy Duty Automobile and/or its subsidiary(ies): (i) supply chain services, (ii) commercial vehicle-related products, and (iii) data-related services. The

LETTER FROM THE BOARD

Board hereby announces that on 29 August 2024, the Company and Shaanxi Heavy Duty Automobile entered into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement to supersede the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement. Pursuant to this amended agreement (among other things), (a) the service coverage under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is expanded to cover supply chain financial services (i.e. finance lease services) and supply of new energy battery products; (b) the original pricing policy of products and services provided by the Group under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is adjusted, and the pricing policy for providing supply chain financial services is correspondingly added; and (c) the exclusivity terms specifying the Group as the sole supplier under the agreement are deleted.

1. Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

Date: 29 August 2024

Parties: (i) The Company; and
(ii) Shaanxi Heavy Duty Automobile

Term: Upon being affixed with corporate seals of the parties, the agreement shall take effect from the date of approval at the EGM, and expire on 31 December 2024. Subject to compliance with applicable laws and regulations (including but not limited to the Listing Rules) and the requirements of the securities regulatory authorities, the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement may be renewed automatically for a further term of three years from time to time, unless terminated by the Company by notice in writing during its term or for other reasons stated in the agreement. From the date on which the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement takes effect, the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement automatically terminates and is superseded.

Major Matters: The Group will provide Shaanxi Heavy Duty Automobile and its subsidiary(ies) with products and services, namely (1) supply chain services, including components collection, transportation, distribution, warehousing, sorting, packaging, precision delivery and other supply chain logistics services, automobile logistics services, etc.; (2) commercial vehicle-related products, i.e., intelligent IoV products, aftermarket products and new energy batteries; (3) data-related services, including platform operation and platform development; and (4) supply chain financial services, i.e. finance lease services.

LETTER FROM THE BOARD

Pricing Policy:

The sales price or the service fee for the supply of products and services charged by the Supplier under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement will be determined based on the market rate after arm's length negotiation between both parties. The "market rate" represents the price provided by the Group to an independent third party in respect of the same or similar product or service in the same area on normal commercial terms during the ordinary course of business of the parties. If the market rate is unavailable, it will be determined on a "cost-plus" basis (principle of cost plus a reasonable margin^{note}). In particular:

- With respect to the supply chain services, the service fee for supply chain services will be determined based on the market rate. If the market rate is unavailable, the service fee for supply chain services will be determined on a "cost-plus" basis. If it is determined on a "cost-plus" basis, the Supplier will update its fee rates in relation to its provision of logistics services on an annual basis by taking into account relevant factors, including but not limited to gasoline and diesel prices, national toll billing policies, transportation methods, management expenses, tax rates and reasonable gross profit margins, and for each transaction entered into by both parties under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, the service fee charged by the Supplier will be in line with such fee rates.
- With respect to the commercial vehicle-related products, the sales price of such products will be determined based on the market rate. If the market rate is unavailable, the sales price of such products will be determined on a "cost-plus" basis. If it is determined on a "cost-plus" basis, the Supplier will take into account relevant factors, including but not limited to costs of the products, management expense, tax rates and reasonable gross profit margins.
- With respect to the data-related services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee will be determined on a "cost-plus" basis. For each transaction entered into by both parties under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, if it is determined on a "cost-plus" basis, the parties will take into account relevant factors, including but not limited to research and development costs, labor and operating costs as well as reasonable gross profit margins.

LETTER FROM THE BOARD

- With respect to the supply chain financial services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee of the supply chain financial services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to labor, materials and time cost.

Note: The above fee rates for the services and sales price of the products will vary depending on the types of services or products involved. For the reasonable margin for such services and products provided by the Supplier under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, in general, the profit margins for supply chain services will range from approximately 3% to 10%, the profit margins for commercial vehicles-related products will range from approximately 1% to 10%, the profit margins for data-related services will range from approximately 10% to 20%, and the service fee rates for supply chain financial service (calculated based on the principal) will range from approximately 0.5% to 1%. Except for the service fee rates and profit margins for the entrusted lease service and the new energy battery products which the Supplier has not provided to independent third parties, the aforesaid service rates and profit margins shall not be lower than those charged by the Supplier for providing the same or similar types of services to independent third-party customers.

2. Annual caps

	Annual Caps for the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the Year Ended/Ending 31 December							Annual Caps for the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the Year Ending 31 December (RMB'000)
	Annual Caps for the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the Year Ended/Ending 31 December (RMB'000)			Actual Transaction Amounts for the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the Year Ended/Ending 31 December (RMB'000)				
	2022	2023	2024	2022	2023	2024 ^{Note}		
Supply of commercial vehicle-related products								
Intelligent IoV products	96,290	100,000	100,600	30,394	93,493	40,359	140,600	
Aftermarket products	7,000	10,000	8,500	0	0	0	8,500	
New energy battery products	N/A	N/A	N/A	N/A	N/A	N/A	158,000	
Supply of supply chain services	350,400	500,500	550,700	222,697	282,611	131,402	550,700	
Supply of data-related services	10,700	11,000	13,500	10,302	5,927	124	13,500	
Supply of supply chain financial services	Principal	N/A	N/A	N/A	N/A	N/A	460,000	
	Interest and	N/A	N/A	N/A	N/A	N/A	2,760	
	commission fees							
Total	464,390	621,500	673,300	263,393	382,031	171,885	1,334,060	

Note: This refers to the actual transaction amounts under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the six months ended 30 June 2024.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the actual transaction amounts under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement have not exceeded the existing annual caps for the transactions contemplated under such agreement for the year ending 31 December 2024.

The annual caps for the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the year ending 31 December 2024 are determined on the basis of:

- (a) The historical transaction amounts related to products and services supplied to Shaanxi Heavy Duty Automobile and/or its subsidiaries;
- (b) The principal cap for the newly added supply chain financial services of RMB460 million is based on Shaanxi Heavy Duty Automobile's plan to conduct entrusted lease business^{note} through the Group, with a total amount of entrusted fund of RMB460 million to provide finance lease-related services to its customers; the interest and commission fees cap for the newly added supply chain financial services of RMB2.76 million is determined based on the principal cap and the estimated average fee rate of the supply chain financial services (i.e. the service fee rate charged by the Group in respect of the principal amount of entrusted lease services provided to Shaanxi Heavy Duty Automobile and/or its subsidiaries, with a fee rate of approximately 0.5%-1%, which is calculated on the amount of the entrusted funds for entrusted lease business);
- (c) The annual cap for the newly added new energy battery products of RMB158 million is based on: (i) the actual transaction amount of new energy battery products supplied by the Group to Shaanxi Heavy Duty Automobile: since 2023, the Group has developed new energy-related businesses. As of June 2024, the actual transaction amount of new energy battery products supplied by the Group to Shaanxi Heavy Duty Automobile was RMB36.957 million (tax exclusive, for details please refer to the announcements of the Company dated 15 October 2023 and 16 April 2024); (ii) in addition to the aforementioned transaction volume, within the remaining time of 2024, the Group plans to supply a total of 600 new energy batteries to Shaanxi Heavy Duty Automobile at a total amount of approximately RMB158 million; and
- (d) The Group's forecast of the production and sales volume of commercial vehicles manufactured by Shaanxi Heavy Duty Automobile and/or its subsidiaries. In particular, the increase of RMB40 million in the annual cap for the intelligent IoV product under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the year ending 31 December 2024 as compared to the annual cap for the year ending 31 December 2024 under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, is based on that (i) the Group has upgraded its products in 2024, replacing the original emission terminal and radio equipment provided by other suppliers with its newly

LETTER FROM THE BOARD

launched end screen two-in-one product (端屏二合一產品) (product development completed in December 2023) with a higher unit price. The unit price increase caused by product upgrade is expected to generate additional revenue of approximately RMB20 million for the Group; and (ii) according to several business negotiations between Tianxingjian IoV and Shaanxi Heavy Duty Automobile Import and Export Company, Shaanxi Heavy Duty Automobile intends to optimize the configuration of commercial vehicles for exporting and install customized intelligent IoV products on such commercial vehicles. Therefore, it is expected that the demand for installing intelligent IoV Heavy Duty Automobile in 2024 will increase, which will lead to increases in the Group's supply of intelligent IoV products for commercial vehicles exported by Shaanxi Heavy Duty Automobile, and it is expected to generate additional revenue of approximately RMB20 million for the Group. As of June 2024, Tianxingjian IoV has completed the development, testing and launching of the end screen two-in-one product.

Note: In the above entrusted lease business, Deewin Finance Lease, a wholly-owned subsidiary of the Company, acts as the trustee, signing the entrusted lease contract with Shaanxi Heavy Duty Automobile and/or its subsidiary(ies), the trustor, and carries out finance lease business with the lessees designated by the trustor according to the trustor's mandate. Deewin Finance Lease signs the finance lease contracts with the lessees in accordance with the terms of the entrusted lease contracts, and purchases the leased assets owned by the lessees under the finance lease contracts, and then leases the relevant assets back to the lessee through a sale and leaseback arrangement. Under the finance lease contracts, Deewin Finance Lease purchases the leased assets from the lessees using funds provided by the trustor in the form of entrusted funds. The lessee pays rent and other payables to Deewin Finance Lease, which then remits the entire sums received from the lessees to the trustor as stipulated in the entrusted lease contract. Deewin Finance Lease charges a service fee for the services provided to the trustor as per the entrusted lease contract. The trustor will pay the service fee separately and in a lump sum before Deewin Finance Lease carries out finance lease business with the lessees. Events of payment default by the lessees will not affect the service fee charged by Deewin Finance Lease.

3. Reasons for and benefits of the entering into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

The Board considers that the entering into of the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement would benefit the Group for the following reasons:

- (a) the Group has established a long-term strategic and stable business relationship with Shaanxi Heavy Duty Automobile and its subsidiary(ies), and therefore, conducting the continuing connected transactions under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is beneficial for improving the Group's operational efficiency and stability;
- (b) prices and terms for the products and services (excluding entrusted lease services and supply of new energy batteries) provided by the Group to Shaanxi Heavy Duty Automobile and its subsidiary(ies) are similar to those offered by the Group to independent third parties;

LETTER FROM THE BOARD

- (c) the supply of products and services to Shaanxi Heavy Duty Automobile and its subsidiary(ies) will provide the Group with a steady revenue source, which is in the interest of the Company and its Shareholders as a whole;
- (d) to provide diversified services to commercial vehicle manufacturers is one of the Group's important business models and development strategies. In particular, in terms of the newly added new energy battery products, new energy batteries are a type of environment-friendly, high-performance renewable energy. The power battery segment represented by the application in new energy vehicles is developing rapidly, and the market demands related to new energy vehicles are gradually increasing. The relevant business is based on the Group's needs for the expansion of new energy business, which is in line with the Company's overall development strategy and is conducive to improving its presence in the aftermarket service industry, further enhancing the Company's competitiveness and facilitating the Company's long-term and healthy development; in terms of the newly added supply chain financial services, the provision of supply chain financial services to Shaanxi Heavy Duty Automobile and its subsidiary(ies) can provide a more diversified range of products and services to commercial vehicle cooperative channels, which will enable both parties to synergize their advantages and build a business model with rational structure and efficient operation, and further enrich the Group's revenue source. Among the aforesaid, considering that (i) Deewin Finance Lease will purchase the leased assets only after receiving entrusted funds from the trustor; (ii) Deewin Finance Lease will not be liable for the breach of the relevant lease arrangements with the lessees committed by the trustor; (iii) Deewin Finance Lease will not be liable to pay the relevant lease principal and/or interest to the trustor in the event of payment default by the lessees; and (iv) the trustor will pay the service fee separately and in a lump sum to Deewin Finance Lease before Deewin Finance Lease carries out finance lease business with the lessees, and events of payment default by the lessees will not affect the service fee charged by Deewin Finance Lease, the Group is of the view that the newly added entrusted lease business does not pose any additional risk compared to the Group's current routine finance lease and factoring business;
- (e) with respect to the adjustment to the pricing policy, the pricing policy of products and services provided by the Group under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is determined after arm's length negotiation between both parties, reflecting the latest negotiation results between the parties to the agreement; taking the "market rate" as the priority pricing benchmark is a market-oriented adjustment based on the original pricing policy and industry practices, which is commercially reasonable. The Group will adopt the internal control procedures referred to in the section headed "C. Internal control procedures in relation to continuing connected transactions" in this circular to ensure that the pricing policy of each transaction under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is on normal commercial terms; and

LETTER FROM THE BOARD

- (f) the Group's service scope to Shaanxi Heavy Duty Automobile and its subsidiary(ies) has been further expanded to include supply chain financial services. Unlike supply chain logistics services, intelligent IoV products, and other production-related services, as Shaanxi Heavy Duty Automobile and its subsidiary(ies) may choose other supply chain financial service providers or data service providers, the Group will no longer be the sole provider of the relevant services in practice with respect to the services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement. Therefore, deleting the exclusivity terms is in line with business reality. After the removal of the exclusivity terms, the Group's exclusive right to supply relevant products and services under the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement will no longer be guaranteed, which may result in the Group's share in the supply of the relevant products and services to Shaanxi Heavy Duty Automobile and its subsidiary(ies) being split by other suppliers.

C. INTERNAL CONTROL PROCEDURES IN RELATION TO CONTINUING CONNECTED TRANSACTIONS

The Company has adopted the following internal control procedures to ensure that the continuing connected transactions are fair and reasonable and on normal commercial terms or better:

- the Group has adopted and implemented a management system for connected transactions. Under this system, designated departments of the Group, including financial management department, audit department and operation management department, will be jointly responsible for reviewing and evaluating the terms of the continuing connected transactions, in particular, the fairness of the pricing terms and will provide monthly reports on connected transactions to the management team of the Group, which is responsible for ensuring that the annual caps for the continuing connected transactions have not been exceeded and that the pricing of each of the continuing connected transactions remains fair and reasonable. In particular, with respect to the pricing of the transactions contemplated under the Amended Framework Agreements for Supply of Products and Services, prior to each supply of products and/or services to connected persons:
 - (i) the business department of each subsidiary shall
 - (a) (if the market rate is available) compare the pricing in the specific agreements for such continuing connected transactions with the pricing in at least two agreements with independent third parties, to ensure that the pricing in the specific agreements for such continuing connected transactions is determined based on the market rate; or

LETTER FROM THE BOARD

- (b) (if the market rate is unavailable, for example, there are no comparable pricing terms for products and/or services that the Group has not supplied to independent third parties (i.e. entrusted lease services and new energy battery products)) consider the information on the quotations of those products and/or services (if any) provided by the third party suppliers to the connected persons, which will then be provided by the connected persons to the Group, in respect of the products and/or services and the quotations on those products and/or services obtained through exchange of information with industry peers or suppliers (including phone calls and meetings, etc.), and ensure that the pricing in the specific agreements for such continuing connected transactions shall cover the costs incurred and reasonable profits of the Group for the supply of products and/or services to the connected persons, and the pricing terms of the specific agreements are no less favorable than those contained in the aforesaid quotations; and
 - (c) submit the pricing in such specific agreements to the financial management department of the subsidiary for review and approval; and
- (ii) the financial management departments shall ensure that the terms of such specific agreements (including but not limited to price and settlement terms) are in compliance with the Amended Framework Agreements for Supply of Products and Services before submitting the pricing in such specific agreements to the deputy general manager and general manager in charge of the business department of such subsidiary and/or the Company (depending on the nature of the business and the size of the transaction) for approval. This can ensure that the pricing of the relevant products and/or services provided by the Group to connected persons is on normal commercial terms;
- the independent non-executive Directors will review the continuing connected transactions every year pursuant to Rule 14A.55 of the Listing Rules and confirm in the annual report of the Company that the transactions have been entered into: (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better to the Group; and (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole. If the independent non-executive Directors cannot make such confirmation, the Group will duly comply with Rule 14A.59 of the Listing Rules by promptly notifying the Stock Exchange and publishing an announcement. The independent non-executive Directors have also reviewed the Group's management system on connected transactions, supervised its implementation and made recommendations to the Board, and reviewed and approved connected transactions of the Company and other related matters to the extent authorized by the Board; and
- the external auditor of the Company will conduct an annual review and report on the continuing connected transactions pursuant to Rule 14A.56 of the Listing Rules. The Group will disclose in the Group's annual reports the work performed by the

LETTER FROM THE BOARD

external auditor of the Company with respect to the Group's continuing connected transactions and its conclusions on whether anything has come to its attention that causes it to believe that such continuing connected transactions:

- (a) have not been approved by the Board of the Company;
- (b) were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;
- (c) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (d) have exceeded the annual caps.

D. IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, Shaanxi Automobile Holding is a Controlling Shareholder of the Company, and holds over 30% of the equity interest in Shaanxi Heavy Duty Automobile through its subsidiary Shaanxi Automobile. As such, Shaanxi Automobile Holding and Shaanxi Heavy Duty Automobile are both connected persons of the Company. As a result, the transactions contemplated under the Amended Framework Agreements for Supply of Products and Services constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the proposed annual caps for the transactions contemplated under the Amended Framework Agreements for Supply of Products and Services for the year ending 31 December 2024 exceeds 5%, such continuing connected transactions are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the proposed annual caps for the supply chain financial services contemplated under the Amended Framework Agreements for Supply of Products and Services for the year ending 31 December 2024 exceeds 5% but is less than 25%, such supply chain financial services are also subject to the applicable requirements on discloseable transaction under Chapter 14 of the Listing Rules.

Mr. Guo Wancai and Mr. Tian Qiang, both non-executive Directors of the Company, also work at Shaanxi Automobile and/or its subsidiaries, and Mr. Zhao Chengjun, a non-executive Director, also works at Shaanxi Heavy Duty Automobile. Therefore, they are deemed to have a material interest in the Entering into the Amended Framework Agreements for Supply of Products and Services. As a result, they have abstained from voting on the relevant resolutions at the Board meeting. Save for the above, none of other Directors had a material interest in the above transactions and were required to abstain from voting on the relevant resolutions at the Board meeting.

LETTER FROM THE BOARD

E. INFORMATION ON THE PARTIES

Information on the Company

The Company is a company established in the PRC on 14 August 2014 and was converted into a joint stock company with limited liability on 25 December 2020. The Company is primarily engaged in providing various value-added services, including logistics and supply chain services, supply chain financial services and IoV and data services, to players along the commercial vehicle industry chain.

Information on Shaanxi Automobile Holding

Shaanxi Automobile Holding is a limited liability company established in the PRC on 20 August 2012 and is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Shaanxi Province (a PRC government agency). Its principal business includes automobile industry, industrial investment, investment management and consulting. As a Controlling Shareholder of the Company, Shaanxi Automobile Holding holds 68.77% and 0.54% of the Shares of the Company through its subsidiaries Shaanxi Automobile and Shaanxi Commercial Automobile respectively as at the Latest Practicable Date.

Information on Shaanxi Heavy Duty Automobile

Shaanxi Heavy Duty Automobile is a limited liability company established in the PRC, a well-known enterprise in China's large commercial vehicle manufacturing industry and one of the first batch of enterprises designated for whole vehicles and parts export. Its products cover heavy-duty military off-road vehicles, heavy-duty trucks, heavy vehicle axles, and automotive aftermarket, among other areas. As at the Latest Practicable Date, its 49.00% equity interest is held by Shaanxi Automobile and 51.00% equity interest is held by Weichai Power Co., Ltd. (潍柴动力股份有限公司). Weichai Power Co., Ltd. is a company listed on the Main Board of the Stock Exchange (stock code: 2338) and the Main Board of the Shenzhen Stock Exchange (stock code: SZ000338), the principal business of which is the research and development, manufacture and sale of high efficiency and speed diesel engines and engine parts.

F. PROPOSED CHANGE IN THE REGISTERED CAPITAL AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 30 May 2024, in relation to (among other things) the proposed change in the registered capital and amendments to the Articles of Association.

On 22 May 2024, the Company cancelled 54,606,000 H Shares repurchased as of that date. Upon the cancellation of such repurchased Shares, the total number of issued Shares of the Company has been reduced from 2,236,042,500 Shares to 2,181,436,500 Shares. Given the

LETTER FROM THE BOARD

above change in the total number of issued Shares of the Company, the Board resolved on 30 May 2024 to propose to change the registered capital and to make amendments to the Articles of Association, and sought authorization from the Shareholders at the general meeting of the Company to authorize relevant personnel of the Company to handle relevant matters including but not limited to change of industrial and commercial registration and filing of the Articles of Association. Details of the proposed amendments to the Articles of Association are as follows:

Before amendments	After amendments
Article 7 The registered capital of the Company is RMB2,236,042,500 and the paid-in capital is RMB2,236,042,500.	Article 7 The registered capital of the Company is RMB2,181,436,500 and the paid-in capital is RMB2,181,436,500.

The resolution will be proposed to the EGM by way of special resolution for Shareholders' consideration and approval.

G. EXTRAORDINARY GENERAL MEETING

The Extraordinary General Meeting will be held at 1st Conference Room, 16th Floor, Unit 1, Building 1, Jingwei International Center, Xijin Road, Jingwei New City, Economic and Technological Development Zone, Xi'an City, Shaanxi Province, the PRC at 10:00 a.m. on Friday, 20 September 2024. Notice of the Extraordinary General Meeting is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed hereto. If you intend to appoint a proxy to attend the EGM, you shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for the holding of EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the EGM or any adjournment thereof (as the case may be) and voting in person if you so wish.

The voting at the EGM will be conducted by poll. The announcement on the voting results of the aforementioned meeting will be published on the websites of the Stock Exchange and the Company.

The H Share register of members of the Company will be closed from Monday, 16 September 2024 to Friday, 20 September 2024, both days inclusive. All Shareholders whose names appear on the Company's register of members at the opening of the business on Friday, 20 September 2024 are entitled to attend and vote at the EGM.

H Shareholders of the Company who intend to attend and vote at the EGM shall lodge all transfer documents, together with relevant share certificates, with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 13 September 2024.

LETTER FROM THE BOARD

Pursuant to the Listing Rules, any Shareholder and his/her/its associates who have a material interest in the Entering into the Amended Framework Agreements for Supply of Products and Services will abstain from voting in respect of the resolutions approving such transactions at the EGM. Accordingly, Shaanxi Automobile, Shaanxi Heavy Duty Automobile and Shaanxi Commercial Automobile will abstain from voting in respect of the resolutions on the Entering into the Amended Framework Agreements for Supply of Products and Services at the EGM. As at the Latest Practicable Date, Shaanxi Automobile, Shaanxi Heavy Duty Automobile and Shaanxi Commercial Automobile held an aggregate of 1,629,000,000 Shares of the Company (representing approximately 74.68% of the issued share capital of the Company), and controlled or were entitled to control the voting rights attaching to their Shares in the Company.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, except Shaanxi Automobile, Shaanxi Heavy Duty Automobile and Shaanxi Commercial Automobile, no Shareholder has a material interest in the Entering into the Amended Framework Agreements for Supply of Products and Services and therefore is required to abstain from voting on the relevant resolutions to be submitted at the EGM.

The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in respect of the terms of Amended Framework Agreements for Supply of Products and Services, as well as the continuing connected transactions contemplated under such agreements and their proposed annual caps. The Company has appointed the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the same matters.

H. RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 26 to 27 of this circular, which contains its advice to the Independent Shareholders in relation to the Entering into the Amended Framework Agreements for Supply of Products and Services; (ii) the letter from the Independent Financial Adviser as set out on pages 28 to 49 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Entering into the Amended Framework Agreements for Supply of Products and Services, and the principal factors and reasons considered by it in arriving at its advice; and (iii) the appendix to this circular.

Directors (including the independent non-executive Directors) recommend Shareholders to vote in favor of the ordinary resolutions on (i) the entering into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement; and (ii) the entering into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement to be submitted at the EGM.

Yours faithfully,
By Order of the Board
Deewin Tianxia Co., Ltd
德銀天下股份有限公司
LIU Lulu
Company Secretary

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



德銀天下股份有限公司
DEEWIN TIANXIA CO.,LTD

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2418)

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSABLE TRANSACTIONS AND CONTINUING
CONNECTED TRANSACTIONS: THE ENTERING INTO
THE AMENDED FRAMEWORK AGREEMENTS FOR SUPPLY
OF PRODUCTS AND SERVICES**

We refer to the circular dated Thursday, 29 August 2024 of the Company (the “**Circular**”) of which this letter forms a part. Terms used in this letter shall have the same meanings in the Circular unless the context otherwise requires.

We have been appointed by the Board to form the Independent Board Committee to consider whether the terms of Amended Framework Agreements for Supply of Products and Services, as well as the continuing connected transactions contemplated under such agreements and their proposed annual caps (the “**Subject Matters of Continuing Connected Transactions and Annual Caps**”) (details of which are set out in the letter from the Board) are fair and reasonable so far as the Independent Shareholders are concerned, and to advise you.

Shanxi Securities International Capital Limited has been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Subject Matters of Continuing Connected Transactions and Annual Caps are fair and reasonable. Details of the advice from the Independent Financial Adviser, together with the principal factors taken into consideration in arriving at such advice, are set out in the letter from the Independent Financial Adviser on pages 28 to 49 of the Circular.

We also wish to draw your attention to other information set out in the letter from the Board and the appendix on pages 6 to 25 of the Circular.

Having considered the Subject Matters of Continuing Connected Transactions and Annual Caps, the interests of the Independent Shareholders and the advice given by the Independent Financial Adviser, we believe that the Amended Framework Agreements for Supply of Products and Services are entered into on normal commercial terms, in the ordinary and usual course of business of the Group, are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend that the Independent Shareholders vote in favor of the relevant resolutions to be submitted at the EGM to approve the Subject Matters of Continuing Connected Transactions and Annual Caps.

Yours faithfully,
For and on behalf of
Deewin Tianxia Co., Ltd
德銀天下股份有限公司
Independent Board Committee
Independent Non-executive Directors
Mr. Li Gang, Mr. Ip Wing Wai, Mr. Yu Qiang

29 August 2024

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from Shanxi Securities International Capital to the Independent Board Committee and the Independent Shareholders in respect of the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder for the purpose of inclusion in this circular.



Unit A, 29/F, Tower 1
Centre Admiralty Centre
18 Harcourt Road
Admiralty
Hong Kong

29 August 2024

*To the Independent Board Committee and the Independent Shareholders of
Deewin Tianxia Co., Ltd*

Dear Sir or Madam,

DISCLOSABLE TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS ENTERING INTO THE AMENDED FRAMEWORK AGREEMENTS FOR SUPPLY OF PRODUCTS AND SERVICES

INTRODUCTION

We refer to our engagement as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 29 August 2024 issued by the Company to the Shareholders (the “**Circular**”), of which this letter of advice forms part. Unless the context requires otherwise, capitalized terms used in this letter of advice shall have the same meaning as defined in the Circular.

Reference is made to (i) the section headed “Connected Transaction” in the prospectus of the Company dated 30 June 2022 (the “**Prospectus**”) in relation to, among other things, the Supply of Products and Services Framework Agreements entered into on 23 June 2022. The entering into the Amended Framework Agreements for Supply of Products and Services is to enhance the efficiency of managing connected transactions of the Group.

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As at the Latest Practicable Date, Shaanxi Automobile Holding was the controlling shareholder of the Company. Shaanxi Automobile Holding holds 68.77% and 0.54% of the Company through its subsidiaries Shaanxi Automobile and Shaanxi Commercial Automobile respectively. The Shaanxi Heavy Duty Automobile's 49.00% equity interest is held by Shaanxi Automobile Holding. Accordingly, Shaanxi Automobile Holding is a connected person of the Company under the Listing Rules. As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules for the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder exceed 5%, the continuing connected transactions under the aforementioned agreements are subject to announcement, annual review, circular and Independent Shareholders' approval under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Li Gang, Mr. Ip Wing Wai and Mr. Yu Qiang, has been formed to advise the Independent Shareholders on whether (i) the terms of the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the respective resolutions to approve the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder at the EGM. We, Shanxi Securities International Capital, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

As at the Latest Practicable Date, we do not have any relationships or interests with the Company, Shaanxi Automobile Holding and Shaanxi Heavy Duty Automobile that could reasonably be regarded as relevant to our independence. In the last two years prior to the Latest Practicable Date, there was no engagement or connection between the Company, Shaanxi Automobile Holding and Shaanxi Heavy Duty Automobile and us. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements exist whereby we had received or will receive any fees or benefits from the Company, Shaanxi Automobile Holding and Shaanxi Heavy Duty Automobile. Accordingly, we are independent from the Company, Shaanxi Automobile Holding and Shaanxi Heavy Duty Automobile pursuant to the requirements under Rule 13.84 and therefore are qualified to give independent advice in respect of the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder.

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BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the subject transaction announcement and the Circular; (ii) the information supplied by the Group; (iii) the opinion expressed by and the representations of the Directors and the management of the Group; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the management of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the management of the Group are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the Circular.

We consider that we have been reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the business, affairs operations, financial position or future prospects of the Company or its substantial shareholders, subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the entering into the Amended Framework Agreements for Supply of Products and Services and the transactions contemplated thereunder, we have taken into account the principal factors and reasons set out below:

1. Background information of the Group

With reference to the Letter from the Board, the Company is established in the PRC on 14 August 2014 and was converted into a joint stock company with limited liability on 25 December 2020. The Company is primarily engaged in providing various value-added services, including logistics and supply chain services, supply chain financial services and IoV and data services, to players along the commercial vehicle industry chain.

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Set out below is a summary of the audited consolidated financial information of the Group for the two years ended 31 December 2023, as extracted from the Group's annual report for the financial year ended 31 December 2023 (the "2023 Annual Report").

	For the year ended	
	31 December	
	2022	2023
	RMB'000	RMB'000
	(audited)	(audited)
Revenue	2,728,298	3,119,437
– Sales of goods	365,276	508,902
– Logistics and warehousing services	1,686,579	2,072,905
– Interest income from financial leasing business	489,880	363,511
– Interest income from factoring services	80,394	95,260
– Internet of Vehicle (IoV) and data services	102,527	71,375
– Others	3,642	7,484
Gross profit	494,042	515,413
Profit for the year	220,035	151,250

The Group's revenue increased by 14.3% from approximately RMB2,728.3 million for the year ended 31 December 2022 to approximately RMB3,119.4 million for the year ended 31 December 2023. Revenue from the logistics and warehousing services increased by 22.9% from approximately RMB1,686.6 million for the year ended 31 December 2022 to approximately RMB2,072.9 million for the year ended 31 December 2023. We have been informed by the Directors that such increase in revenue was primarily due to the further expansion in third party logistics services and the Group continued to diversify its customers bases while exploring cooperation with more independent customers through the expansion and development of its third party logistics service in relation to raw materials (such as coal and ore), commodities and express couriers. Furthermore, as extracted from the 2023 Annual Report, the profit for the year decreased by 31.2% from approximately RMB220.0 million for the year ended 31 December 2022 to approximately RMB151.3 million for the year ended 31 December 2023, such decrease was mainly due to increment of impairment loss on financial asset based on the Group's prudent consideration and less government subsidies in 2023 compared with 2022.

2. Entering into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

Reference is made to the Prospectus in relation to, among other things, the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement between the Company and Shaanxi Automobile Holding, pursuant to which the Group will supply the following types of products and services to Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries): (i) supply chain services, (ii) commercial vehicle-related products and (iii) data-related services.

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Set out below is a summary of the principal terms of the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement. Independent Shareholders are advised to read further details of the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement as disclosed in the Letter from the Board:

- Date:** 29 August 2024
- Parties:** (i) the Company; and
- (ii) Shaanxi Automobile Holding
- Term:** Upon being affixed with corporate seals of the parties, the agreement shall take effect from the date of approval at the EGM, and expire on 31 December 2024. Subject to compliance with applicable laws and regulations (including but not limited to the Listing Rules) and the requirements of the securities regulatory authorities, the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement may be renewed automatically for a further term of three years from time to time, unless terminated by the Company by notice in writing during its term or for other reasons stated in it. From the date on which the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement comes into force, the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement is automatically terminated and is superseded.
- Major Matters:** The Group (the “**Supplier**”) will provide Shaanxi Automobile Holding and its associates (excluding Shaanxi Heavy Duty Automobile and its subsidiaries) with products and services, namely (1) supply chain services, including components collection, transportation, distribution, warehousing, sorting, packaging, precision distribution and other supply chain logistics services, automobile logistics services, etc.; (2) commercial vehicle-related products, i.e., intelligent IoV products; (3) data-related services, including platform operation and platform development and other services; and (4) supply chain financial services, including financial leasing and factoring services.
- Pricing policy:** The sales price or the services fee of the supply of products and services charged by the Supplier under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will be determined based on the market rate after arm’s length negotiations between both parties. The “market rate” represents the price provided by the Group to an independent third

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party in respect of a same or similar product or service in the same area on normal commercial terms during the ordinary course of business of the parties. If the market rate is unavailable, it will be determined on “cost-plus” basis (principle of cost plus a reasonable margin^{note}). In particular:

With respect to the supply chain services, the service fee of supply chain services will be determined based on the market rate. If the market rate is unavailable, the service fee of supply chain services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will update its scale of fees in relation to its provision of logistics services on an annual basis by taking into account relevant factors, including but not limited to gasoline and diesel prices, national toll billing policies, transportation methods, management expense, tax rates and reasonable gross profit margins and for each transaction entered into by both parties under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, the services fee charged by the Supplier will be in line with such scale.

With respect to the commercial vehicle-related products, the sales price of such goods will be determined based on the market rate. If the market rate is unavailable, the service fee will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to costs of the products, management expense, tax rates and reasonable gross profit margins.

With respect to the data-related services, the service fee will be determined based on the market rate. If the market rate is unavailable, the services fee will be determined on a “cost-plus” basis. For each transaction entered into by both parties under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, if it is determined on a “cost-plus” basis, the parties will take into account relevant factors, including but not limited to research and development costs, labor and operate costs as well as reasonable gross profit margins.

With respect to the supply chain financial services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee of the supply chain financial services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to labor, materials and time cost.

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Note:

The above fee rates for the services and sales price of the products will vary depending on the types of services or products involved. For the reasonable margin for such services and products provided by the Supplier under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, in general, the profit margins for supply chain services will range from approximately 3% to 10%, the profit margins for commercial vehicles-related products will range from approximately 5% to 10%, the profit margins for data-related services will range from approximately 10% to 20%, and the service fee rates for supply chain financial services (calculated based on the principal) will range from approximately 0.5% to 10%. Except for the fee rate for the entrusted lease service which the Supplier has not provided to independent third-party customers, the aforesaid service fee rates and profit margins shall not be lower than those charged by the Supplier for providing the same or similar types of services to independent third-party customers.

(a) Reasons for and benefits of entering into the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

It is mentioned in the Letter from the Board that the Board considers that the entering of the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement would benefit the Group for the following reasons: (i) the Group and Shaanxi Automobile Holding and its associates are long-standing partners; (ii) prices and terms for the products and services (excluding entrusted lease services) provided by the Group to Shaanxi Automobile Holding and/or its associates are no less favourable than those offered by the Group to independent third parties; (iii) Shaanxi Automobile Holding, comprising its close associates, is the fourth largest commercial vehicle manufacturer in the commercial vehicle sales market in the PRC, thus the supply of products and services to Shaanxi Automobile Holding and/or its associates will provide the Group with a steady revenue source, which is in the interest of the Company and its Shareholders as a whole; (iv) provision of diversified services to commercial vehicle manufacturers is one of the Group's important business models and development strategies. Among them, in terms of the newly added supply chain financial services, the provision of supply chain financial services to Shaanxi Automobile Holding and/or its associates can provide a more diversified range of products and services to commercial vehicle cooperative channels, while meeting the funding needs of Shaanxi Automobile Holding and/or its associates for production and operation. With synergistic advantages, it builds a reasonable layout and efficient operation business model, further enriches the Group's revenue sources. Among the aforesaid, considering Deewin Finance Lease (a) will purchase the leased assets only after receiving entrusted funds from the trustor; (b) will not be liable for the breach committed by the trustor of the relevant lease arrangements with the lessees; and (c) will not be liable to pay the relevant lease principal and/or interest to the trustor in the event of payment default by the lessees, the Group is of the view that the newly

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added entrusted lease business and the provision of supply chain of services does not pose any additional risk compared to the Group's current routine finance lease and factoring business; and (d) given that the Group's service scope to Shaanxi Automobile Holding and its associate(s) has been further expanded to include the supply chain financial services. Unlike supply chain logistics services, intelligent IoV products, and other production-related services, Shaanxi Automobile Holding and/or its associate(s) may choose other supply chain financial service providers or data service providers, thus the Group will no longer be the sole provider of the relevant services in practice with respect to the services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement. Therefore, deleting the exclusivity terms is in line with business reality. After deleting the exclusivity terms, the Group's exclusive right to supply relevant products and services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will no longer be guaranteed, which may result in the Group's share of supplying relevant products and services to Shaanxi Automobile Holding and/or its affiliates being divided among other suppliers.

(b) Proposed revised annual caps of Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

In respect of those products and/or services to which the proposed revised annual caps corresponding, set of below are (i) their existing annual caps of the Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the three years ending 31 December 2024; (ii) their actual transaction amount for the two years ended 31 December 2023 and the six months ended 30 June 2024; and (iii) the proposed revised annual caps and proposed annual caps for the year ending 31 December 2024 as extracted from the Letter from the Board:

	Existing Annual Cap			Actual Transaction		Actual Transaction	Proposed Revised
	for the year ended/ending			Amount for the		Amount for	Annual Caps
	31 December			year ended		the six	for the year
	2022	2023	2024	31 December	2023	months ended	ending
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Supply of commercial vehicle-related products							
Supply of data-related services	400	500	600	90	41	6	1,980
Supply of supply chain financial services							
- Principal	-	-	-	-	-	-	190,000
- Interest and administrative fee	-	-	-	-	-	-	6,013
Total	400	500	600	90	41	6	197,933

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Proposed revised annual caps for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

In order to assess the fairness and reasonableness of the proposed revised annual caps for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, we have obtained and reviewed (i) the transaction breakdown for the two years ended 31 December 2023 of the existing annual caps for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement for the three years ending 31 December 2024; (ii) the signed supply of data-related services memorandum dated March 2024 and amounted to approximately RMB0.7 million for the year ending 31 December 2024; (iii) as advised by the Directors, Shaanxi Automobile Holding plans to entrust Tianxingjian IoV to complete the construction of the industrial internet network trust support cooperation platform and the remote emission end data analysis platform, with the service amount expected to be approximately RMB0.7 million and RMB0.7 million, respectively. We have obtained and reviewed the internal meeting minutes dated May 2024 between the Group and Shaanxi Automobile Holding and/or its associates; (iv) the underlying calculation of the proposed revised of annual caps for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, and discussed with the Directors on the basis and assumption adopted in the calculation; and (v) as at 30 June 2024, the transaction amount of the signed contracts was approximately RMB0.2 million (among which, RMB0.1 million is expected to be recognized as revenue in 2024). The Group expects that data-related services transactions under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement will continue to occur in the second half of 2024, we have obtained and reviewed the contracts and management accounts.

The proposed revised annual cap for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement, was calculated with reference to (i) the Group's historical transaction amount under the existing annual caps of the supply of data-related services for the two years ended 31 December 2023 and for the six months ended 30 June 2024 and (ii) the anticipated demand for the supply of data-related services required by the Shaanxi Automobile Holding and/or its associates based on its strategic business plan for the year ending 31 December 2024.

Having taken into consideration of the factors as aforementioned, we concur with the Directors' view that proposed revised annual caps for the supply of data-related services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the benefits of the Company and the Independent Shareholders as a whole.

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Proposed Annual Caps for the Supply of Supply Chain Financial Services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement

In order to assess the fairness and reasonableness of the proposed annual caps for the supply of supply chain financial services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement:

- (i) we have obtained and reviewed the historical transaction between the Group and Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile) and the Group's basis of determining the annual cap for the year ending 31 December 2024 for the supply chain financial services, it is based on the sales volume forecast of Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile) and their anticipated demand based on their business funding needs: (a) the Group intends to provide factoring services to Shaanxi Automobile Holding and/or its associates, for a factoring amount of approximately RMB100.0 million. In addition, as advised by the Directors, the Group is in discussions with Shaanxi Automobile Holding and/or its associates regarding the factoring need from Shaanxi Automobile Holding and/or its associates due to their business expansion plan for the year ending 31 December 2024; (b) the Group intends to provide equipment finance lease services to Shaanxi Automobile Holding and/or its associates, for an amount of approximately RMB40.0 million. Regarding the details of the historical transactions for the equipment finance lease between the Group and Shaanxi Automobile Holding of approximately RMB20.0 million, please refer to the announcement dated 14 May 2024. In addition, as advised by the Directors, the Group expected to provide equipment finance lease services of approximately RMB40.0 million to Shaanxi Automobile Holding and/or its associates in the second half of 2024; and (c) Shaanxi Automobile Holding intends to conduct entrusted lease business through the Group, with a total principal amount of RMB50.0 million to provide finance lease-related services to its customers. We have obtained and reviewed the internal meeting minutes dated April 2024 about the entrusted lease business between the Group and Shaanxi Automobile Holding and/or its associates. Regarding the annual caps of the interest and administrative fees for the newly added supply chain financial services of RMB6.0 million, it is determined based on (a) the principal cap, (b) the estimated average fee rate of the supply chain financial services (the commission fee rate and interest rate) charged by the Group for the principal of providing supply chain financial services to Shaanxi Automobile Holding and/or its associates, which are as follows: (i) the commission fee rate for entrusted lease business is approximately 0.5%-1%; (ii) the comprehensive annualized interest rate for regular financial leasing business is approximately 5%-10%; and (iii) the comprehensive annualized interest rate for factoring services is approximately 4%-10%, and (c) the Group's commercial policy on financial services. We have reviewed the basis of calculation of the commission fee rate and interest rate, the service fee is determined on cost-plus basis and with

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reference to market rates. The cost plus will consider relevant factors, including but not limited to labour, material and time cost etc. As advised by the Directors, the average interest rate refers to the average value of service rate of comparable similar type of business;

- (ii) as advised by the Directors, the Group expected that entering in the supply chain financial services market (such as factoring, equipment finance lease service and finance lease-related services) would benefit to the Group and Shaanxi Automobile Holding and/or its associates (excluding Shaanxi Heavy Duty Automobile) in terms of operation and its business growth. In addition, it provides more diversified products and services for commercial vehicle cooperation channels;
- (iii) we have reviewed the basis for the determination of 0.5%-1% commission fee rate on entrusted business. Also, we conducted research on the commission fee rate and noted that a finance lease company, a subsidiary of a stated-owned enterprise in the PRC, which principally engaged in the provision of heavy machinery and automotive manufacturing, conducts entrusted business to its customers at a commission fee rate of 0.6%, we considered such comparable is fair and representative. Having considered (a) the commission fee rate of the comparable was at a similar level with our commission fee rate on entrusted business; and (b) we have discussed with the Directors to understand the basis of determining 0.5%-1% commission fee rate on entrusted business. We concurred with the Directors' view that 0.5%-1% commission fee rate on entrusted business is fair and reasonable; and
- (iv) we have reviewed the basis and obtained the calculation of the estimated average fee rate of the interest and administrative fees cap for the supply chain financial services. We have performed the testing for the calculation of the estimated average fee rate of the interest and administrative fees to validate that the estimated average fee rate of the interest and administrative fees is based on reasonable and fair basis. Also, we have reviewed a schedule of proposed fees chargeable by Deewin Finance Lease in relation to the entrusted business and noted that the proposed fees are in conformity with the pricing policy. Furthermore, we have discussed with the Directors in relation to the basis of determining the estimated average fee rate of interest and administrative fee cap for the supply chain financial services. Having considered the abovementioned, we concurred with the Directors' view that the basis of determining the estimated average fee rate for the interest and administrative fees cap of the supply chain financial services is fair and reasonable.

Having taken into consideration of the factors as aforementioned, we concur with the Directors' view that proposed annual caps for the supply of supply chain financial services under the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the benefits of the Company and the Independent Shareholders as a whole.

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3. Entering into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

Reference is made to the Prospectus in relation to, among other things, Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement between the Company and Shaanxi Heavy Duty Automobile, pursuant to which the Group will supply the following types of products and services to Shaanxi Heavy Duty Automobile and/or its subsidiary(ies): (i) supply chain services, (ii) commercial vehicle-related products and (iii) data-related services.

Set out below is a summary of the principal terms of the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement. Independent Shareholders are advised to read further details of the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement as disclosed in the Letter from the Board:

- Date:** 29 August 2024
- Parties:** (iii) the Company; and
(iv) Shaanxi Heavy Duty Automobile
- Term:** Upon being affixed with corporate seals of the parties, the agreement shall take effect from the date of approval at the EGM, and expire on 31 December 2024. Subject to compliance with applicable laws and regulations (including but not limited to the Listing Rules) and the requirements of the securities regulatory authorities, the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement may be renewed automatically for a further term of three years from time to time, unless terminated by the Company by notice in writing during its term or for other reasons stated in it. From the date on which the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement comes into force, the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement automatically terminates and is superseded.
- Major Matters:** The Group will provide Shaanxi Heavy Duty Automobile and its subsidiary(ies) with products and services, including (1) supply chain services, including components collection, transportation, distribution, warehousing, sorting, packaging, precision delivery and other supply chain logistics services; automobile logistics services, etc.; (2) commercial vehicle-related products, i.e., intelligent IoV products; aftermarket products and new energy batteries; (3) data-related services, namely platform operation and platform development, and (4) supply chain financial services, i.e. finance lease services.

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Pricing policy: The sales price or the service fee for the supply of products and services charged by the Supplier under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement will be determined based on the market rate after arm's length negotiation between both parties. The "market rate" represents the price provided by the Group to an independent third party in respect of the same or similar product or service in the same area on normal commercial terms during the ordinary course of business of the parties. If the market rate is unavailable, it will be determined on a "cost-plus" basis (principle of cost plus a reasonable margin). In particular:

With respect to the supply chain services, the service fee for supply chain services will be determined based on the market rate. If the market rate is unavailable, the service fee for supply chain services will be determined on a "cost-plus" basis. If it is determined on a "cost-plus" basis, the Supplier will update its scale of fees in relation to its provision of logistics services on an annual basis by taking into account relevant factors, including but not limited to gasoline and diesel prices, national toll billing policies, transportation methods, management expense, tax rates and reasonable gross profit margins and for each transaction entered into by both parties under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, the service fee charged by the Supplier will be in line with such scale.

With respect to the commercial vehicle-related products the sales price of such product will be determined based on the market rate. If the market rate is unavailable, the sales price of such goods will be determined on a "cost-plus" basis. If it is determined on a "cost-plus" basis, the Supplier will take into account relevant factors, including but not limited to costs of the products, management expense, tax rates and reasonable gross profit margins.

With respect to the data-related services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee will be determined on a "cost-plus" basis. For each transaction entered into by both parties under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, if it is determined on a "cost-plus" basis, the parties will take into account relevant factors, including but not limited to research and development costs, labor and operate costs as well as reasonable gross profit margins.

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With respect to the supply chain financial services, the service fee will be determined based on the market rate. If the market rate is unavailable, the service fee of the supply chain financial services will be determined on a “cost-plus” basis. If it is determined on a “cost-plus” basis, the Supplier will take into account relevant factors, including but not limited to labor, materials and time cost.

(a) Reasons for and benefits of entering into the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

It is mentioned in the Letter from the Board that the Group considers that the entering of the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement would benefit the Group on the following reasons: (i) the Group has established a long-term strategic and stable business relationship with Shaanxi Heavy Duty Automobile and its subsidiaries, and therefore, conducting the continuing connected transactions under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is beneficial for improving the Group’s operational efficiency and stability; (ii) prices and terms for the products and services (excluding entrusted lease services and supply of new energy batteries) provided by the Group to Shaanxi Heavy Duty Automobile and its subsidiaries are no less favourable than those offered by the Group to independent third parties; (iii) the supply of products and services to Shaanxi Heavy Duty Automobile and its subsidiaries will provide the Group with a steady revenue source, which is in the interest of the Company and its Shareholders as a whole; (iv) to provide diversified services to commercial vehicle manufacturers is one of the Group’s important business models and development strategies. In particular, the newly added new energy battery products utilise environment-friendly and high-performance renewable energy. The power battery segment represented by the application in new energy vehicles is developing rapidly, and the market demands related to new energy vehicles are gradually increasing. The relevant business is based on the Group’s needs for the expansion of new energy business, which is in line with the Group’s overall development strategy and is conducive to improving its presence in the aftermarket service industry layout, further enhancing the Group’s competitiveness and facilitating the Group’s long-term and healthy development; in terms of the newly added supply chain financial services, the provision of supply chain financial services to Shaanxi Heavy Duty Automobile and its subsidiaries can provide a more diversified range of products and services to commercial vehicle cooperative channels, while meeting the funding needs of Shaanxi Heavy Duty Automobile and its subsidiaries for production and operation, which enable both parties to synergize their advantages and builds a business model with rational structure and efficient operation, and further enrich the Group’s revenue sources. Among the aforesaid, considering that (i) Deewin Finance Lease will purchase the leased assets only after receiving entrusted funds from the trustor; (ii) Deewin Finance Lease will not be liable for the breach of the relevant lease arrangements with the lessees committed by the trustor; (iii) Deewin Finance Lease will not be liable to pay the relevant lease principal and/or interest to the trustor in the event of payment default by the lessees; (iv) the trustor will pay the service fee separately and in a lump sum to Deewin Finance Lease before Deewin Finance Lease carries out finance lease business with the lessees, and events of payment default by the lessees will not affect the service fee charged by Deewin Finance Leases, the Group is of the view that the newly added entrusted lease business does not have additional risks compared with the Group’s current daily finance lease and factoring business; (v) with respect to the adjustment to the pricing policy,

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the pricing policy of products and services provided by the Group under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement is determined after arm's length negotiation between both parties, reflecting the latest negotiation results between the parties to the agreement; taking the "market rate" as the priority pricing benchmark is a market-oriented adjustment based on the original pricing policy and industry practices, which is commercially reasonable; and (vi) the Group's service scope to Shaanxi Heavy Duty Automobile and its subsidiaries has been further expanded to include supply chain financial services. Unlike supply chain logistics services, intelligent IoV products, and other production-related services, as Shaanxi Heavy Duty Automobile and/or its subsidiaries may choose other supply chain financial service providers or data service providers, the Group will no longer be the sole provider of the relevant services in practice with respect to the services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement. Therefore, deleting the exclusivity terms is in line with business reality. After the removal of the exclusivity terms, the Group's exclusive right to supply relevant products and services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement will no longer be guaranteed, which may result in the Group's share in the supply of the relevant products and services to Shaanxi Heavy Duty Automobile and its subsidiaries being divided by other suppliers.

(b) Proposed revised annual caps of Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

In respect of those products and/or services to which the proposed revised annual caps corresponding, set of below are (i) their existing annual caps of the Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement for the three years ending 31 December 2024; (ii) their actual transaction amount for the two years ended 31 December 2023 and the six months ended 30 June 2024; and (iii) the proposed revised annual caps and the proposed annual caps for the year ending 31 December 2024 as extracted from the Letter from the Board:

	Existing Annual Cap			Actual Transaction		Actual Transaction	Proposed Revised
	for the year ended/ending			Amount for the		Amount for	Annual Caps
	31 December			year ended		the six	for the year
	2022	2023	2024	2022	2023	months ended	ending
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Supply of commercial vehicle-related goods							
Intelligent IoV products	96,290	100,000	100,600	30,394	93,493	40,359	140,600
New energy battery products	-	-	-	-	-	-	158,000
Supply of supply chain financial services							
- Principal	-	-	-	-	-	-	460,000
- Interest and administrative fee	-	-	-	-	-	-	2,760
Total	96,290	100,000	100,600	30,394	93,493	40,359	761,360

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Proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

In order to assess the fairness and reasonableness of the proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, we have obtained the calculation of the proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement (“**Proposed Revised Annual Cap for the Intelligent IoV Products Calculation**”) and discussed with the Directors on the basis for determining the proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement.

According to Proposed Revised Annual Cap for the Intelligent IoV Products Calculation, the proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement was calculated with reference to (i) the Group’s historical transaction amount under the existing annual cap for the two years ended 31 December 2023 and six months ended 30 June 2024; and (ii) the Group’s anticipated transaction amount for the supply of the intelligent IoV products to Shaanxi Heavy Duty Automobile and its subsidiaries for the year ending 31 December 2024.

In addition, we also noted from the Proposed Revised Annual Cap for the Intelligent IoV Products Calculation that:

- (i) the Group’s historical transaction amount under the existing annual cap for the year ended 31 December 2023 was approximately RMB93.5 million, representing approximately 93.5% of the existing annual cap of RMB100.0 million for the year ended 31 December 2023, and for the six months ended 30 June 2024 was approximately RMB40.4 million, representing approximately 40.1% of the existing annual cap of RMB100.6 million for the year ending 31 December 2024; and
- (ii) the Group’s anticipated transaction amount for the supply of intelligent IoV products amounted to approximately RMB115.0 million for the period from 1 July 2024 to 31 December 2024 (“**the Anticipated Intelligent IoV Products Amount**”).

According to the Proposed Revised Annual Cap for the Intelligent IoV Products Calculation, we understood that the Anticipated Intelligent IoV Products Amount for the year ending 31 December 2024 was calculated with reference to (i) the Group had upgraded and launched end screen two-in-one project (端屏二合一產品) in December 2023, according to several business negotiations between Tianxingjian IoV and Shaanxi Heavy Duty Automobile Import and Export Company, Shaanxi Heavy Duty Automobile intends to optimize the configuration of commercial vehicles for exporting and install customized intelligent IoV products on such commercial vehicles. Therefore, it is expected that demand for installing intelligent IoV products on commercial vehicles exported by Shaanxi Heavy Duty Automobile for the year ending 31 December 2024 will be increased, which will lead to increases in the

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Group's supply of intelligent IoV products for commercial vehicles exported by Shaanxi Heavy Duty Automobile, and such increase expected to generate additional revenue of approximately RMB20.0 million for the Group. As of June 2024, Tianxingjian IoV has completed the development, testing and launching of the end screen two-in-one product. We have obtained and reviewed the calculation and the basis of the forecasted revenue in respect of the intelligent IoV products to be provided to Shaanxi Heavy Duty Automobile for the year ending 31 December 2024. Based on our discussion with the Directors, we noted that the basis of the forecast revenue is based on the expected demand of the upgraded and launched end screen two-in-one project (端屏二合一產品) by Shaanxi Heavy Duty Automobile for the year ending 31 December 2024 according to their forecast sales volume of commercial vehicles in 2025. Hence, we consider the Anticipated Intelligent IoV Product Amount to be justifiable.

Having taken into consideration of the factors as aforementioned, we concur with the Directors' view that the proposed revised annual cap for the intelligent IoV products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the benefits of the Company and the Independent Shareholders as a whole.

Proposed Annual Cap for the New Energy Battery Products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

In order to assess the fairness and reasonableness of the proposed annual cap for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement, we have obtained the calculation of the proposed annual cap for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement (“**Proposed Annual Cap the New Energy Battery Products Calculation**”) and discussed with the Directors on the basis for the determining the proposed annual cap for the year ending 31 December 2024 for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement.

According to Proposed Annual Cap for the New Energy Battery Products Calculation, the proposed annual cap for the year ending 31 December 2024 for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement was calculated with reference to (i) the Group's historical transaction amount with Shaanxi Heavy Duty Automobile in October 2023 and April 2024; and (ii) the Group's anticipated transaction amount for the supply of the new energy battery products to Shaanxi Heavy Duty Automobile and its subsidiaries for the year ending 31 December 2024.

In addition, we also noted from the Proposed Annual Cap for the New Energy Battery Products Calculation that:

- (i) there are three historical transactions for the new energy battery between the Group and Shaanxi Heavy Duty Automobile as following: (i) approximately RMB19.1 million in October 2023, for further detail please refer to the announcement dated

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15 October 2023; (ii) approximately RMB15.5 million on April 2024, for further details please refer to the announcement dated 16 April 2024; and (iii) approximately RMB13.4 million in July 2024, for further details please refer to the announcement dated 9 July 2024; and

- (ii) the Group's anticipated transaction amount for the supply of new energy battery products amounted to approximately RMB158.0 million for the period from 1 July 2024 to 31 December 2024 (**"the Anticipated New Energy Battery Products Amount"**).

According to the Proposed Annual Cap for the New Energy Battery Products Calculation, we understood that the Anticipated New Energy Battery Products Amount for the year ending 31 December 2024 was calculated with reference to (i) the increase in demand for new energy battery products by the application in new energy vehicles by Shaanxi Heavy Duty Automobile for the year ending 31 December 2024, which is due to the increasing market demand for new energy vehicles. The proposed annual cap for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement are based on the Group's needs for the expansion of new energy business, which is in line with the Group's overall development strategy and is conducive to improving the aftermarket service industry layout, further enhancing the Group's competitiveness and facilitating the Group's long-term and healthy development. We have obtained and reviewed the internal meeting minutes between the Group and Shaanxi Heavy Duty Automobile about the discussion for the demand of new energy battery products for the year ending 31 December 2024. Based on our discussion with the Directors, we noted that the basis of the forecast revenue is based on the expected demand of the application in the new energy vehicles by Shaanxi Heavy Duty Automobile for the year ending 31 December 2024 according to their forecast sales volume of commercial vehicles in 2025. Hence, we consider the Anticipated New Energy Battery Products Amount to be justifiable.

Having taken into consideration of the factors as aforementioned, we concur with the Directors' view that proposed annual cap for the new energy battery products under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the benefits of the Company and the Independent Shareholders as a whole.

Proposed Annual Cap for the Supply of Supply Chain Financial Services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement

In order to assess the fairness and reasonableness of the proposed annual cap for the supply of supply chain financial services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement:

- (i) we have reviewed the historical transaction between the Group and Shaanxi Heavy Duty Automobile Holding and its subsidiaries, and the Group's basis of determining the annual cap for the year ending 31 December 2024 for the supply chain financial

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services, which is based on the historical transaction with Shaanxi Heavy Duty Automobile Holding and its subsidiaries, and their anticipated demand for conducting entrusted lease business through the Group, with a total amount of RMB460.0 million to provide finance lease-related services to its customers;

- (ii) we have reviewed the basis for the determination of 0.5%-1% commission fee rate on entrusted business. Also, we conducted research on the commission fee rate and noted that a finance leases company, a subsidiary under the stated-owned enterprise in the PRC, which principally engaged in the provision of heavy machinery and automotive manufacturing, conducts entrusted business to its customers at a commission fee rate of 0.6%, we considered such comparable is fair and representative. Having considered (a) the commission fee rate of the comparable was at a similar level with our commission fee rate on entrusted business; and (b) we have discussed with the Directors to understand the basis of determining 0.5%-1% commission fee rate on entrusted business. We concurred with the Director's view that 0.5%-1% commission fee rate on entrusted business is fair and reasonable; and

- (iii) we have reviewed the basis and obtained the calculation of the estimated average fee rate of the interest and administrative fees cap for the supply chain financial services. We have performed the testing for the calculation of the estimated average fee rate of the interest and administrative fees to validate that the estimated average fee rate of the interest and administrative fees is based on the reasonable and fair basis. Also, we have reviewed a schedule of proposed fees chargeable by Deewin Finance Lease in relation to the entrusted business and noted that the proposed fees are in conformity with the pricing policy. Furthermore, we have discussed with the Directors in relation to the basis of determining the estimated average fee rate of interest and administrative fee cap for the supply chain financial services. Having considered the abovementioned, we concurred with the Directors' view that the basis of determining the estimated average fee rate for the interest and administrative fees cap of the supply chain financial services is fair and reasonable.

Having taken into consideration of the factors as aforementioned, we concur with the Directors' view that proposed annual cap for the supply of supply chain financial services under the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the benefits of the Company and the Independent Shareholders as a whole.

Shareholders should note that as the entering into the Amended Framework Agreements for Supply of Products and Services and are determined based on various factors relating to future events and assumptions which may or may not remain valid for the entire period up to 31 December 2024, they do not represent forecasts of revenue to be generated from the operations of the Group. Consequently, we express no opinion as to how closely the actual amounts to be received by the Group will correspond with the entering into the Amended

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Framework Agreements for Supply of Products and Services. However, taking into account that there will be sufficient internal control measures adopted by the Group to ensure that entering into the Amended Framework Agreements for Supply of Products and Services will be set in accordance with the pricing and terms under the entering into the Amended Framework Agreements for Supply of Products and Services (details as set out in the section headed “**Internal control and compliance with the Listing Rules**” of this letter).

4. Internal control and compliance with the Listing Rules

As referred to the Letter from the Board, the Company has adopted the following internal control procedures to ensure that the continuing connected transactions are fair and reasonable, on normal commercial terms or better, and in the interests of the Company and the Shareholders as a whole. In this respect:

- (a) The Group has adopted and implemented a management system on connected transactions. Under this system, the Group designated departments including financial management department, audit department and operation management department will be jointly responsible for reviewing and evaluating the terms of the continuing connected transactions and, in particular, the fairness of the pricing terms and will provide monthly reports on connected transactions to our management team, which is responsible for ensuring that the annual caps of the continuing connected transactions have not been exceeded and that the pricing of each of the continuing connected transactions remains fair and reasonable. In particular, with respect to the pricing of the transactions contemplated under the Amended Framework Agreements for Supply of Products and Services, prior to each supply of products and/or services to connected persons, (i) the business department of each subsidiary shall (a) (if the market rate is available) compare the pricing of specific agreements for such continuing connected transactions with the pricing fixed in at least two agreements with independent third parties, to ensure that the pricing of the specific agreements for such continuing connected transactions is determined based on the market rate; or (b) (if the market rate is unavailable, such as those involving products and/or services that the Group has not supplied to independent third parties (i.e. entrusted lease services and new energy battery products) and there are no comparable pricing terms), consider the information on the quotations of those products and/or services (if any) provided by the third party suppliers to the connected persons, which will then be provided by the connected persons to the Group, in respect of the products and/or services and the quotations on those products and/or services obtained through exchange of information with industry peers or suppliers (including phone calls and meetings, etc.), and ensure that the pricing of the specific agreements for such continuing connected transactions shall cover the costs incurred and reasonable profits of the Group for the supply of products and/or services to the connected persons, and the pricing terms of the specific agreements are no less favorable than those contained in the aforesaid quotations; and (c) submit the pricing of such specific agreements to the financial management department of the subsidiary for review and approval; and (ii) the financial management department shall ensure that the terms of such specific agreements (including but not limited to price and settlement terms) are in

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compliance with the Amended Framework Agreement for Supply of Products and Services before submitting the pricing of such specific agreements to the deputy general manager and general manager in charge of the business department and general manager of such subsidiary and/or the Company (depending on the nature of the business and the size of the transaction) for approval. This can ensure that the pricing of the relevant products and/or services provided by the Group to connected persons are on normal commercial terms. We have assessed the internal control policy for continuing connected transactions of the Group, and we are of the view that such internal control procedure abided by the Group can effectively assure that the existing and possible future agreements entered and to be entered with any connected persons are and will be on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders. According to the Group's policies under the Amended Framework Agreements for Supply of Products and Services for those comparable transactions, we have obtained and reviewed the agreements for the provision of products by the Company to the connected person, we noted that the selling price and the settlement terms offered by the Group are able to ensure the Group shall cover the costs incurred and reasonable profit from the selling of the product to the connect person, and the selling price of the product would be accepted by the purchaser. We also noted that this sales transaction (including but not limited to price and settlement terms) is no less favourable than the supply of products to other independent customers. As such, we are of the view that the internal control measures are sufficient under the Amended Framework Agreements for Supply of Products and Services.

- (b) The independent non-executive Directors will review the continuing connected transactions every year pursuant to Rule 14A.55 of the Listing Rules and confirm in the annual report of the Company that the transactions have been entered into: (i) in the ordinary and usual course of business of our Group; (ii) on normal commercial terms or better to our Group; and (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of our Shareholders as a whole. If our independent non-executive Directors cannot so confirm, the Company will duly comply with Rule 14A.59 of the Listing Rules by promptly notifying the Stock Exchange and publishing an announcement. The independent non-executive Directors have also reviewed the Company's management system on connected transactions, supervised its implementation, made recommendations to our Board and reviewed and approved connected transactions of the Company and other related matters to the extent authorized by the Board.
- (c) The external auditor of the Company will conduct annual review and report on the continuing connected transactions pursuant to Rule 14A.56 of the Listing Rules. The Company will disclose in the Company's annual reports the work performed by the external auditor of the Company with respect to the Group's continuing connected transactions and their conclusions on whether anything has come to its attention that causes it to believe that such continuing connected transactions:
 - (i) have not been approved by the Company's board of directors;

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- (ii) were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;
- (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (iv) have exceeded the annual caps.

We have reviewed the independent auditor's audit report on continuing connected transactions dated 25 April 2024. As such we are of the view that the Company's auditor will review as the previous year for the transactions under the Amended Framework Agreements for Supply of Products and Services to confirm whether the transactions thereunder not to exceed the annual cap on a year basis.

Having considered the above, in particular (i) the ongoing monitoring of the transactions under the Amended Framework Agreements for Supply of Products and Services; and (ii) the requirements under the Listing Rules for the ongoing review by the independent non-executive Directors and the external auditor of the Company of the terms of the transactions under the Amended Framework Agreements for Supply of Products and Services, we concur with the Board that appropriate and adequate procedures are in place to ensure that the transactions contemplated under the Amended Framework Agreements for Supply of Products and Services will be appropriately monitored and are in the ordinary and usual course of business of the Group on commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the entering into the Amended Framework Agreements for Supply of Products and Services are in the ordinary and usual course of business of the Group on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) the entering into the Amended Framework Agreements for Supply of Products and Services are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the respective resolution to be proposed at the EGM to approve the entering into the Amended Framework Agreements for Supply of Products and Services.

Yours faithfully,
For and on behalf of
Shanxi Securities
International Capital Limited

Anthony Ng
Managing Director

Mr. Anthony Ng is a licensed person and a responsible officer under the Securities and Future Ordinance to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities and has over 20 years' experience in participation and advising in various initial public offerings and transactions involving companies listed in Hong Kong.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for this circular, and confirm, having made all reasonable enquiries, 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.

2. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS OR CHIEF EXECUTIVES IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, none of the Directors, Supervisors or chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors of the Company, the following persons and entities (other than the Directors, Supervisors or chief executives of the Company) have interests or short positions in the Shares and underlying Shares which are required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

Name of Shareholder	Class of Share	Nature of Interest	Number of Shares or Underlying Shares Held	Approximate Percentage of Shareholding in the Total Share Capital of the Company as at the Latest Practicable Date	Nature of Shares Held
Shaanxi Automobile ⁽¹⁾	Domestic Share	Beneficial owner	1,500,146,100	68.77%	Long position
		Interest in a controlled corporation	117,125,100	5.37%	Long position
		Interest in a controlled corporation	11,728,800	0.54%	Long position
Shaanxi Heavy Duty Automobile ⁽¹⁾⁽²⁾	Domestic Share	Beneficial owner	117,125,100	5.37%	Long position

Name of Shareholder	Class of Share	Nature of Interest	Number of Shares or Underlying Shares Held	Approximate Percentage of Shareholding in the Total Share Capital of the Company as at the Latest Practicable Date	Nature of Shares Held
Weichai Power Co., Ltd. (濰柴動力股份有限公司) ⁽²⁾	Domestic Share	Interest in a controlled corporation	117,125,100	5.37%	Long position
Shaanxi Commercial Automobile ⁽¹⁾	Domestic Share	Beneficial owner	11,728,800	0.54%	Long position
Shaanxi Automobile Holding ⁽¹⁾	Domestic Share	Interest in a controlled corporation	1,629,000,000	74.68%	Long position
Shanghai International Trust Co., Ltd. (上海國際信託有限公司) ⁽³⁾	H Shares	Trustee	152,620,500	7.00%	Long position
SDIC Taikang Trust Co., LTD. (國投泰康信託有限公司) ⁽⁴⁾	H Shares	Trustee	136,333,500	6.25%	Long position
Hainan Tiankun Tianzhi Private Equity Investment Fund Partnership (Limited Partnership) (海南天坤天致私募股權投資基金合夥企業(有限合伙)) ⁽⁵⁾	H Shares	Beneficial owner	107,997,000	4.95%	Long position
Hainan Tiankun Private Equity Investment Fund Management Co., Ltd. (海南天堃私募股權投資基金管理有限公司) ⁽⁵⁾	H Shares	Interest in a controlled corporation	107,997,000	4.95%	Long position
HWABAO TRUST CO., LTD ⁽⁶⁾	H Shares	Trustee	44,104,500	2.02%	Long position
CCB Trust (Jianhang No. 9 Single Fund Trust Scheme) (建航9號單一資金信託計劃)	H Shares	Trustee	32,500,500	1.49%	Long position
			23,805,000	1.09%	Short position
			8,695,500	0.40%	Lending pool

Notes:

- (1) As at the Latest Practicable Date, Shaanxi Automobile was owned as to 67.06% by Shaanxi Automobile Holding. By virtue of the SFO, Shaanxi Automobile Holding is deemed to be interested in all the Shares in which Shaanxi Automobile is interested. As at the Latest Practicable Date, Shaanxi Heavy Duty Automobile was owned as to 49.00% by Shaanxi Automobile and Shaanxi Commercial Automobile was owned as to 68.51% by Shaanxi Automobile. By virtue of the SFO, Shaanxi Automobile is deemed to be interested in all the Shares in which Shaanxi Heavy Duty Automobile and Shaanxi Commercial Automobile are interested.
- (2) As at the Latest Practicable Date, Shaanxi Heavy Duty Automobile was owned as to 51.00% by Weichai Power Co., Ltd., a company listed on the Stock Exchange (stock code: 2338) and the Shenzhen Stock Exchange (stock code: 000338). By virtue of the SFO, Weichai Power Co., Ltd. is deemed to be interested in all the Shares in which Shaanxi Heavy Duty Automobile is interested.
- (3) According to the equity disclosure filed by Shanghai International Trust Co., Ltd. (上海國際信託有限公司) on 16 August 2022, Shanghai International Trust Co., Ltd. (上海國際信託有限公司), as a trustee of the Single Fund Trust in Hong Kong Market under the Platinum Collection of Shanghai Trust (GJ-13-22005), the Single Fund Trust in Hong Kong Market under the Platinum Collection of Shanghai Trust (GJ-13-22006) and the Single Fund Trust in Hong Kong Market under the Platinum Collection of Shanghai Trust (GJ-13-22007), holds 21,819,000 H Shares, 87,201,000 H Shares and 43,600,500 H Shares of the Company through these trusts, respectively.
- (4) According to the equity disclosure filed by SDIC Taikang Trust Co., LTD. (國投泰康信託有限公司) on 12 August 2022, SDIC Taikang Trust Co., LTD. (國投泰康信託有限公司), as a trustee of SDIC Taikang Trust – Ruijin No. 37 QDII Single Fund Trust, SDIC Taikang Trust – Ruijin No. 38 QDII Single Fund Trust and SDIC Taikang Trust – Ruijin No. 39 QDII Single Fund Trust, holds 43,873,500 H Shares, 44,500,500 H Shares and 47,959,500 H Shares of the Company through these trusts, respectively.
- (5) According to the notice of disclosure of interests filed by Hainan Tiankun Private Equity Investment Fund Management Co., Ltd. (海南天堃私募股權投資基金管理有限公司), Hainan Tiankun Tianzhi Private Equity Investment Fund Partnership (Limited Partnership) (海南天坤天致私募股權投資基金合夥企業(有限合夥)) is held by Hainan Tiankun Private Equity Investment Fund Management Co., Ltd. (海南天堃私募股權投資基金管理有限公司) as to 0.01%. Pursuant to the SFO, Hainan Tiankun Private Equity Investment Fund Management Co., Ltd. (海南天堃私募股權投資基金管理有限公司) is deemed to be interested in all the shares in which Hainan Tiankun Tianzhi Private Equity Investment Fund Partnership (Limited Partnership) (海南天坤天致私募股權投資基金合夥企業(有限合夥)) is interested.
- (6) According to the equity disclosure filed by HWABAO TRUST CO., LTD on 15 July, 2022, HWABAO TRUST CO., LTD, as a trustee of HWABAO OVERSEAS INVESTMENT SERIES 2 NO 46-1 QDII SINGLE MONEY TRUST, holds 44,104,500 H Shares of the Company through such trust.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons (other than Directors, Supervisors or chief executives of the Company) who had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

As at the Latest Practicable Date, none of the Directors or Supervisors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or terminable by the Group within a year without payment of any compensation (other than statutory compensation)).

5. DIRECTORS' EMPLOYMENT BY SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the following companies employing the Directors have interests or short positions in the Shares and underlying Shares of the Company which are required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

- Mr. Guo Wancai, a non-executive Director, is also the chief accountant of Shaanxi Automobile and Shaanxi Automobile Holding;
- Mr. Zhao Chengjun, a non-executive Director, is also the sales director of Shaanxi Heavy Duty Automobile; and
- Mr. Tian Qiang, a non-executive Director, is also the director of commercial vehicles department of Shaanxi Automobile.

6. INTERESTS OF DIRECTORS AND SUPERVISORS IN THE ASSETS AND/OR CONTRACTS, AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors or Supervisors had any direct or indirect interest in any assets which have been, since 31 December 2023 (being the settlement date for the latest published audited financial statements of the Group), acquired or disposed of or leased, or are proposed to be acquired or disposed of or leased. None of the Directors or Supervisors or their respective associate(s) is materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors or Supervisors is materially interested in any contract or arrangement which any member of the Group is a party to, remains valid as at the Latest Practicable Date and is significant in relation to the business of the Group.

7. CONSENT AND QUALIFICATION OF EXPERT

The following is the qualifications of the expert who has advised the Company or has provided advice contained in this circular:

Name	Qualification
Shanxi Securities International Capital Limited	a corporation licensed to conduct Type 6 (advising on corporate finance) regulated activities as defined under the SFO

As at the Latest Practicable Date, none of the aforesaid experts has any shareholding in any member of the Group, nor has any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the aforesaid experts had any direct or indirect interest in any assets which have been, since 31 December 2023 (being the settlement date for the latest published audited financial statements of the Group), acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group.

As at the Latest Practicable Date, the aforesaid experts have given and have not withdrawn its written consent to the issuance of this circular with inclusion of its letter and report and the references to its name in the form and context in which they respectively appear herein.

8. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their respective associates was interested in any business which competes or is likely to compete with the Group's business.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, so far as known to the Directors, there has been no material adverse change in the financial or trading position of the Group since 31 December 2023 (being the settlement date for the latest published audited financial statements of the Group).

10. MISCELLANEOUS

- (a) Mr. Liu Lulu (劉錄錄) and Ms. Chan Yin Wah (陳燕華) are the joint company secretaries of the Company.
- (b) The registered office of the Company is at the 16th Floor, Unit 1, Building 1, Jingwei International Centre, 29 West Section of Xijin Road, Jingwei New City, Economic and Technological Development Zone, Xi'an City, Shaanxi Province, the PRC. The H Share registrar of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (c) The principal place of business in Hong Kong of the Company is at the 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.
- (d) This circular is written in Chinese and English respectively. In the event of inconsistency, the Chinese text of this circular shall prevail over the English text.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.deewintx.com) for a period of 14 days from the date of this circular:

- (a) Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement;
- (b) Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement;
- (c) The Letter from the Independent Board Committee, the text of which is set out in this circular;
- (d) The Letter from the Independent Financial Adviser, the text of which is set out in this circular;
- (e) the written consents referred to in the section headed “7. Consent and Qualification of Expert” in this Appendix.

NOTICE OF EXTRAORDINARY GENERAL MEETING



德銀天下股份有限公司
DEEWIN TIANXIA CO.,LTD

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2418)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Deewin Tianxia Co., Ltd (the “Company”) will be held at the 1st Conference Room, 16th Floor, Unit 1, Building 1, Jingwei International Center, Xijin Road, Jingwei New City, Economic and Technological Development Zone, Xi’an City, Shaanxi Province, the PRC at 10:00 a.m. on Friday, 20 September 2024 to consider and approve the following resolutions. Unless the context otherwise requires, the terms used herein and the following resolutions shall have the same meaning as those defined in the circular of the Company dated 29 August 2024:

ORDINARY RESOLUTIONS

1. “**That** the Amended Shaanxi Automobile Holding Supply of Products and Services Framework Agreement between the Company and Shaanxi Automobile Holding dated 29 August 2024, and the proposed annual caps for the continuing connected transactions contemplated thereunder are hereby approved and confirmed; That any one of the Directors of the Company is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he/she may consider necessary or desirable for the purpose of giving effect to such agreement and completing the transactions contemplated thereunder with such changes as he/she may consider necessary, desirable or expedient.”
2. “**That** the Amended Shaanxi Heavy Duty Automobile Supply of Products and Services Framework Agreement between the Company and Shaanxi Heavy Duty Automobile dated 29 August 2024, and the proposed annual caps for the continuing connected transactions contemplated thereunder are hereby approved and confirmed; That any one of the Directors of the Company is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he/she may consider necessary or desirable for the purpose of giving effect to such agreement and completing the transactions contemplated thereunder with such changes as he/she may consider necessary, desirable or expedient.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

SPECIAL RESOLUTION

3. “To consider and approve the proposed change in the registered capital and amendments to the articles of association of the Company, and to authorize relevant personnel of the Company to handle relevant matters including but not limited to change of industrial and commercial registration and filing of the articles of association.”

By Order of the Board
Deewin Tianxia Co., Ltd
德銀天下股份有限公司
LIU Lulu
Company Secretary

Xi'an, the PRC, 29 August 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Closure of register of members and ascertaining of eligibility to attend and vote at the EGM of the Company

The H Share register of members of the Company will be closed from Monday, 16 September 2024 to Friday, 20 September 2024, both days inclusive. All of the Company's H Shareholders and holders of Domestic Shares whose names appear on the Company's register of members at the opening of business on Friday, 20 September 2024 are entitled to attend and vote at the EGM.

H Shareholders of the Company who intend to attend and vote at the EGM shall lodge all transfer documents, together with relevant share certificates, with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 13 September 2024.

2. Registration procedures for attending the EGM

The Shareholder or its proxies shall produce his/her identification proof. If a corporation Shareholder's legal representative or any other person authorized by the board of directors or other governing body of such corporate Shareholder intend to attend the EGM, such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative and the valid authorization document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorization of that legal representative or other person.

3. Proxies

a. Any Shareholder who is entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf at the EGM. A proxy needs not be a Shareholder of the Company. Any Shareholder who wishes to appoint a proxy should first review the form of proxy for use at the EGM.

b. Any Shareholder shall appoint its proxy in writing. The instrument appointing a proxy must be in writing signed under the hand of the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument shall be affixed with the seal of the body corporate or shall be signed by the directors of the body corporate or by attorneys duly authorized. If the instrument is signed by an attorney of the appointer, the power of attorney authorizing the attorney to sign or other documents of authorization must be notarially certified. In order to be valid, the form of proxy, and notarised power of attorney or other documents of authorisation (if any) must be delivered to the designated address of the Company for holders of domestic shares not less than 24 hours before the time appointed for the EGM. In order to be valid, for holders of H Shares, the form of proxy and notarised power of attorney or other documents of authorisation (if any) must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the EGM. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof (if any) should they so wish.

4. The EGM is expected to last for half a day. Shareholders attending the meeting are responsible for their own transportation and accommodation expenses.

The correspondence address designated by the Company:
16th Floor, Unit 1, Building 1, Jingwei International Centre, 29 West Section of Xijin Road, Jingwei New City, Economic and Technological Development Zone, Xi'an City, Shaanxi Province, the PRC
(Postal code: 710200)
Tel: (86) 29 8606 0733
Attention: Liu Lulu

As at the date of this notice, the Board of Directors of the Company comprises Mr. Guo Wancai as Chairman and non-executive Director, Mr. Wang Runliang and Mr. Wang Wenqi as executive Directors, Mr. Tian Qiang, Mr. Zhao Chengjun and Ms. Feng Min as non-executive Directors, and Mr. Li Gang, Mr. Ip Wing Wai and Mr. Yu Qiang as independent non-executive Directors.