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CIMC Vehicles (Group) Co., Ltd. **中集車輛(集團)股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code : 1839)

INSIDE INFORMATION – UPDATE OF THE DIVIDEND POLICY

This announcement is made by CIMC Vehicles (Group) Co., Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the prospectus of the Company dated 27 June 2019 (the “**Prospectus**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Prospectus.

As disclosed in the section headed “Financial Information – Dividend” in the Prospectus, the Company does not have any predetermined dividend payout ratio. As the Company attaches high importance to provide reasonable return to investors, in order to provide return to its shareholders, and having considered the financial and business conditions of the Group after the Listing, the board (the “**Board**”) of directors (the “**Directors**”) of the Company has approved and updated the dividend policy (the “**Dividend Policy**”) on 26 August 2019. According to the Dividend Policy, dividends to be distributed by the Company each year shall be between 40% and 60% of the net profit attributable to owners of the Company for the previous fiscal year, subject to the relevant laws and regulations of the PRC and Hong Kong and the Articles of Association of the Company.

Pursuant to applicable laws, the declaration and payment of any dividends would require the approval of the Board at its discretion, and depend on our actual and expected results of operations, cash flows and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that the Board considers appropriate. In addition, any dividends for every fiscal year will be subject to shareholders' approval.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
CIMC Vehicles (Group) Co., Ltd.
Li Guiping
Executive Director

Hong Kong, 26 August 2019

*As at the date of this announcement, the Board comprises nine members, being Mr. Mai Boliang**, Mr. Li Guiping*, Ms. Zeng Beihua**, Mr. Wang Yu**, Mr. Liu Dong**, Mr. Chen Bo**, Mr. Feng Jinhua***, Mr. Fan Zhaoping*** and Mr. Cheng Hok Kai Frederick***.*

* *Executive Director*

** *Non-executive Directors*

*** *Independent non-executive Directors*