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## **China ZhengTong Auto Services Holdings Limited**

### **中國正通汽車服務控股有限公司**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 1728)**

### **US DENOMINATED SENIOR NOTES DUE 2022**

**(Stock Code: 40132)**

## **INSIDE INFORMATION ANNOUNCEMENT**

### **DISPOSAL OF SHARES BY THE CONTROLLING SHAREHOLDER**

This announcement is made by China Zhengtong Auto Services Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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 announcement of the Company in relation to disposal of shares by the controlling shareholder dated 20 October 2020 (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, Joy Capital, the controlling shareholder of the Company (as defined under the Listing Rules), which holds 1,383,516,820 Shares, and Mr. Wang Muqing entered into the SPA with the Purchaser on 19 October 2020, pursuant to which Joy Capital conditionally agreed to sell, and the Purchaser conditionally agreed to purchase 806,535,284 Shares.

The Company was informed by Joy Capital that upon negotiations between the parties, the Purchaser had withdrawn from the Transaction and on 30 July 2021, Joy Capital entered into a supplemental sale and purchase agreement (the “**Supplemental Agreement**”) with the original parties and 廈門國貿控股集團有限公司 (Xiamen ITG Holding Group Co., Ltd.) (the “**New Purchaser**”) to amend certain major terms of the SPA.

The parties to the Supplemental Agreement agreed (among other things) that (i) the New Purchaser shall enjoy all such rights and assume all such obligations of the Purchaser under the SPA; (ii) the number of Shares to be transferred under the SPA has been adjusted to 820,618,184 (representing 29.9% of the entire issued share capital of the Company as at the date of the Supplemental Agreement), at a total consideration of HK\$1,427,875,640.16, representing HK\$1.74 per Share which remains unchanged (subject to adjustment in accordance with the terms of the SPA); and (iii) subject to the relevant candidates satisfying the relevant requirements regarding directors of listed companies under the Listing Rules, Joy Capital shall procure that three candidates nominated by the New Purchaser shall be appointed as directors of the Company (each a “**Director**”), with the appointment of two of which to be effective on the date of completion of the Transaction and the remaining one to be effective on 9 October 2021. Joy Capital shall procure the resignation of two existing executive Directors which shall take effect on the date of completion of the Transaction and of one existing executive Director which shall take effect on 9 October 2021. Joy Capital has agreed to support the Director(s) so nominated by the New Purchaser to be the Chairman of the board of Directors (the “**Board**”), the chief executive officer of the Company and the chairman of the nomination committee of the Board. The Supplemental Agreement also stipulates consequential changes to conditions precedent to the Transaction and the Transaction is now subject to, among other things, approval by the shareholder of the New Purchaser.

The New Purchaser is a Fortune Global 500 Company with operations in commodity trading, circulation automobile trading, logistics business, commodity retail business and others. Subject to completion of the Transaction, the Company would expect such relationship with the New Purchaser as the single largest shareholder to provide synergies and significant opportunities for the Group to further develop and strengthen the development of the Group’s businesses by leveraging on the scale, network and financial strength of the New Purchaser.

**The completion of the Transaction is subject to fulfilment or waiver (as the case may be) of the conditions precedent set out in the SPA (as amended by the Supplemental Agreement), and the Transaction may or may not proceed. Shareholders and other investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

For and on behalf of the Board of Directors of  
**China ZhengTong Auto Services Holdings Limited**  
中國正通汽車服務控股有限公司  
**WANG Kunpeng**  
*Chief Executive Officer and Executive Director*

Hong Kong, 30 July 2021

*As at the date of this announcement, the Board comprises Mr. WANG Muqing (Chairman), Mr. WANG Kunpeng, Mr. LI Zhubo and Mr. WAN To as executive Directors; and Dr. WONG Tin Yau, Kelvin, Dr. CAO Tong and Ms. WONG Tan Tan as independent non-executive Directors.*