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CAR Inc.

神州租車有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0699)

INSIDE INFORMATION ANNOUNCEMENT

This announcement is made by CAR Inc. (the “**Company**”) pursuant to rule 13.09(2) 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 announcements of the Company dated April 16, 2020 and April 22, 2020, in connection with the acquisition and disposal of existing Shares between substantial shareholders of the Company (the “**Announcements**”). Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board has been informed that Amber Gem and UCAR, both being substantial shareholders of the Company, have entered into a termination agreement (the “**Termination Agreement**”) on May 30, 2020. Pursuant to the Termination Agreement, Amber Gem and UCAR agreed not to proceed with the Second Tranche Share Acquisition under the Sale and Purchase Agreement and terminate the Sale and Purchase Agreement, and release UCAR from its exclusivity obligations to consider other potential transactions.

Further, the Board has been informed by UCAR that UCAR has entered into a non-legally binding strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with Beijing Automotive Group Co., Ltd. (“**BAIC Group**”) on May 31, 2020. Pursuant to the Strategic Cooperation Agreement, BAIC Group will acquire not more than 450,790,855 Shares from UCAR, representing approximately 21.26% of the total issued share capital of the Company as at the date of this announcement.

The Strategic Cooperation Agreement is non-legally binding in nature and there is no assurance that the formal agreement will be entered into. The details and terms of the cooperation between UCAR and BAIC Group are still under negotiation and no definitive term has been agreed as of the date of this announcement. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares of the Company. Prior to a formal agreement is entered into between UCAR and BAIC Group and completed, there is possibility that the Shares of the Company held by UCAR may be subject to further involuntary sale at the discretion of certain lenders of UCAR pursuant to the terms of underlying financing agreements.

By Order of the Board

CAR Inc.

Charles Zhengyao LU

Chairman

Hong Kong, June 1, 2020

As at the date of this announcement, the Board of Directors of the Company comprises Ms. Yifan Song as Executive Director; Mr. Charles Zhengyao Lu, Mr. Linan Zhu, Ms. Xiaogeng Li and Mr. Zhen Wei as Non-executive Directors; and Mr. Sam Hanhui Sun, Mr. Wei Ding and Mr. Li Zhang as Independent Non-executive Directors.