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**重慶長安民生物流股份有限公司**  
**Changan Minsheng APLL Logistics Co., Ltd. \***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code : 01292)

**REVISION OF THE EXISTING ANNUAL CAP OF  
CONTINUING CONNECTED TRANSACTION**

The Directors and senior management of the Company have been closely monitoring, among other things, the Continuing Connected Transaction regularly. The Directors have noted that, for the nine months ended 30 September 2024, the aggregate transaction amount (unaudited) in respect of the Continuing Connected Transaction was approximately RMB11,960,000, accounting for approximately 85.34% of the existing cap of the Continuing Connected Transaction for the year ending 31 December 2024 of RMB14,000,000. Based on the anticipated demand of purchase of security and cleaning services, the Directors are of the view that the existing cap of the Continuing Connected Transaction for the year ending 31 December 2024 will not be sufficient for the Company to cope with its business needs.

In order to purchase more security and cleaning services to meet its business needs, the Company proposes to revise the annual cap of the Continuing Connected Transaction for the year ending 31 December 2024.

Since the applicable percentage ratios in respect of the revised annual cap of the Continuing Connected Transaction for 2024 as calculated under Rule 14.07 of the Listing Rules are all less than 5%, the above transaction is subject to reporting, annual review and announcement requirements, but exempt from Independent Shareholders' approval requirements.

**Introduction**

Reference is made to the announcement of the Company dated 30 October 2023 in relation to, among other things, the Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirements for 2024, and therein the transaction of purchase of security and cleaning services from China Changan and its associates by the Group as referred to in the section headed "Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirements".

As at the date of the announcement, China Changan is a substantial shareholder of the Company, holding approximately 25.44% of the total issued share capital of the Company. The CSGC holds 100%

of equity interests in China Changan and the ultimate beneficial owner of the CSGC is the State-owned Assets Supervision and Administration of the State Council of the PRC. Therefore, according to the Listing Rules, China Changan is a connected person of the Company and the Continuing Connected Transaction is subject to compliance with Chapter 14A of the Listing Rules.

### **Revision of the Existing Cap of the Continuing Connected Transaction**

Pursuant to the Framework Agreement, the Continuing Connected Transaction between the Group and China Changan and its associates shall be for a term of 3 years commencing from 1 January 2024 to 31 December 2026. As mentioned in the announcement of the Company dated 30 October 2023, the annual cap of the Continuing Connected Transaction for the year ending 31 December 2024 is RMB14,000,000.

The Directors and senior management of the Company have been closely monitoring, among other things, the Continuing Connected Transaction regularly. The Directors have noted that, for the nine months ended 30 September 2024, the aggregate transaction amount (unaudited) in respect of the Continuing Connected Transaction was approximately RMB11,960,000, accounting for approximately 85.34% of the existing cap of the Continuing Connected Transaction for the year ending 31 December 2024 of RMB14,000,000. Based on the anticipated demand of purchase of security and cleaning services, the Directors are of the view that the existing cap of the Continuing Connected Transaction for the year ending 31 December 2024 will not be sufficient for the Company to cope with its business needs.

In order to purchase more security and cleaning services to meet its business needs, the Company proposes to revise the annual cap of the Continuing Connected Transaction for the year ending 31 December 2024 as follows:

<b>Year</b>	<b>The approved existing annual cap</b>	<b>Proposed revised annual cap</b>
2024	RMB14,000,000	RMB16,200,000

### **Basis of Determination of the Proposed Revised Cap**

Changan Property, an associate of China Changan, is a first-class property management company in the country and a member of the China Property Management Institute and has extensive property management experience. Changan Property has been providing security and cleaning services for the Group since 2014. The Group considers that procurement of security and cleaning services from China Changan and its associates, mainly from Changan Property, can provide assurance to the Group that it would be provided with comprehensive, standard and high-level security and cleaning services, thereby ensuring the smooth running of the daily operation of the business projects of the Group.

In order to support the daily business operations and based on the business development, it is estimated that the following projects of the Group will procure more security and cleaning services from Changan Property in 2024: (i) Hangzhou Changan Minsheng Logistics Co., Ltd., a wholly-owned subsidiary of the Company, plans to expand the security area in the industrial park, leading to a higher demand for security and cleaning services; (ii) The Finished Vehicle Division of the Company is expected to

increase its demand for security and cleaning services due to production adjustment; and (iii) The expansion of operation of the Spares Parts Project and the Hangzhou Project under the Supply Chain Division of the Company will further increase the demand for security and cleaning services. The total estimated increase in the procurement for security and cleaning services in 2024 amounts to approximately RMB2.2 million. Having considered the historical transaction amount and the estimated transaction amounts, the Directors are of the view that the revised annual cap for the year ending 31 December 2024 is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **Pricing Policy**

The terms relating to the Continuing Connected Transaction offered by China Changan and its associates should not be less favourable than those granted to an independent third party by such connected persons. The pricing of the services provided under the Framework Agreement shall be determined in accordance with the principles and order as the following:

(1) Bidding Price: the price will be arrived at by bidding process in principle. The bidding price shall be a price conducted after a bidding procedure according to the PRC Bidding Law. According to the Bidding Quote Management Procedures, in terms of procurement through bidding, the Company shall publish announcements at such public media as China Bidding to invite bidders. The Group will screen and select bidders whom the Group considers can undertake the procurement with relevant qualification and capability.

(2) Internal Compared Price: the price will be determined by the Company or its subsidiaries (as the case may be) by comparing internally the quote offered by China Changan or its associate (as the case may be) and the quote offered by at least two independent third parties or the price of services of similar nature purchased by independent third parties. In terms of internal compared pricing, the Group will choose the lowest quotes offered among the eligible participants as its procurement price. Pursuant to the Compared Pricing Management Procedures, in terms of internal compared pricing, the Group shall compare quotes provided by or the price of services of similar nature purchased by at least two independent third parties.

The transactions contemplated under the Framework Agreements shall be conducted on a non-exclusive basis. Separate written agreement(s) setting out the detailed terms shall be, if required, entered into between the relevant parties for the Continuing Connected Transaction. Payment of the Continuing Connected Transaction will be settled in cash in arrears, or in accordance with the payment terms agreed by the relevant parties in the contract(s) to be entered into pursuant to the Framework Agreement.

### **Board of Directors' View**

The Board has resolved to approve the proposal of the revised annual cap of the Continuing Connected Transaction for the year ending 31 December 2024. Except for Mr. Xie Shikang, Mr. Wan Nianyong and Mr. Dong Shaojie, being the related Directors, who are deemed interested in the revised annual cap of the Continuing Connected Transaction for the year ending 31 December 2024, none of the other Directors has abstained from voting on the relevant resolution approving the revised annual cap of the

Continuing Connected Transaction for the year ending 31 December 2024.

The Board (including the independent non-executive Directors) is of the view that (i) the Continuing Connected Transaction (including the revised cap for 2024) has been entered into in the ordinary and usual course of business of the Group and are on normal commercial terms; (ii) the terms of the Framework Agreement and the Continuing Connected Transaction (including the revised cap for 2024) contemplated thereby are fair and reasonable; and (iii) the entering into of the Framework Agreement and the Continuing Connected Transaction (including the revised cap for 2024) contemplated thereby is in the interests of the Company and the Shareholders as a whole.

### **Implication under the Listing Rules**

Since the applicable percentage ratios in respect of the revised annual cap of the Continuing Connected Transaction for 2024 as calculated under Rule 14.07 of the Listing Rules are all less than 5%, the above transaction is subject to reporting, annual review and announcement requirements, but exempt from Independent Shareholders' approval requirements.

### **General Information**

The Company is a foreign-invested limited liability company incorporated in the PRC and provides a variety of logistics services mainly for car manufacturers and car component and parts suppliers in China.

China Changan is a limited liability company incorporated in the PRC on 26 December 2005. It is one of the substantial shareholders of the Company. China Changan is primarily engaged in automobile and motorcycle production; automobile and motorcycle engines production; the design, development, production and sale of automobile and motorcycle components and parts; sale of optical devices, electronic optoelectronic devices, night vision devices information and communication devices; and the relevant technical development, technical transfer, technical consultation, technical services and import and export business and consultation on assets merger and asset restructuring.

### **Definitions**

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Changan Property”	Chongqing Changan Property Management Co., Ltd. (重慶市長安物業管理有限公司)
“China Changan”	China Changan Automobile Group Co., Ltd. (中國長安汽車集團有限公司), a joint stock limited company established in the PRC on 26 December 2005, former name was China South Industries Automobile Corporation (中國南方工業汽車股份有限公司)

“China” or “PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Company”	Changan Minsheng APLL Logistics Co., Ltd. (重慶長安民生物流股份有限公司)
“Continuing Connected Transaction”	the continuing connected transactions between the Group and China Changan and its associates in relation to the purchase of security and cleaning services from China Changan and its associates by the Company and its subsidiaries
“CSGC”	China South Industries Group Corporation (中國南方工業集團公司), renamed to China South Industries Group Corporation Co., Ltd. (中國兵器裝備集團有限公司), a company established in the PRC on 1 July 1999 with limited liability
“Director(s)”	directors of the Company
“Framework Agreement”	the framework agreement entered into between the Company and China Changan on 30 October 2023 relating to, among other things, the Continuing Connected Transaction
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratio(s)”	has the same meaning ascribed thereto under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

*By Order of the Board*  
**Changan Minsheng APLL Logistics Co., Ltd.**  
**Xie Shikang**  
*Chairman*

Chongqing, the PRC  
2 December 2024

*As at the date of this announcement, the board of directors of the Company comprises: (1) Mr. Xie Shikang and Mr. Wan Nianyong as executive directors; (2) Mr. Che Dexi, Mr. Chen Wenbo, Ms. Jin Jie and Mr. Dong Shaojie as non-executive directors; (3) Mr. Li Ming, Mr. Man Wing Pong and Ms. Chen Jing as independent non-executive directors.*

*\* For identification purpose only*