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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)

EXERCISE OF CALL OPTION

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

Reference is made to the announcements of Geely Automobile Holdings Limited (the “**Company**”) dated 16 December 2013 and 27 January 2014 (together the “**Previous Announcements**”) and the circular dated 8 January 2014 (the “**Circular**”) in relation to, among others, a call option (the “**Call Option**”) associated with the joint venture agreement (the “**JV Agreement**”) entered into between the Company and BNP Paribas Personal Finance (“**BNPP PF**”) for the establishment of the JV Company, namely Genius Auto Finance Company Limited (the “**JV Company**”), to engage in the vehicle financing business in the PRC. Reference is also made to the announcement of the Company dated 12 August 2020 (together with the Previous Announcements and the Circular, the “**Previous Disclosures**”) in relation to the exercise of the Call Option by BNPP PF pursuant to which BNPP PF proposed to acquire from the Company an additional equity interest in the JV Company to increase its interest in the JV Company up to 50%. Unless otherwise stated in the definitions below, capitalized terms used in this announcement shall have the same meanings as defined in the Previous Disclosures.

EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that on 11 July 2022, the Company as vendor entered into the equity transfer agreement (the “**Equity Transfer Agreement**”) with BNPP PF and its wholly owned subsidiary as purchaser in relation to the exercise of the Call Option by BNPP PF, pursuant to which the wholly owned subsidiary of BNPP PF has conditionally agreed to purchase from the Company and the Company has conditionally agreed to sell to the wholly owned subsidiary of BNPP PF an interest of 5% in the registered capital of the JV Company at an initial cash consideration of RMB420,706,157.50, which will be subsequently adjusted for any change in the book value of the JV Company between 31 July 2020 (the Calculation Date as defined below) and the Completion Date (as defined below) which will be determined and confirmed in the Audited Completion Accounts (as defined below).

Where:

- (i) Calculation Date is the date falling on the last day of the calendar month prior to the date on which the exercise notice of the Call Option was served under the JV Agreement (“**Calculation Date**”);
- (ii) Completion Date is the date falling on the last day of the calendar month immediately after the satisfaction or waiver of the conditions precedent as set out in the Equity Transfer Agreement (“**Completion Date**”); and
- (iii) Audited Completion Accounts are the audited financial statements of the JV Company to be prepared by its auditor for the purpose of determining the book value of the JV Company as of the Completion Date in accordance with the terms of the Equity Transfer Agreement (“**Audited Completion Accounts**”).

COMPLETION

Completion shall take place on the Completion Date. Completion is subject to the approval of the transactions contemplated in the Equity Transfer Agreement by competent financial regulatory authorities of the PRC. If completion does not take place within 18 months of the date of the Equity Transfer Agreement, the purchaser may terminate the transactions contemplated under the Equity Transfer Agreement.

As at the date of this announcement, the JV Company is directly owned as to 80% and 20% by the Company and BNPP PF respectively. Upon completion, the JV Company will be owned as to 75% and 25% by the Company and BNPP PF respectively. The JV Company will remain as a jointly controlled entity of the Company and its financial results will continue to be equity accounted for in the consolidated financial statements of the Group.

LISTING RULES IMPLICATION

The Company was informed by its controlling shareholder, namely 浙江吉利控股集團有限公司 (Zhejiang Geely Holding Group Company Limited* or “**Geely Holding**”) that BNPP PF will enter into an agreement in late July 2022 with a subsidiary of Geely Holding regarding the transfer of interests in the registered capital of 浙江智慧普華融資租賃有限公司 (Zhejiang Wisdom Puhua Financial Leasing Company Limited*), another subsidiary of Geely Holding and is principally engaged in the financial leasing business in the PRC.

Mr. Li Shu Fu, Mr. Li Dong Hui, Daniel and Mr. An Cong Hui, each an executive Director, by virtue of their interests and/or directorship in Geely Holding, have voluntarily abstained from voting on the Board resolutions for approving the Equity Transfer Agreement.

The Call Option was granted by the Company to BNPP PF in relation to the establishment of the JV Company and was approved by the Company's shareholders at the extraordinary general meeting held on 27 January 2014. The details of the Call Option were made by the Company in the Previous Disclosures in compliance with Rule 14.76(1) of the Listing Rules and this announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

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

Hong Kong, 11 July 2022

As at the date of this announcement, the executive directors of the Company are Mr. Li Shu Fu (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. An Qing Heng, Mr. Wang Yang, Ms. Lam Yin Shan, Jocelyn and Ms. Gao Jie.

* *For identification purposes only*