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GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 175)

**PROPOSED RMB SHARE ISSUE UNDER SPECIFIC MANDATE; AND
PROPOSED AMENDMENTS TO MEMORANDUM AND
ARTICLES OF ASSOCIATION**

PROPOSED RMB SHARE ISSUE UNDER SPECIFIC MANDATE

Reference is made to the announcement of the Company dated 17 June 2020 which the Company announced that the Board has approved a preliminary proposal for the possible issue of RMB Shares and listing on the Sci-Tech Board.

The Company is pleased to announce that, on 24 June 2020 (after trading hours), the Board further approved the Proposed RMB Share Issue, the Specific Mandate and related matters, conditional upon and subject to, among other things, market conditions, the approval by Shareholders at the EGM and the necessary Regulatory Approval(s).

SHAREHOLDERS' APPROVAL AND GENERAL INFORMATION

The Company will convene the EGM to propose the resolutions for consideration and approval of, among other things, the Proposed RMB Share Issue, the Specific Mandate and related matters (including proposed amendments to the Memorandum and Articles of Association), by the Shareholders. A circular of the EGM containing, among other things, details on the aforesaid resolutions, together with the notice of EGM will be despatched to the Shareholders as soon as practicable in accordance with the requirements under the Listing Rules.

As the Proposed RMB Share Issue and the Specific Mandate are subject to, among other things, approval by Shareholders at the EGM and the necessary Regulatory Approvals and thus may or may not proceed. Shareholders and potential investors of the Company should

be aware that there is no assurance that the Proposed RMB Share Issue will materialise or as to when it may materialise. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

Further announcement(s) will be made to disclose any material updates and developments in respect of the Proposed RMB Share Issue and the Specific Mandate in accordance with the Listing Rules and other applicable laws and regulations as and when appropriate. This announcement is for information only and is not intended to and does not constitute, or form part of, an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

Reference is made to the announcement of the Company dated 17 June 2020 which the Company announced that the Board has approved a preliminary proposal for the possible issue of RMB Shares and listing on the Sci-Tech Board. The Company is pleased to announce that, on 24 June 2020 (after trading hours), the Board further approved the Proposed RMB Share Issue, the Specific Mandate and related matters, conditional upon and subject to, among other things, market conditions, the approval by Shareholders at the EGM and the necessary Regulatory Approval(s).

PROPOSED RMB SHARE ISSUE AND THE SPECIFIC MANDATE

Proposed RMB Share Issue and the Specific Mandate

The Proposed RMB Share Issue is detailed as follows:

- (1) Nature of RMB Shares : Ordinary shares to be subscribed for in RMB by the target subscribers (as stated below), to be listed on the Sci-Tech Board and traded in RMB, forming the same class of ordinary shares as the Hong Kong Shares.

The RMB Shares will be ordinary Shares ranking *pari passu* with the existing Hong Kong Shares which are listed on the Hong Kong Stock Exchange with the same par value (HK\$0.02 each) and the same rights to voting, dividend and return of assets.

The RMB Shares and the Hong Kong Shares are of the same class.

(2) Number of RMB Shares to be issued : It is proposed that the initial number of RMB Shares to be issued will not exceed 1,731,666,448 Shares, representing not more than 15% of the Company's issued share capital as at 23 June 2020 (being the date immediately preceding the date of the Board meeting held on 24 June 2020 approving, among others, the Proposed RMB Share Issue) as enlarged by the issue and allotment of the RMB Shares contemplated under the Proposed RMB Share Issue. The RMB Shares will all be new Shares, and no conversion of the existing Shares will be involved.

In compliance with the applicable laws and regulations of the PRC, the Over-Allotment Option may be granted in respect of such number of RMB Shares not exceeding 15% of that initially issued. The RMB Shares will all be new Shares, and no conversion of the existing Shares will be involved.

The final issue size of the RMB Shares shall be negotiated and determined by the Board as authorised by the general meeting of the Company, together with the sponsors and the underwriters subject to the communication with the relevant securities regulatory authorities and market conditions. The number of RMB Shares to be issued will be adjusted if there are any stock dividend or conversion of capital reserve into share capital of the Company prior to the Proposed RMB Share Issue.

(3) Target subscribers : Qualified investors who are in compliance with the requirements of the laws, regulations and regulatory authorities of the PRC and those who have opened stock accounts of RMB ordinary shares on the Shanghai Stock Exchange (other than those prohibited by the laws, regulations and regulatory documents of the PRC), or such other qualified natural persons in the PRC meeting the market investor suitability regulations of the Shanghai Stock Exchange.

If any of the aforesaid target subscribers of the Proposed RMB Share Issue are connected persons of the Company, the Company will take reasonable measures to comply with the requirements of relevant regulatory authorities.

- (4) Method of issuance : The Company will adopt a combination of off-line placement and on-line subscription, or such other methods of issuance as approved by the relevant securities regulatory authorities in the PRC (including but not limited to share placement to strategic investors).
- (5) Method of pricing : The pricing of the Proposed RMB Share Issue will follow the market-driven principle and shall be determined through price consultation with enquired persons or other methods permitted by the laws, regulations and requirements of the relevant securities regulatory authorities of the PRC. The final method of pricing shall be determined by the Board according to the authorisation at the general meeting of the Company and in accordance with the laws, regulations and requirements of the relevant securities regulatory authorities of the PRC.

To ensure the offer price is in the interests of the Company and the Shareholders as a whole, the Board and the underwriters of the Company will take into account (i) the operational and financial conditions of the Company; (ii) the average price-to-earning ratio of the automobile industry in the secondary market; (iii) the trading prices of the Hong Kong Shares on the Hong Kong Stock Exchange; (iv) the market conditions of the PRC stock markets; and (v) the applicable laws and regulations, when determining the final offer price.

If the offer price is lower than the trading price of the Hong Kong Shares, the Board will decide whether to proceed with the Proposed RMB Share Issue after considering the market conditions, the Company's actual capital needs and development strategies at the relevant time, the trading prices of comparable companies in the secondary market, and other relevant factors.

- (6) Sponsors and Underwriters : China International Capital Corporation Limited; Huatai United Securities Co., Ltd.
- (7) Principal terms of underwriting : Standby underwriting by the syndicate organised by the underwriters.

(8) Use of proceeds : After deducting the issuance expenses, the proceeds of the Proposed RMB Share Issue are currently intended to be used for (a) research and development of new automobile products; (b) prospective technology research and development; (c) industrial acquisition; and (d) replenishment of working capital.

If the actual funds raised from the Proposed RMB Share Issue exceed the actual fund required for the intended use of proceeds set out above, the Company will apply the surplus to replenish the working capital of the Group or in accordance with the purposes required by the relevant regulatory authorities. If there is any insufficiency in the actual funds raised from the Proposed RMB Share Issue, the Company will make up the shortfall by its own funds.

Prior to receiving the proceeds from the Proposed RMB Share Issue, the Company may support the relevant projects as stated above with its own funds based on the actual progress of such projects. Upon receiving the proceeds, the Company will use such proceeds to reimburse the funds previously committed and then to cover for the outstanding investments needed for the above projects by the Group and to settle the remaining payment.

(9) Distribution plan of accumulated profits before the issuance : Prior to the completion of the Proposed RMB Share Issue, the Company may distribute profits in accordance with the Memorandum and Articles of Association and relevant internal rules. After completion of the Proposed RMB Share Issue, the undistributed profits of the Company accumulated before the Proposed RMB Share Issue will be available for distribution to all the Shareholders, including the holders of RMB Shares and holders of Hong Kong Shares, pro-rated to their respective shareholding.

(10) Place of listing of RMB Shares : The Sci-Tech Board.

(11) Share registers : The RMB Shares will be registered on a separate branch register of members kept in the PRC (the “**PRC Register**”) and managed by CSDC, the share registrar of the RMB Shares for the Company. The RMB Shares will not be registered on the existing branch register of members of the Company maintained in Hong Kong (the “**Hong Kong Register**”).

The Hong Kong Register will continue to be kept in Hong Kong and will not include the details of the holders of RMB Shares.

Due to the current restrictions under laws, rules and regulations in the PRC, no movement of Shares will be allowed between the Hong Kong Register and the PRC Register.

(12) RMB Shares cannot be moved outside of the PRC or to the Hong Kong Register : The RMB Shares are subscribed and traded in RMB, issued to investors in the PRC solely for trading on the Shanghai Stock Exchange. The RMB Shares will not be able to be moved outside of the PRC for trading in Hong Kong or to the Hong Kong Register.

(13) Non-fungibility between the RMB Shares and the Hong Kong Shares : The RMB Shares and the Hong Kong Shares will not be fungible.

(14) Valid period of the resolutions : The Specific Mandate for the Proposed RMB Share Issue is proposed to be valid for 12 months from the date of approval at the EGM.

The issue of the RMB Shares pursuant to the Proposed RMB Share Issue is conditional upon:

- (1) the grant of the proposed Specific Mandate by the Shareholders to the Board having been obtained at the EGM; and
- (2) the necessary Regulatory Approval(s) (including but not limited to the waivers from strict compliance with certain provisions of the Listing Rules by the Hong Kong Stock Exchange as set out in the section headed “Application for waivers from Strict Compliance with Certain Provisions of the Listing Rules” in this announcement) for the Proposed RMB Share Issue having been obtained.

Proposed Authorisation to the Board to Exercise Full Powers to Deal with Matters Relating to the Proposed RMB Share Issue

In accordance with the relevant laws, regulations and regulatory documents, as well as the Memorandum and Articles of Association, it is proposed that at the EGM, approval will be sought from the Shareholders to authorise, among other things, the Board to exercise full powers to deal with matters relating to the Proposed RMB Share Issue, the scope of authorisation includes without limitation:

- (1) handle the matters in relation to the application for the Proposed RMB Share Issue, including but not limited to processes of registration, filing, or obtaining approval or consent from the relevant governmental departments, domestic and overseas regulatory authorities, the Shanghai Stock Exchange and the CSDC;
- (2) draft, review, revise and sign the relevant documents in relation to the Proposed RMB Share Issue; engage and change the accounting firm and other professional parties in relation to the Proposed RMB Share Issue; and determine and pay the fees in relation to the Proposed RMB Share Issue;
- (3) according to the proposal of the Proposed RMB Share Issue considered and approved at the general meeting and in accordance with relevant requirements of securities regulatory authorities, negotiate with the underwriters to determine the issuance time, market consultation on price range, final issuance price, final issuance quantity, possible strategic placings (including placing ratio and target subscribers) and other specific matters related to the Proposed RMB Share Issue based on the actual situation of the Company and market conditions; except for matters to be approved by the Shareholders at the general meeting according to relevant laws, regulations, regulatory documents and the provisions of the Memorandum and Articles of Association, make corresponding adjustments to the specific plan and other relevant matters of this issuance (including the suspension and termination of the implementation of the issuance plan);
- (4) according to the opinions of relevant domestic and foreign regulatory authorities in the process of application and approval of the Proposed RMB Share Issue as well as the actual situation of the Company, authorise the Board to make appropriate adjustments on the amount of the proposed investment projects according to the actual progress of proposed investment projects and the amount of funds actually raised;
- (5) analyse, consider and substantiate the impacts of the Proposed RMB Share Issue on the Company's immediate financial indicators and the Shareholders' immediate return in accordance with the requirements under relevant laws and regulations and of the relevant regulatory authorities; revise, enhance and implement relevant measures and policies, and take full responsibility for handling the relevant matters;

- (6) determine the specific account for the proceeds as required prior to the Proposed RMB Share Issue; and execute relevant documents;
- (7) modify or amend relevant terms of the internal management policies (where relevant) pursuant to the actual circumstances of the Proposed RMB Share Issue;
- (8) after the completion of the Proposed RMB Share Issue, apply to the Shanghai Stock Exchange for listing of the RMB Shares and sign documents on behalf of the Company in the process of the Proposed RMB Share Issue;
- (9) make corresponding adjustments to the Proposed RMB Share Issue and related matters pursuant to any new provisions in the regulations or policies in respect of the Proposed RMB Share Issue as promulgated by relevant securities regulatory authorities; and
- (10) handle and authorise the delegation of power to the chairman of the Board, the vice chairman of the Board or the chief executive (individually or collectively) to handle any other matters in relation to the Proposed RMB Share Issue.

The authorisation shall be valid for 12 months from the date of approval at the EGM.

Proposed Plan for Distribution of Profits Accumulated before the Proposed RMB Share Issue

Prior to the completion of the Proposed RMB Share Issue, the Company may distribute profits in accordance with the Memorandum and Articles of Association and relevant internal rules. After completion of the Proposed RMB Share Issue, the undistributed profits of Company accumulated before the Proposed RMB Share Issue will be available for distribution to all the Shareholders, including the holders of RMB Shares and holders of Hong Kong Shares, pro-rated to their respective shareholding.

Proposed Dividend Return Plan for the Three Years after the Proposed RMB Share Issue

To better protect the interests of the investors (especially the small and medium-sized investors) after the initial public offering (RMB Shares) of the Company and the listing on the Sci-Tech Board, a dividend return plan for the three years after the Proposed RMB Share Issue is proposed to be adopted by the Shareholders in accordance with the relevant laws, regulations and regulatory documents, including the Opinions on Further Promoting the Reform of New Share Issuance System 《關於進一步推進新股發行體制改革的意見》, the Notice on Further Implementation of Cash Dividends of Listed Companies 《關於進一步落實上市公司現金分紅有關事項的通知》 and Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies 《上市公司監管指引第3號 – 上市公司現金分紅》. The relevant details will be set out in the circular to be despatched to the Shareholders.

Proposed Undertakings and the Corresponding Binding Measures in connection with the Proposed RMB Share Issue

To better protect the interests of the Shareholders, the Company will provide several undertakings for its initial public offering (RMB Shares) and listing on the Sci-Tech Board, and relevant undertakings will take effect at the time of the Company's initial public offering (RMB Shares) and listing on the Sci-Tech Board. The Directors propose the Shareholders to authorise and delegate the power to the Board, the chairman of the Board, the vice chairman of the Board and the chief executive (individually or collectively) to determine such undertakings and corresponding binding measures to be given by the Company in relation to the Proposed RMB Share Issue.

Proposed Policy for Stabilisation of the Price of the RMB Shares for the Three Years after the Proposed RMB Share Issue

To better protect the interests of the investors (especially the small and medium-sized investors), a policy for the stabilisation of the price of the RMB Shares for the three years after the Proposed RMB Share Issue formulated in accordance with and subject to applicable laws and regulations, including the Opinions on Further Promoting the IPO System Reform 《關於進一步推進新股發行體制改革的意見》, will be submitted to the Shareholders for approval at the EGM. The relevant details will be set out in the circular to be despatched to the Shareholders.

Proposed use of proceeds from the Proposed RMB Share Issue

Since the issue price of the RMB Shares has yet to be determined, as described in paragraph (5) of the above section headed "Proposed RMB Share Issue and the Specific Mandate", the total amount of proceeds from the Proposed RMB Share Issue cannot be determined at the present stage. The net proceeds of the Proposed RMB Share Issue are currently intended to be used for:

- (1) research and development of new automobile products: approximately 40% of the proceeds will be used for the research and development of new automobile products so as to further enrich the product line of the Group and enhance its product market competitiveness;
- (2) prospective technology research and development: approximately 15% of the proceeds will be used for prospective technology research and development projects such as new energy, automobile networking, intelligent driving so as to continuously improve technological reserves in relevant fields and help the Group to develop in the long term;
- (3) industrial acquisition: approximately 15% of the proceeds will be used for potential acquisition of domestic targets such as factories or relevant innovative enterprises in upstream and downstream of the industry chains so as to enhance the Group's market competitiveness; and
- (4) replenishment of working capital: approximately 30% of the proceeds will be used to replenish working capital and for general business purposes so as to improve the Group's financial and cash flow situation.

If the actual funds raised from the Proposed RMB Share Issue exceed the actual fund required for the intended use of proceeds as set out above, the Company will apply the surplus to replenish the working capital of the Group or in accordance with the purposes required by the relevant regulatory authorities. If there is any insufficiency in the actual funds raised from the Proposed RMB Share Issue, the Company will make up the shortfall by its own funds.

Prior to receiving the proceeds from the Proposed RMB Share Issue, the Company may support the relevant projects as stated above with its own funds based on the actual progress of such projects. Upon receiving the proceeds, the Company will use such proceeds to reimburse the funds previously committed and then to settle the remaining payment of the above projects.

Proposed Remedial Measures for the Potential Dilution of Immediate Returns and the Corresponding Undertakings by the Proposed RMB Share Issue

To better protect the interests of the investors (especially the small and medium-sized investors) after the Proposed RMB Share Issue and the listing on the Sci-Tech Board, specific remedial measures for the potential dilution of immediate returns and the corresponding undertakings are proposed to be approved by the Shareholders in accordance with applicable laws, regulations and regulatory documents, including the Opinions of the General Office of the State Council on Further Strengthening the Work of Protection of the Legitimate Rights and Interests of Minority Investors in the Capital Markets 《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》 and the Announcement No. 31 [2015] of the CSRC — Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring 《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》. The relevant details will be set out in the circular to be despatched to the Shareholders.

Proposed Amendments to the Memorandum and Articles of Association

Due to the Proposed RMB Share Issue and the listing on the Sci-Tech Board, according to the Listing Rules of Sci-Tech Board 《上海證券交易所科創板股票上市規則》 and other regulations, and subject to and conditional upon the approval of the Proposed RMB Share Issue and the Specific Mandate, a special resolution will be proposed at the EGM to approve the amendments to the Memorandum and Articles of Association and the adoption of the amended and restated Memorandum and Articles of Association incorporating the proposed amendments.

The adoption of the amended and restated Memorandum and Articles of Association incorporating the proposed amendments will take effect upon the listing of the RMB Shares on the Sci-Tech Board. The relevant details of the proposed amendments to the Memorandum and Articles of Association in English and Chinese respectively will be set out in the circular to be despatched to the Shareholders.

Proposed Adoption of Policy Governing the Procedures for the Holding of General Meetings

Due to the Proposed RMB Share Issue and the listing on the Sci-Tech Board, according to the Listing Rules of Sci-Tech Board 《上海證券交易所科創板股票上市規則》 and the amended and restated Memorandum and Articles of Association, a policy governing the procedures for the holding of general meetings of the Company is proposed to be approved by the Shareholders. Such policy will take effect upon the listing of the RMB Shares on the Sci-Tech Board. The relevant details will be set out in the circular to be despatched to the Shareholders.

Proposed Adoption of Policy Governing the Procedures for the Holding of Board Meetings

Due to the Proposed RMB Share Issue and the listing on the Sci-Tech Board, according to the Listing Rules of Sci-Tech Board 《上海證券交易所科創板股票上市規則》 and the amended and restated Memorandum and Articles of Association, a policy governing the procedures for the holding of Board meetings is proposed to be approved by the Shareholders. Such policy will take effect upon the listing of the RMB Shares on the Sci-Tech Board. The relevant details will be set out in the circular to be despatched to the Shareholders.

OTHER INFORMATION RELATED TO THE PROPOSED RMB SHARE ISSUE

Impact of the Proposed RMB Share Issue on the Shareholding Structure of the Company

For reference and illustration purposes only, assuming that the issue of all the 1,731,666,448 RMB Shares under the Proposed RMB Share Issue is approved and carried out, and all are issued to non-connected persons of the Company and there are no changes in the share capital of the Company prior to the completion of the Proposed RMB Share Issue, the shareholding structure of the Company as at the date of this announcement and immediately after the completion of the Proposed RMB Share Issue (assuming no Over-Allotment Option is exercised) is set out as follows:

	As at the date of this announcement		Immediately after the completion of the Proposed RMB Share Issue (assuming no Over-Allotment Option is exercised)	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
RMB Shares to be issued under the Proposed RMB Share Issue	–	–	1,731,666,448	15.00%
Hong Kong Shares	9,812,776,540	100.00%	9,812,776,540	85.00%
– Hong Kong Shares held by core connected persons	4,076,173,000	41.54%	4,076,173,000	35.31%

	As at the date of this announcement		Immediately after the completion of the Proposed RMB Share Issue (assuming no Over-Allotment Option is exercised)	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
– Hong Kong Shares held by the public	5,736,603,540	58.46%	5,736,603,540	49.69%
Total	9,812,776,540	100.00%	11,544,442,988	100.00%

As at the date of this announcement, according to the information publicly available to the Company, the public held no less than 58.46% of the Shares issued by the Company. Assuming that the issue of all the 1,731,666,448 RMB Shares under the Proposed RMB Share Issue is approved and all are issued to non-connected persons of the Company, and no Over-Allotment Option is exercised, the percentage of RMB Shares held by the public with respect to the total number of Shares after the issuance is expected to be 15.00%, the percentage of Hong Kong Shares held by the public with respect to the total number of Shares after the issuance is expected to be 49.69% and the percentage of Shares (both RMB Shares and Hong Kong Shares in aggregate) held by the public with respect to the total number of Shares after the issuance is expected to be 64.69%.

As at the date of this announcement, the Company had not entered or proposed to enter into any agreement in relation to subscription of the RMB Shares with any connected persons of the Company.

Fund Raising Activities in the Past 12 Months

Save as disclosed below, the Company has not conducted any other fund raising activities involving issue of equity securities in the past 12 months prior to the date of this announcement:

Date of initial announcement	Event	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
29 May 2020	Placing of new shares under general mandate	HK\$6,447 million	For business development and general working capital of the Group	Not yet been utilised and will be used as intended

Application for Listing

An application for the Proposed RMB Share Issue will be made to the Shanghai Stock Exchange. The Shanghai Stock Exchange, after approving the application, will apply to the CSRC for the registration of Proposed RMB Share Issue. The Company will make another application to the Shanghai Stock Exchange for the listing of, and permission to deal in, the RMB Shares on the Sci-Tech Board after the CSRC agrees with the registration and the public offering of the RMB Shares has been completed. The RMB Shares will not be listed on the Hong Kong Stock Exchange.

Reasons for the Proposed RMB Share Issue

The Board considers that the Proposed RMB Share Issue will enhance the corporate image of the Company, broaden the Company's fund raising channels, improve the Company's capital structure and further strengthen the financial position of the Group and provide working capital to the Group.

The Board considers that the Proposed RMB Share Issue is in the interests of the Company and the Shareholders as a whole, and is beneficial to strengthen the sustainable development of the Company.

Application for Waivers from Strict Compliance with Certain Provisions of the Listing Rules

For the purpose of the Proposed RMB Share Issue, the Company has applied to the Hong Kong Stock Exchange for the following waivers from strict compliance with the relevant provisions of the Listing Rules:

(1) One-off waiver relating to no listing of the RMB Shares on the Hong Kong Stock Exchange

As the RMB Shares will be of the same class as the Hong Kong Shares but will not be listed on the Hong Kong Stock Exchange, the Company has applied to the Hong Kong Stock Exchange for a one-off waiver from strict compliance with Rules 8.20 and 13.26 of the Listing Rules so that there is no need to seek listing of the RMB Shares to be issued under the Proposed RMB Share Issue on the Hong Kong Stock Exchange under Rules 8.20 and 13.26 of the Listing Rules.

(2) Waiver relating to corporate communications

As (i) publication of corporate communications, including circulars, on the websites of the Shanghai Stock Exchange and the Company and through other prescribed communication channels such as specified PRC newspapers would constitute effective delivery to the holders of the RMB Shares; (ii) and the Company is not required to (a) seek an express and positive written confirmation from each holder of the RMB Shares that corporate communications may be made available using electronic means; and (b) physically send a circular to the holders of the RMB Shares, under the relevant rules and regulations in the PRC, the Company has applied

to the Hong Kong Stock Exchange for a waiver from strict compliance with Rule 2.07A of the Listing Rules so that the requirements relating to corporate communications under Rule 2.07A of the Listing Rules will apply only to the holders of Hong Kong Shares.

(3) *Waiver relating to requirements for certification of transfers*

As the transfers of RMB Shares on the Sci-Tech Board can be conducted by (i) trading transfers (meaning transfers pursuant to transactions conducted between two parties holding Shanghai Stock Exchange stock accounts through the paperless trading platform of the Shanghai Stock Exchange, which does not involve any certificate, temporary documents or split renounceable documents); and (ii) non-trading transfers (including share transfers due to inheritance, gift and property division, for which the relevant applicant must submit materials required by CSDC to complete the transfer, and CSDC, which will be the Company's share registrar of the RMB Shares and the keeper of the register of holders of the RMB Shares, will provide services of certifying transfers against certificates or temporary documents and splitting renounceable documents with respect to such non-trading transfers of the RMB Shares), the Company has applied to the Hong Kong Stock Exchange for a waiver from strict compliance with Rule 13.58 of the Listing Rules so that the requirements relating to certification of transfers to be completed within certain time frame under Rule 13.58 of the Listing Rules will apply only to the Hong Kong Shares and the non-trading transfers of the RMB Shares.

(4) *Waiver relating to requirements for securities registration services*

As the CSDC will provide securities registration services to holders of the RMB Shares, and there is no need for certificate replacement service given that the RMB Shares can be traded electronically on the Sci-Tech Board and will not require a share certificate to evidence title, the Company has applied to the Hong Kong Stock Exchange for a waiver from strict compliance with Rules 13.59 and 13.60 of the Listing Rules so that the requirements relating to securities registration services under Rules 13.59 and 13.60 of the Listing Rules will apply only to the Hong Kong Shares.

As at the date of this announcement, the Company has not yet been granted any of the waivers from the Hong Kong Stock Exchange relating to its waivers application as set out in the section headed "Application for Waivers from Strict Compliance with Certain Provisions of the Listing Rules" above. Hence, the Proposed RMB Share Issue is conditional upon, among others, the granting of the waivers from strict compliance with certain provisions of the Listing Rules. Further announcement(s) or circular(s) will be made to disclose the status of the waivers application in accordance with the Listing Rules as and when appropriate.

SHAREHOLDERS' APPROVAL AND GENERAL INFORMATION

The Company will convene the EGM to propose for consideration by the Shareholders and seek their approval for the matters relating to the Proposed RMB Share Issue, the Specific Mandate, the proposed amendments to the Memorandum and Articles of Associations and the other matters as set

out above. A circular of the EGM containing, among other things, details of the proposals, together with the notice of EGM will be despatched to the Shareholders as soon as practicable in accordance with the requirements under the Listing Rules and the Memorandum and Articles of Associations currently in force. Please note that in addition to the approval by the Shareholders, the Proposed RMB Share Issue is also subject to the necessary Regulatory Approvals.

As the Proposed RMB Share Issue and the Specific Mandate are subject to, among other things, approval by Shareholders at the EGM and the necessary Regulatory Approvals and thus may or may not proceed. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed RMB Share Issue will materialise or as to when it may materialise. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

Further announcement(s) will be made to disclose any material updates and developments in respect of the Proposed RMB Share Issue and the Specific Mandate in accordance with the Listing Rules and other applicable laws and regulations as and when appropriate. This announcement is for information only and is not intended to and does not constitute, or form part of, an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	Geely Automobile Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the main board of the Hong Kong Stock Exchange (stock code: 175)
“CSDC”	China Securities Depository and Clearing Corporation Limited
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to consider and if thought fit, approve, among other things, the Proposed RMB Share Issue, the Specific Mandate and the proposed amendments to the Memorandum and Articles of Association
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Hong Kong Shares”	the existing ordinary Shares which are listed on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company (as amended from time to time)
“PRC”	the People’s Republic of China, for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan
“Proposed RMB Share Issue”	the Company’s proposed issue of not more than 1,731,666,448 RMB Shares (assuming no Over-Allotment Option is exercised), which will be listed on the Sci-Tech Board
“Over-Allotment Option”	an over-allotment option which may be granted by the Company in respect of such number of RMB Shares not exceeding 15% of the number of RMB Shares initially issued under the Proposed RMB Share Issue
“Regulatory Approvals”	the approvals or decisions from the relevant regulatory authorities and governmental departments in the PRC and Hong Kong (including but not limited to CSRC, the Hong Kong Stock Exchange, the Shanghai Stock Exchange and CSDC)
“RMB”	Renminbi, the lawful currency of the PRC
“RMB Shares”	the ordinary Shares to be subscribed for in RMB by investors in the PRC, to be listed on the Sci-Tech Board and traded in RMB
“Sci-Tech Board”	the Science and Technology Innovation Board of the Shanghai Stock Exchange
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Shareholders”	the holders of the Shares of the Company

“Shares”	the ordinary shares in the share capital of the Company with par value of HK\$0.02 each
“Specific Mandate”	a specific mandate to be sought from the Shareholders at the EGM to allot and issue RMB Shares pursuant to the Proposed RMB Share Issue
"subsidiary"	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) whether incorporated in the Cayman Islands, British Virgin Islands, the PRC or elsewhere and “subsidiaries” shall be construed accordingly
“%”	per cent.

By order of the Board
Geely Automobile Holdings Limited
David C. Y. Cheung
Company Secretary

Hong Kong, 24 June 2020

As at the date of this announcement, the executive directors of the Company are Mr. Li Shu Fu (Chairman), Mr. Yang Jian (Vice Chairman), Mr. Li Dong Hui, Daniel (Vice Chairman), Mr. Gui Sheng Yue (Chief Executive Officer), Mr. An Cong Hui, Mr. Ang Siu Lun, Lawrence and Ms. Wei Mei, and the independent non-executive directors of the Company are Mr. Lee Cheuk Yin, Dannis, Mr. Yeung Sau Hung, Alex, Mr. An Qing Heng and Mr. Wang Yang.