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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)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

This announcement is made by China Zhengtong Auto Services Holdings Limited (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

In November 2021, the Stock Exchange amended Appendix 3 to the Listing Rules in order to streamline the shareholder protection standards that issuers were required to provide into one set of Core Shareholder Protection Standards (the “**Core Standards**”) for all issuers. The Core Standards have taken effect since 1 January 2022, and pursuant to the related transitional arrangement, the Company had until the second annual general meeting following 1 January 2022 to make the necessary changes to the Company’s Articles of Association (the “**Articles**”) to conform to the Core Standards.

In order to comply with the mandatory requirements under the Listing Rules relating to the Core Standards, the Company proposed to amend the Memorandum of Association of the Company and the Articles at the annual general meeting of the Company held on 27 June 2023 (the “**2023 AGM**”). 69.051% of the votes cast for the resolution were in favour of the resolution (including the Company’s single largest shareholder, Xiamen ITG Holding Group Co., Ltd., which as at the date of the 2023 AGM, held approximately 28.62% of the Company’s total issued shares) and 30.949% of the votes cast for the resolution were against the resolution. As a result, the resolution was not passed as it failed to achieve the three-fourths voting requirement needed to pass it as a special resolution. For details, please refer to the Company’s announcement dated 27 June 2023 titled “Poll Results of Annual General Meeting held on 27 June 2023”.

After the 2023 AGM, the Company canvassed views from some of its stakeholders, including shareholders of the Company and proxy advisers. The Company noted that certain proxy advisers advised against voting in favour of the special resolution to amend the Articles at the 2023 AGM because of the proposed amendment to shorten the notice period for calling extraordinary general meetings at which the passing of a special resolution is to be considered (“**EGMs with Special Resolutions**”). The Company believes that this might be one of the reasons why the special resolution was voted down at the 2023 AGM. For the avoidance of doubt, the proposal to shorten the notice period for EGMs with Special Resolutions was made to update the minimum notice requirement for EGMs with Special Resolutions to be consistent with the Listing Rules, including the Core Standards.

In order to demonstrate the Company’s willingness to comply with the Core Standards, the Company is proposing to hold an extraordinary general meeting (the “**EGM**”) to approve certain amendments to the Articles. The proposed amendments to the Articles in the EGM are substantially identical to those proposed in the 2023 AGM, except that the proposal to shorten the notice period for EGMs with Special Resolutions is no longer maintained.

The proposed amendments in the EGM will be separated into two sets: (1) the amendments relating to the Core Standards to bring the Articles in line with the Core Standards, and (2) the amendments other than the amendments relating to the Core Standards. The two sets of proposed amendments will be put to the Company’s shareholders for approval under two independent special resolutions.

A circular containing details of the proposed amendments to the Articles and a notice convening the EGM will be despatched to the shareholders on 5 December 2023. Shareholders are advised to read the details of the proposed amendments to the Articles set out in the circular.

By order of the Board
China ZhengTong Auto Services Holdings Limited
WANG Mingcheng
Chairman

Hong Kong, 4 December 2023

As at the date of this announcement, the Board comprises Mr. WANG Mingcheng (Chairman), Mr. LI Zhihuang and Mr. HUANG Junfeng as executive Directors; and Dr. WONG Tin Yau, Kelvin, Dr. CAO Tong and Ms. WONG Tan Tan as independent non-executive Directors.