



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

30 November 2021

To the Independent Shareholders

Dear Sir or Madam

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE EXPORT AGENCY AGREEMENT
THE IMPORT AGENCY AGREEMENT
(1) EXCEEDING OF ANNUAL CAP FOR THE YEAR ENDED 31 MARCH 2021;
(2) REVISION OF ANNUAL CAP FOR THE NINE MONTHS ENDING 31 DECEMBER 2021
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

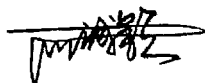
We refer to the circular dated 30 November 2021 (the “**Circular**”) issued by the Company of which this letter forms part. Unless the context otherwise requires, terms and expressions defined in the Circular have the same meanings herein.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to whether the EAA Ratification, the Revised Export Annual Cap, the IAA Ratification and the Revised Import Annual Cap are fair and reasonable, whether the Ratification and Revised Import Annual Cap are on normal commercial terms and in the ordinary and usual course of business of the Group and in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser. Lego Corporate Finance has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to (i) the letter from the Board as set out on pages 5 to 18 of the Circular; (ii) the letter from the Independent Financial Adviser as set out on pages 21 to 41 of the Circular which contains its recommendation to the Independent Board Committee and the Independent Shareholders in relation to the EAA Ratification, the Revised Export Annual Cap, the IAA Ratification and the Revised Import Annual Cap as well as the principal factors and reasons considered by the Independent Financial Adviser in arriving at its recommendation; and (iii) the additional information as set out in the Appendices to the Circular.

After taking into account the factors and reasons considered by the Independent Financial Adviser and its conclusion and advice, we concur with its views and consider that (i) the EAA Ratification, the Revised Export Annual Cap, the IAA Ratification and the Revised Import Annual Cap are fair and reasonable as far as the Independent Shareholders are concerned; (ii) the EAA Ratification, the Revised Export Annual Cap, the IAA Ratification and the Revised Import Annual Cap are on normal commercial terms and are in the ordinary and usual course of business of the Group; and (iii) are in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favor of the resolutions to be proposed at the SGM to approve the EAA Ratification, Revised Export Annual Cap, IAA Ratification and the Revised Import Annual Cap.

Yours faithfully
For and on behalf of the
Independent Board Committee



Mr. He Chengying



Mr. Kwong Kwan Tong
Independent non-executive Directors



Mr. Shin Yick Fabian