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正通

**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)**

**THE PROPOSED SPIN-OFF AND SEPARATE LISTING OF SHANGHAI  
DONGZHENG AUTOMOTIVE FINANCE CO., LTD. \* ON THE MAIN  
BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

**BASIS OF THE ASSURED ENTITLEMENT OF QUALIFYING  
ZHENG TONG SHAREHOLDERS TO THE RESERVED SHARES IN  
THE PREFERENTIAL OFFERING**

The Board announces that it has determined the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders in the Preferential Offering, if and when made. The basis of the Assured Entitlement is one (1) Reserved Share for every 92 ZhengTong Shares (as defined in the Prospectus) held by Qualifying ZhengTong Shareholders on Thursday, 7 March 2019, being the Record Date.

**As the size and structure of the Global Offering have not yet been finalized, the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders to the Reserved Shares in the Preferential Offering as set out in this announcement is subject to change. In the event that there is a change in the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders to the Reserved Shares in the Preferential Offering, a further announcement will be made by the Company.**

**Shareholders and potential investors of the Company are advised to note that the Proposed Spin-off and Proposed Listing is subject to, among other things, the approval of the Stock Exchange, the final decisions of the Board and the board of directors of Dongzheng, market conditions, pricing and other factors. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off and Proposed Listing will take place or as to when it may take place. If the Proposed Spin-off and Proposed Listing do not proceed for any reason, the Preferential Offering will not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisers.**

## **INTRODUCTION**

References are made to the announcements on 13 November 2018, 21 November 2018, 19 February 2019, 21 February 2019 and 4 March 2019 (the “**Announcements**”) and the circular on 15 January 2019 (the “**Circular**”), made by the board of directors (the “**Board**”) of China ZhengTong Auto Services Holdings Limited (the “**Company**”) in relation to the Proposed Spin-off and Proposed Listing, respectively. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

## **BASIS OF THE ASSURED ENTITLEMENT OF QUALIFYING ZHENG TONG SHAREHOLDERS TO THE RESERVED SHARES IN THE PREFERENTIAL OFFERING**

The Board announces that it has determined the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders to Reserved Shares in the Preferential Offering, if and when made.

**The basis of the Assured Entitlement is one (1) Reserved Share for every 92 ZhengTong Share held by Qualifying ZhengTong Shareholders on Thursday, 7 March 2019, being the Record Date.**

The Assured Entitlement of Qualifying ZhengTong Shareholders to the Reserved Shares are not transferable and there will be no trading in nil-paid entitlements on the Stock Exchange.

Qualifying ZhengTong Shareholders may apply for a number of Reserved Shares which is greater than, less than or equal to their Assured Entitlement or may apply only for excess Reserved Shares under the Preferential Offering.

A valid application for a number of Reserved Shares which is less than or equal to a Qualifying ZhengTong Shareholder's Assured Entitlement under the Preferential Offering will be accepted in full, subject to the terms and conditions set out in the BLUE Application Forms (as defined in the Prospectus) or the Blue Form eIPO service (as defined in the Prospectus) via [www.eipo.com.hk](http://www.eipo.com.hk) and assuming the conditions of the Preferential Offering are satisfied.

Where a Qualifying ZhengTong Shareholder applies for a number of the Reserved Shares which is greater than the Qualifying ZhengTong Shareholder's Assured Entitlement under the Preferential Offering, the relevant Assured Entitlement will be satisfied in full (subject to the terms and conditions as mentioned above), but the excess portion of such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by Qualifying ZhengTong Shareholders as their Assured Entitlements under the Preferential Offering. Details of how such excess portion will be satisfied will be further described in the Prospectus.

Qualifying ZhengTong Shareholders who hold less than 92 Shares on the Record Date and therefore will not have an Assured Entitlement to the Reserved Shares will still be entitled to participate in the Preferential Offering by applying for only excess Reserved Shares. Such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by Qualifying ZhengTong Shareholders as their Assured Entitlements under the Preferential Offering.

Qualifying ZhengTong Shareholders should note that their Assured Entitlements to the Reserved Shares may not represent a full board lot of the H Shares of Dongzheng. The Reserved Shares allocated to Qualifying ZhengTong Shareholders will be rounded down to the closest whole number if required. No odd lot matching services will be provided and dealings in odd lots of the Reserved Shares may be at a price below the prevailing market price for full board lots of the Reserved Shares.

If the Preferential Offering proceeds, details of the Preferential Offering, including the terms and conditions for applications (including excess applications) for the Reserved Shares under the Preferential Offering, will be set out in the Prospectus and the accompanying blue application form.

As at the date of this announcement, the Company and Dongzheng have been advised by their PRC legal adviser that pursuant to Article 23 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland-Hong Kong Stock Markets Connect Programme (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》), China Securities Depository and Clearing Corporation Limited does not provide services relating to the subscription of newly issued shares. Accordingly, even if the Preferential Offering proceeds, beneficial holders of Shares who hold Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect cannot participate in the Preferential Offering and will not be able to take up their respective Assured Entitlement to the H Shares of Dongzheng under the Preferential Offering through the trading mechanism of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

**As the size and structure of the Global Offering have not yet been finalized, the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders to the Reserved Shares in the Preferential Offering as set out in this announcement is subject to change. In the event that there is a change in the basis of the Assured Entitlement of Qualifying ZhengTong Shareholders to the Reserved Shares in the Preferential Offering, a further announcement will be made by the Company.**

## **GENERAL**

In connection with the Global Offering, the price of the H Shares of Dongzheng may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilization and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) will be contained in the Prospectus.

**Shareholders and potential investors of the Company are advised to note that the Proposed Spin-off and Proposed Listing is subject to, among other things, the approval of the Stock Exchange, the final decisions of the Board and the board of directors of Dongzheng, market conditions, pricing and other factors. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off and Proposed Listing will take place or as to when it may take place. If the Proposed Spin-off and Proposed Listing do not proceed for any reason, the Preferential Offering will not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisers.**

The Company will make further announcements in relation to the Proposed Spin-off and Proposed Listing in accordance with the requirements of the Listing Rules as and when appropriate.

## **DEFINITION**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Shanghai-Hong Kong Stock Connect”	the securities trading and clearing links programme developed by the Stock Exchange, the Shanghai Stock Exchange, Hong Kong Securities Clearing Company Limited and China Securities Depository and Clearing Corporation Limited for the establishment of mutual market access between Hong Kong and Shanghai
“Shangzhen-Hong Kong Stock Connect”	the securities trading and clearing links programme developed by the Stock Exchange, the Shenzhen Stock Exchange, Hong Kong Securities Clearing Company Limited and China Securities Depository and Clearing Corporation Limited for the establishment of mutual market access between Hong Kong and Shenzhen

By order of the Board  
**China ZhengTong Auto Services Holdings Limited**  
中國正通汽車服務控股有限公司  
**WANG Muqing**  
*Chairman*

Hong Kong, 7 March 2019

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