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AUTO ITALIA HOLDINGS LIMITED
意達利控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

INSIDE INFORMATION – LITIGATION

This announcement is made by Auto Italia Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of a newly commenced litigation in which Auto Italia (Hong Kong) Limited (the “**Subsidiary**”), a wholly-owned subsidiary of the Company, is involved as plaintiff, and Maserati S.p.A. (“**Maserati**”), an Italian luxury vehicle manufacturer and a supplier of the Subsidiary, is involved as defendant.

On 31 December 2020, the Subsidiary as plaintiff commenced legal proceedings (the “**Proceedings**”) in the High Court of Hong Kong (High Court Action Number: HCA2200/2020) against Maserati as defendant, by the filing of a Writ of Summons (“**Writ**”), pursuant to which the Subsidiary claims against Maserati for wrongful purported termination of dealership agreement in reliance on a purported “Importership and Distributorship Agreement” allegedly signed on 1 October 2018 (the “**Purported Agreement**”).

* *For identification purpose only*

The purported termination of the dealership by Maserati was purportedly notified by Maserati to the Subsidiary on 28 October 2020 in purported reliance on the Purported Agreement and which is denied by the Subsidiary.

Since the purported notification of termination, the Subsidiary has engaged in commercial discussion with Maserati. The Subsidiary has decided to commence court proceedings to help fortify the protection of its rights.

According to the Writ, the Subsidiary seeks the following relief:

1. a declaration that the Purported Agreement is invalid, void, has no legal effect and/or is unenforceable;
2. a declaration that the purported notice of termination pursuant to the Purported Agreement as contained in Maserati's letter to the Subsidiary dated 28 October 2020 (the "**Purported Termination Notice**") is invalid, void, has no legal effect and/or is unenforceable;
3. a prohibitory injunction to restrain Maserati from taking any other action pursuant to and in reliance on the Purported Agreement and/or Purported Termination Notice;
4. damages to be assessed;
5. interests; and/or
6. costs.

The Group's primary business activity involves the import, marketing, distribution and provision of after-sales service to Maserati vehicles in Hong Kong and Macau, and the provision of financing, property investment and life sciences investment.

The Company will vigorously advocate and defend its rights in the Proceedings.

The Company will keep the shareholders and potential investors of the Company informed of any further material developments in connection with the Proceedings by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By Order of the Board
Auto Italia Holdings Limited
CHONG Tin Lung Benny
Executive Director and Chief Executive Officer

Hong Kong, 31 December 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. CHONG Tin Lung Benny (Executive Chairman and Chief Executive Officer), Mr. LAM Chi Yan, Mr. HUANG Zuie-Chin and Mr. NG Siu Wai, all of whom are executive directors of the Company; and Mr. KONG Kai Chuen Frankie, Mr. LEE Ben Tiong Leong and Mr. TO Chun Wai, all of whom are independent non-executive directors of the Company.