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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)

Connected Transactions

Acquisition of 100% Equity Interest

in Xiangtan Yize Property Co Ltd*, Wulan Chabushi Yize Property Co Ltd*, Ganzhou Yize Property Co Ltd* and Shangraoshi Yize Property Co Ltd*: Supplemental Announcement

Reference is made to the Company's announcement dated 20 May 2011 in relation to the acquisition of 100% equity interest in Xiangtan Yize Property Co Ltd*, Wulan Chabushi Yize Property Co Ltd*, Ganzhou Yize Property Co Ltd* and Shangraoshi Yize Property Co Ltd* (the "**Announcement**"). Unless the context otherwise required, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

The Board would like to set out below some additional information regarding the Target Companies and the Acquisitions:

	<u>Date of Incorporation</u>	<u>Registered Capital</u> <i>(RMB'000)</i>	<u>Net Asset Value As At 30 April 2011 As Assessed by the Valuer</u> <i>(RMB'000)</i>
Target Company-1	19 November 2010	10,000	10,000
Target Company-2	18 November 2010	10,000	10,000
Target Company-3	21 December 2010	10,000	10,000
Target Company-4	18 November 2010	10,000	9,986

All the Target Companies were incorporated in either November or December 2010. They did not record any net profits (whether before or after taxation and extraordinary items) for the two financial years immediately preceding the Share Transfer Agreements. The Target Companies are established by the Vendor and the Vendor's original investment amount in each of the Target Companies is RMB10 million, being the registered capital of each such Target Company.

In preparing the valuation reports in respect of the Target Companies, the Valuer adopted replacement cost method as the valuation methodology.

Save for Mr Wang Muqing (who is interested in about 70.4% equity interest in the Vendor and also a director of the Company), none of the directors of the Company have any material interest in any of the Target Companies or the Share Transfer Agreements. At the Board meeting for considering the Share Transfer Agreements and the transactions contemplated by such agreements, Mr Wang Muqing abstained from voting on all the relevant resolutions.

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
Executive Director

31 May, 2011

As at the date of this announcement, the Board comprises Mr. WANG Kunpeng (Chief Executive Officer), Mr. LI Zhubo, Mr. CAO Limin, Mr. LIU Dongli and Mr. CHEN Tao as Executive Directors; Mr. WANG Muqing as Non-Executive Director; and Dr. WONG Tin Yau, Kelvin, Mr. TAN Xiangyong and Mr. ZHANG Yansheng as Independent Non-Executive Directors.

This announcement is also available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk and on the website of the Company at www.zhengtongauto.com.