Press release

CAPAS 2019 closed, driving the market development of Southwest China through new events and enhanced services

The sixth edition of the Chengdu International Trade Fair for Automotive Parts and Aftermarket Services (CAPAS) concluded to a high note on 25 May 2019 at the Chengdu Century City New International Exhibition & Convention Center in China. Sitting at the centre of the Southwest China automotive industry, the three-day show achieved a number of new records.

Key figures from CAPAS 2019:

- 48,000 sqm of exhibition space (7% increase)
- 612 exhibitors (5% growth)
- 18,916 professional buyers (5% increase)

Pleased to witness another successful edition, Mr James Yu, Deputy General Manager of Messe Frankfurt (Shanghai) Co Ltd, commented: "CAPAS, once again, proved to be an efficient business platform and a hub for information exchange and investment for Southwest China. A series of events encouraged players to stay up-to-date with market trends, gain a deeper understanding of the industry and its associated obstacles and opportunities, as well as expand business networks. The shows also offered many services for key Sichuan cities to develop investment prospects. As we look towards the future, CAPAS will continue to strengthen its services to be a driving force for development in the region's auto industry."



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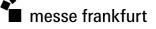


June 2019

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The promising market welcomed prominent brands

CAPAS 2019 refined its product zones and presented seven themes, including Parts & Components, Commercial Vehicles, Accessories & Customising, Repair, Supply Chain & Chain Stores, E-mobility & Infrastructure, Made in Sichuan and the Tyres sector.

Exhibitors comprised of many renowned companies, such as Adient, Botny, Chuannan Shock Absorber, CNC, Dayco, Fly-Eagle, Hengst, i-Reach, K&N, Knorr-Bremse, Modify-ah, Neijiang Jinhong Crankshaft, Orun, Petro-Canada Lubricants, Ruili, SATA, Snap-on, WABCO and Zhongding to name a few.

The E-mobility & Infrastructure zone held 26 local and international new energy vehicle brands, including BYD, Geely Auto, JAC, Porsche, ROEWE, Tesla and Volkswagen. On top of this, a host of start-ups like AIWAYS, Qiantu and WM Motor displayed their latest developments and car models.

Comments from exhibitors:

Mr Mei Chunming, Sales Director of China Aftermarket Hengst Filter Systems (Kunshan) Co Ltd "We see great potential in the Southwest China market. Both the commercial and passenger vehicle sectors are demonstrating fast growth for rising trends. CAPAS has been a very fruitful experience as we have already met many high quality buyers from distributors and repair workshops."

Mr Clive Bai, Marketing Manager

K&N Filters (Shenzhen) Co Ltd

"K&N Filters is developing its market in China. Over the past few days, we have been happy with the visitor flow and quality of buyers at CAPAS. We introduced our products to visitors from repair workshops and customising stores. From there, we were able to retrieve feedback to fine-tune our market strategy for the Southwest region."

Ms Keli Li, Lead Consultant

Hong Kong Productivity Council

"Chengdu has big potential for the development of new energy vehicles. CAPAS created a quality platform for Hong Kong companies to tap into this market. Businesses can showcase their technologies for green logistics, material and manufacturing solutions, as well as smart mobility to the Southwest market."

Stronger bonds amongst the Southwest Chinese auto industry

CAPAS cooperated closely with local institutes and organisations to gather 15 developing cities in the Made in Sichuan zone. The area successfully amplified recent growth of the industry in the region. Companies showed off their car manufacturing strengths and resources. Additionally, the Promotion of International Trade Councils from Nanchong and Yibin also spotlighted their latest achievements for both traditional and new energy cars.

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Feedback from industry representatives:

Mr Li Zhiqiang, Vice president

Yibin Council for the Promotion of International Trade

"We have a total of 12 leading companies from Yibin, including Cowin Auto who have joined this year's fair. The type of products that exhibitors are presenting in our area cover engines and moulding solutions. We have also organised a buyers group, formed of 24 4S stores, who have a strong need for auto parts. I was also pleased to hold several agreement signing ceremonies during the show, which support CAPAS' vision for local business development."

Mr Peng Tao, Vice president

Nanchong Council for the Promotion of International Trade "We wish to promote Nanchong's automotive industry by participating at CAPAS. The 23 corporations that we invited to the show are very happy with their results. We found the **Sichuan and Zhejiang Auto Parts Manufacturing Showcase Area** particularly useful, as it generated a lot of significant opportunities between Nanchong and Zhejiang already."

Mr Feng Binhua, Secretary General

Zhejiang Automobile & Motorcycle Parts Chamber of Commerce "Secretary Generals from seven key auto parts manufacturing cities in Zhejiang have come to CAPAS. They have brought leading companies from their cities to exhibit their new products and technologies in front of industry peers. The business matchmaking activities like the **Made in Chengdu Supply and Demand Business Matching Conference for New Energy Vehicle Products** has heightened our awareness of the current status and future developments in this manufacturing hub. I believe this will stimulate further cooperation between Zhejiang and Sichuan."

Personalised and matchmaking services for fair-goers

CAPAS launched a number of new added-value services, such as the **Business Matching Service for VIP Buyers** and **Professional workshop and 4S store visits**, to respond to the sourcing needs of both exhibitors and buyers.

Feedback from participants:

Ms Shirley Liu, Marketing Manager Petro-Canada Lubricants Inc (Exhibitor) "In addition to participating as an exhibitor and joining the business matching programme, we also attended the 4S store visits. These activities are extremely helpful for companies from outside Sichuan. This was a very practical experience for us to understand more about the Southwest market and touch base with local people. From here, we now have a better grasp of the local repair, car care and chain store markets, and their service level. This will inform our business strategy and development in the region."

Ms Liu Jia, Product Manager Chengdu Everest Trading Co Ltd (VIP buyer) "At CAPAS, many of our brands are looking for regional distributors. Participating in the **Business Matching Service for VIP Buyers** gave CAPAS Chengdu, China, 23 – 25 May 2019

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us a good chance to talk to representatives from some renowned chain stores, lubricant and tyre brands in person. It has put us in touch with a wide range of companies with quality products."

Seminars and themed events generate strong market opportunities

Continued with great success, the fringe programme was another highlight of the show. This year, a variety of seminars and fun themed activities were held concurrently during the three-day show. They covered the latest updates and discussed the current challenges and opportunities in the market. For example, the **Southwest Automotive Aftermarket Summit 2019** focused heavily on both the potential and challenges in the Southwest China aftermarket. Elsewhere, experts also discussed the future movement of the industry, business models for profitability, store operations and service optimisation in the supply chain and chain stores.

Comments from the event participants:

Mr Gang Fan, General Manager

Xichang Kai Yuan Auto Service Co Ltd

(Audience at the Southwest Automotive Aftermarket Summit 2019) "At the moment, the greatest challenge for workshop providers is cost control. The speakers at this seminar were all experts in the field. They shared insights on both current topics and future developments in the repair, car wash and care, auto parts and car customising segments. A sharing opportunity like this has broadened my vision for our business strategy."

Mr Wu Yulei, Vice General Manager of Marketing Chengdu Yinlong New Energy Co Ltd (Supplier at the Made in Chengdu Supply and Demand Business Matching Conference for New Energy Vehicle Products) "CAPAS brought regional public transportation and logistics operators from surrounding cities together. After meeting these key players, I can now understand their sourcing needs. For example, the need for logistics and special purpose vehicles are on the rise, which will also become a focus area for our company."

In other aspects, another crowd favourite was the **Car Customising Festival**. The positive feedback from visitors suggests that the fun-filled activities promoted an automotive customising culture and lifestyle. Therefore, CAPAS successfully drew upon the latest customising trends that are currently generating huge growth potential in the industry. Highlights included the **Sharing Session for Self-drive Holidays**, **Simulated Car Racing** and the **i-Reach Tyre Rolling Rally**.

Comments from the event participants:

Mr Sam Liao, CEO

Y.S Vehicle Accessories Co Ltd (Exhibitor)

"We have seen auto customising shops rapidly expand in the Southwest region. The Car Customising Festival in the Accessories & Customising zone attracted several customising shops from Chengdu and the surrounding cities, including those from Wenzhou as well. Additionally, there were also many car lovers and owners taking part, who shared CAPAS Chengdu, China, 23 – 25 May 2019 their enthusiasm for an auto lifestyle."

Mr Jian Yongqi, General Manager

Tianlang Auto Modification Service Company (Visitor) "I run several multi-function stores for repair, maintenance, customisation, rental and sales. CAPAS has a comprehensive display of products in terms of car making, parts and components, the aftermarket, and of course, the most interesting Accessories & Customising zone. Not only were the latest technologies and products for car customisation seen, but the culture around car customisation and automotive lifestyle were also promoted to local consumers and car owners."

CAPAS is co-organised by the China Council for the Promotion of International Trade, the Automotive Sub-Council (CCPIT-Auto), Messe Frankfurt (Shanghai) Co Ltd and the China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan). The next edition is set to be held from 21 – 23 May 2020 at Chengdu Century City New International Exhibition & Convention Center. For more information about the show, please visit www.capas-chengdu.com or email auto@hongkong.messefrankfurt.com.

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Background information on the China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto)

The China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto) promotes foreign trade and economic cooperation, technical exchange and introduction of advanced technologies for China's auto industry by following the China Council for the Promotion of International Trade and China Chamber of International Commerce charter. It acts as a bridge for Chinese auto industry enterprises to build cooperation and exchange opportunities across the world. In addition, the committee organises three world leading and highly regarded international automotive exhibitions in Beijing, Shanghai and Guangzhou.

Background information on Messe Frankfurt

Messe Frankfurt is the world's largest trade fair, congress and event organiser with its own exhibition grounds. With more than 2,500* employees at 30 locations, the company generates annual sales of around €715* million. Thanks to its far-reaching ties with the relevant sectors and to its international sales network, the Group looks after the business interests of its customers effectively. A comprehensive range of services – both onsite and online – ensures that customers worldwide enjoy consistently high quality and flexibility when planning, organising and running their events. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. With its headquarters in Frankfurt am Main, the company is owned by the City of Frankfurt (60 percent) and the State of Hesse (40 percent).

For more information, please visit our website at: www.messefrankfurt.com *preliminary figures 2018

Background information on the China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan)

The China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan) aims to promote foreign trade cooperation and communication, under the guidance of the Sichuan Provincial Party Committee and the Provincial People's Government, and in accordance with the guidelines of national economic policy and principles. Its main duties are

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to encourage foreign trade and investment, enhance economic and technological exchange and cooperation, and to foster local enterprises to participate in the economic globalisation. CCPIT-Sichuan also organises a number of international exhibitions including the Western China International Fair.

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