

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

COMPLETION OF DISPOSAL OF SHARES BY THE CONTROLLING SHAREHOLDER, CHANGE OF CHAIRMAN, CHANGE OF DIRECTORS AND CHANGE OF COMPOSITION OF BOARD COMMITTEES

COMPLETION OF DISPOSAL OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company has been informed by Joy Capital that all of the conditions precedent as set out in the SPA have been fulfilled or waived. Completion of the SPA (as amended by the Supplemental Agreement) took place on 31 August 2021 in accordance with the terms and conditions of the SPA (as amended by the Supplemental Agreement). Upon completion of the SPA (as amended by the Supplemental Agreement), the New Purchaser holds 820,618,184 Shares, representing approximately 29.90% of the Company's share capital in issue, and Joy Capital holds 562,898,636 Shares, representing approximately 20.51% of the Company's share capital in issue, and is no longer a controlling shareholder of the Company.

CHANGE OF CHAIRMAN, CHANGE OF DIRECTORS AND CHANGE OF COMPOSITION OF BOARD COMMITTEES

The Board now announces that, with effect from 1 September 2021 before trading hours:

1. Mr. Wang Muqing has resigned as the chairman of the Nomination Committee;
2. Mr. Li Zhubo has resigned as an executive Director;
3. Mr. Wan To has resigned as an executive Director;
4. Dr. Wong Tin Yau has resigned as a member of the Remuneration Committee;
5. Mr. Wang Ming Cheng has been appointed as an executive Director and chairman of Nomination Committee; and
6. Mr. Zeng Ting Yi has been appointed as an executive Director.

The Board now further announces that:

7. Mr Wang Muqing will resign as the chairman of the Board from 9 September 2021 after trading hours;
8. Mr. Wang Kunpeng will resign as an executive Director and a vice chairman of the Board from 9 October 2021 before trading hours; and
9. Mr. Li Zhi Huang will be appointed as an executive Director and a member of the Remuneration Committee from 9 October 2021 before trading hours.

COMPLETION OF DISPOSAL OF SHARES BY THE CONTROLLING SHAREHOLDER

Reference is made to the announcements of China Zhengtong Auto Services Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) in relation to disposal of shares by the controlling shareholder dated 20 October 2020 and 30 July 2021 (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Company has been informed by Joy Capital that all of the conditions precedent as set out in the SPA (as amended by the Supplemental Agreement) have been fulfilled or waived. Completion of the SPA (as amended by the Supplemental Agreement) took place on 31 August 2021 in accordance with the terms and conditions of the SPA (as amended by the Supplemental Agreement).

Upon completion of the SPA (as amended by the Supplemental Agreement), the New Purchaser holds 820,618,184 Shares, representing approximately 29.90% of the Company's share capital in issue, and Joy Capital holds 562,898,636 Shares, representing approximately 20.51% of the Company's share capital in issue, and is no longer a controlling shareholder of the Company.

CHANGE OF CHAIRMAN, CHANGE OF DIRECTORS AND CHANGE OF COMPOSITION OF BOARD COMMITTEES

The Board now announces that, with effect from 1 September 2021:

1. Mr. Wang Muqing has resigned as the chairman of the Nomination Committee;
2. Mr. Li Zhubo has resigned as an executive Director;
3. Mr. Wan To has resigned as an executive Director;
4. Dr. Wong Tin Yau has resigned as a member of Remuneration Committee of the Board;
5. Mr. Wang Ming Cheng has been appointed as an executive Director and chairman of the Nomination Committee; and
6. Mr. Zeng Ting Yi has been appointed as an executive Director.

The Board now further announces that:

7. Mr. Wang Muqing has submitted his resignation as a chairman of the Board to the Board. Due to the time needed to complete procedural requirements relating to the appointment of the new chairman to the Board (with such procedures to be completed on 9 September 2021), Mr. Wang Muqing will then duly resign as a chairman of the Board on 9 September 2021 (after trading hours), and the newly-appointed chairman of the Board will succeed him;
8. Mr. Wang Kun Peng has submitted his resignation as an executive Director and a vice chairman of the Board to the Board. Mr. Li Zhi Huang will serve as an executive Director. However, due to the time needed to complete procedural requirements relating to the appointment of Mr. Li Zhi Huang as an executive Director (with such procedures to be completed on 9 October 2021), Mr. Wang Kun Peng will then duly resign as an executive Director and a vice chairman of the Board on 9 October 2021 (before trading hours) and his position as an executive Director will be taken up by Mr. Li Zhi Huang; and
9. Mr. Li Zhi Huang also will be appointed as a member of the Remuneration Committee on 9 October 2021 (before trading hours).

The Board will confirm the appointment of the new chairman of the Board by way of announcement when appropriate.

Following the resignation of Dr. Wong Tin Yau with effect from 1 September 2021 and prior to the appointment of Mr. Li Zhi Huang with effect from 9 October 2021, the Company fails to meet the requirements of the Remuneration Committee as it must comprise three Directors under the terms of reference of the Remuneration Committee. Following the appointment of Mr. Li Zhi Huang as set out above, the Remuneration Committee will comprise three members. As a result, the Company will comply with the terms of reference of the Remuneration Committee since the appointment of Mr. Li Zhi Huang comes into effect.

Resignation of executive Directors

Each of Mr. Wang Kunpeng, Mr. Li Zhubo and Mr. Wan To has confirmed that they have no disagreement with the Board and there is no other matter relating to their resignation that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or the shareholders of the Company (“**Shareholders**”).

Mr. Wang Kunpeng joined the Group in 2006. Before his resignation, he was the chief executive officer, an executive Director and the Vice Chairman of the Board. Mr. Li Zhubo joined the Group in 1999 and he was the chief financial officer and an executive Director of the Company before his resignation. Mr. Wan To joined the Group in 2008 and before his resignation, he was the vice president of investment development and an executive Director of the Company.

The Board would like to express its sincere gratitude to the three resigned Directors for their major contribution to the Company since its listing. Since the pandemic outbreak last year, three executive Directors effectively addressed various risks and successfully kept internal and external major stakeholders’ confidence in the Company. As leaders, they were perseverant and responsible, loyal and dedicated when facing the pandemic, which led to a significant improvement in the Company’s operation results in the first half of the year. The Board would like to take this opportunity to express its gratitude to each of Mr. Wang Kunpeng, Mr. Li Zhubo and Mr. Wan To for their major contribution to the Company during their tenure of office.

Appointment of executive Directors

Mr. Wang Ming Cheng

Mr. Wang Ming Cheng (王明成先生), aged 52, is currently a general manager and a Director of Xiamen Xindeco Ltd.* (廈門信達股份有限公司) (stock code: 000701), a company listed on the Shenzhen Stock Exchange (“**Xiamen Xindeco**”). From March 2016 to December 2018, Mr. Wang Ming Cheng served as a general manager and a Director of Xiamen ITG Assets Operation Group Co. Ltd.* (廈門國貿資產運營集團有限公司). In 2013, Mr. Wang Ming Cheng obtained an executive master’s degree in business

administration at Xiamen University. Mr. Wang Ming Cheng is also an accountant. Mr. Wang Ming Cheng has over 30 years experience in corporate restructuring, company operation and management.

As at the date of this announcement and save as disclosed above, Mr. Wang Ming Cheng (i) has not held any other directorships in other listed company in the last three years or any other major appointments and professional qualifications; and (ii) does not hold other positions with the Company or other members of the Group.

As at the date of this announcement and save as disclosed above, Mr. Wang Ming Cheng (i) does not have any relationship with any Director, senior management, substantial or controlling shareholders (having the meaning ascribed to it in the Rules (“**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange) of the Company; and (ii) is not interested in any Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”).

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters relating to the appointment of Mr. Wang Ming Cheng that need to be brought to the attention of holders of securities of the Company.

Mr. Zeng Ting Yi

Mr. Zeng Ting Yi (曾挺毅先生), aged 48, is currently a deputy general manager of Xiamen ITG Holding Group Co., Ltd. (“**ITG Holding**”) and the chairman of the board of Xiamen Xindeco. From October 2018 to January 2020, Mr. Zeng Ting Yi was a Director of ITG Holding. From December 2013 to August 2018, Mr. Zeng Ting Yi was a vice president of Xiamen ITG Group Corp. Ltd. (廈門國貿集團股份有限公司) (stock code: 600755), a company listed on the Shanghai Stock Exchange (“**Xiamen ITG**”). In 2004, Mr. Zeng Ting Yi obtained a master’s degree in business administration at Xiamen University, and Mr. Zeng Ting Yi is also a senior economist. Mr. Zeng Ting Yi has over 20 years management experience in sales of automobiles, trade and logistics and investment.

As at the date of this announcement and save as disclosed above, Mr. Zeng Ting Yi (i) has not held any other directorships in other listed company in the last three years or any other major appointments and professional qualifications; and (ii) does not hold other positions with the Company or other members of the Group.

As at the date of this announcement and save as disclosed above, Mr. Zeng Ting Yi (i) does not have any relationship with any Director, senior management, substantial or controlling shareholders (having the meaning ascribed to it in the Listing Rules) of the Company; and (ii) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters relating to the appointment of Mr. Zeng Ting Yi that need to be brought to the attention of holders of securities of the Company.

Mr. Li Zhi Huang

Mr. Li Zhi Huang (李植煌先生), aged 55, is a deputy general manager of ITG Holding, a Director of Xiamen ITG, a Director of Zhonghong Pulin Medical Product Co., Ltd.* (中紅普林醫療用品股份有限公司) (Zhonghong Medical (stock code: 300981), a company listed on the Shenzhen Stock Exchange), the chairman of the board of Zhonghong Pulin Group Co., Ltd.* (中紅普林集團有限公司). Mr. Li Zhi Huang was the finance department manager, a deputy financial director, a financial director, a vice president, an executive vice president of Xiamen ITG and a Director of ITG Holding from February 2001 to July 2018. Mr. Li Zhi Huang obtained an executive master's degree in business administration at Xiamen University in 2009 and is a senior accountant. Mr. Li Zhi Huang has over 30-year experience in accounting management for large-scale enterprises and corporate decision making and governance.

As at the date of this announcement and save as disclosed above, Mr. Li Zhi Huang (i) has not held any other directorships in other listed company in the last three years or any other major appointments and professional qualifications; and (ii) does not hold other positions with the Company or other members of the Group.

As at the date of this announcement and save as disclosed above, Mr. Li Zhi Huang (i) does not have any relationship with any Director, senior management, substantial or controlling shareholders (having the meaning ascribed to it in the Listing Rules) of the Company; and (ii) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters relating to the appointment of Mr. Li Zhi Huang that need to be brought to the attention of holders of securities of the Company.

As at the date of this announcement, each of the newly-appointed Directors has not entered into any service contract with the Company in relation to his appointment as a Director and is not appointed for a specific term but he is subject to retirement by rotation and re-election in accordance with the memorandum and the articles of association of the Company.

Each of the newly-appointed Directors will be entitled to receive a director's fee and other remuneration to be determined by the Board and the Remuneration Committee with reference to his duties, responsibilities, qualifications, experiences and the prevailing market conditions.

The Board would like to take this opportunity to welcome Mr. Wang Ming Cheng, Mr. Zeng Ting Yi and Mr. Li Zhi Huang in joining the Board.

By Order of the Board
China ZhengTong Auto Services Holdings Limited
WANG Muqing
Chairman

Hong Kong, 31 August 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.