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*This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of China ZhengTong Auto Services Holdings Limited.*



**Xinda Motors Co., Limited**  
**信達汽車(香港)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**China ZhengTong Auto Services Holdings Limited**  
**中國正通汽車服務控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1728)**

## **JOINT ANNOUNCEMENT**

### **(1) WAIVER OF CONDITION PRECEDENT RELATING TO THE WHITEWASH WAIVER**

#### **AND**

### **(2) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER BY CLSA LIMITED FOR AND ON BEHALF OF XINDA MOTORS CO., LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF CHINA ZHENG TONG AUTO SERVICES HOLDINGS LIMITED (OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE ACQUIRED BY XINDA MOTORS CO., LIMITED AND/OR PARTIES ACTING IN CONCERT WITH IT)**

**Financial Adviser to the Offeror**



**Financial Adviser to the Company**



**Independent Financial Adviser to Independent Board Committee**



Reference is made to (1) the Joint Announcement dated 26 January 2025, (2) the Circular, (3) the Poll Results Announcement, and (4) the Joint Announcement dated 23 May 2025 in relation to, among other things, the Connected Subscription, the Whitewash Waiver and/or the Offer.

#### **WAIVER OF CONDITION PRECEDENT RELATING TO THE WHITEWASH WAIVER**

On 28 May 2025, the Offeror decided to waive the condition precedent relating to the Whitewash Waiver under the Subscription Agreement and informed the Company accordingly. As such, the Company and the Offeror are pleased to announce that all conditions precedent under the Subscription Agreement have been satisfied or waived (as applicable), and the Connected Subscription Completion will take place within 10 Business Days from the date of this joint announcement (or such other date and time as may be agreed by the Company and the Offeror) under the Subscription Agreement. For details of the conditions precedent under the Subscription Agreement and the Connected Subscription, please refer to the Circular.

A further announcement will be made by the Company and the Offeror upon the Connected Subscription Completion.

#### **POSSIBLE MANDATORY CASH OFFER**

As at the date of this joint announcement, the Offeror and parties acting in concert with it hold 842,977,684 Shares, representing approximately 25.19% of the Shares in issue of the Company. Upon the Connected Subscription Completion, assuming that there is no other change to the share capital and shareholding structure of the Company from the date of this joint announcement to the date of the Connected Subscription Completion, the shareholding of the Offeror and the parties acting in concert with it will increase to approximately, and not more than, 75.00% of the Shares in issue of the Company (as enlarged by the allotment and issue of the Subscription Shares).

Accordingly, and given the fact that the Whitewash Waiver was not approved at the EGM, upon and conditional on the Connected Subscription Completion, the Offeror will be required to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) under Rule 26.1 of the Takeovers Code. As at the date of this joint announcement, there are no outstanding options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

CLSA Limited will, for and on behalf of the Offeror and in compliance with the Takeovers Code, make the Offer on the following basis:

For each Offer Share . . . . .HK\$0.15 in cash

The Offer Price of HK\$0.15 per Offer Share is the same as the Subscription Price per Subscription Share to be paid by the Offeror to the Company under the Connected Subscription.

The Offer will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares.

The Offeror intends to finance the Offer by its internal resources. CITICS HK (financial adviser to the Offeror) is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Principal terms of the Offer are set out in the section headed “Possible Mandatory Cash Offer” of this joint announcement.

#### **FINANCIAL ADVISERS, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Huatai as its financial adviser. The Offeror has appointed CITICS HK as its financial adviser, and CLSA Limited as its agent in relation to the Offer.

The Independent Board Committee (comprising all the independent non-executive Directors, namely Dr. TSUI Wai Ling Carlye, Mr. SHEN Jinjun and Ms. YU Jianrong) has been formed to advise the Independent Shareholders in respect of the Offer.

Gram Capital, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

#### **COMPOSITE DOCUMENT**

Pursuant to Rules 8.2 and 8.4 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, an offer document is required to be despatched to the Shareholders, and the Company is required to send the offeree board circular in respect of the Offer to the Shareholders within 14 days after the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offer (including the expected timetable and terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee in relation to the Offer; and (iii) a letter of advice from Gram Capital to the Independent Board Committee on the Offer, together with the Form of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code. The relevant holders of Offer Shares are encouraged to read the Composite Document carefully, including the advice of Gram Capital to the Independent Board Committee and the recommendation from the Independent Board Committee as to whether the Offer is fair and reasonable and as to the acceptance of the Offer, before deciding whether or not to accept the Offer.

**The making of the Offer is subject to the Connected Subscription Completion having taken place. Accordingly, the Offer may or may not be made.**

**Shareholders and potential investors are reminded to exercise caution when dealing in the Shares, and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and as to actions that they should take.**

Reference is made to (1) the Joint Announcement dated 26 January 2025, (2) the Circular, (3) the Poll Results Announcement, and (4) the Joint Announcement dated 23 May 2025 in relation to, among other things, the Connected Subscription, the Whitewash Waiver and/or the Offer.

## **WAIVER OF CONDITION PRECEDENT RELATING TO THE WHITEWASH WAIVER**

As disclosed in the Poll Results Announcement, given that the special resolution relating to the Whitewash Waiver was not passed at the EGM, the condition precedent relating to the Whitewash Waiver has not been satisfied. On 28 May 2025, the Offeror decided to waive the condition precedent relating to the Whitewash Waiver under the Subscription Agreement and informed the Company accordingly. As such, the Company and the Offeror are pleased to announce that all conditions precedent under the Subscription Agreement have been satisfied or waived (as applicable), and the Connected Subscription Completion will take place within 10 Business Days from the date of this joint announcement (or such other date and time as may be agreed by the Company and the Offeror) under the Subscription Agreement. For details of the conditions precedent under the Subscription Agreement and the Connected Subscription, please refer to the Circular.

A further announcement will be made by the Company and the Offeror upon the Connected Subscription Completion.

## **POSSIBLE MANDATORY CASH OFFER**

As at the date of this joint announcement, the Offeror and parties acting in concert with it hold 842,977,684 Shares, representing approximately 25.19% of the Shares in issue of the Company. Upon the Connected Subscription Completion, assuming that there is no other change to the share capital and shareholding structure of the Company from the date of this joint announcement to the date of the Connected Subscription Completion, the shareholding of the Offeror and the parties acting in concert with it will increase to approximately, and not more than, 75.00% of the Shares in issue of the Company (as enlarged by the allotment and issue of the Subscription Shares).

Accordingly, and given the fact that the Whitewash Waiver was not approved at the EGM, upon and conditional on the Connected Subscription Completion, the Offeror will be required to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) under Rule 26.1 of the Takeovers Code. As at the date of this joint announcement, there are no outstanding options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

CLSA Limited will, for and on behalf of the Offeror and in compliance with the Takeovers Code, make the Offer on the following basis:

For each Offer Share . . . . . HK\$0.15 in cash

The Offer Price of HK\$0.15 per Offer Share is the same as the Subscription Price per Subscription Share to be paid by the Offeror to the Company under the Connected Subscription.

The Offer will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares.

### **Offer Consideration**

Assuming the Offer is accepted in full on the basis that there is no change in the number of issued Shares up to the close of the Offer, a total of 2,504,012,736 issued Shares (excluding the 7,512,038,208 Shares held by the Offeror and its concerted parties) will be subject to the Offer. The maximum cash consideration payable by the Offeror under the Offer would be approximately HK\$375,601,910.40.

### **The Offer Price**

The Offer Price of HK\$0.15 per Offer Share represents:

- (a) a premium of approximately 25.00% over the closing price of HK\$0.1200 per Share as quoted on the Stock Exchange on the date of this joint announcement;

- (b) a premium of approximately 36.36% over the closing price of HK\$0.1100 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 42.59% over the average closing price of HK\$0.1052 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day;
- (d) a premium of approximately 83.67% over the average closing price of HK\$0.0817 per Share as quoted on the Stock Exchange for the last thirty consecutive trading days immediately prior to the Last Trading Day;
- (e) a premium of approximately 44.65% over the average closing price of HK\$0.1037 per Share as quoted on the Stock Exchange for the last sixty consecutive trading days immediately prior to the Last Trading Day; and
- (f) a discount of approximately 9.42% to the unaudited consolidated net asset value per Share as at 30 June 2024 of approximately RMB0.1540 (equivalent to approximately HK\$0.1656<sup>1</sup>) calculated based on the unaudited net asset of the Group attributable to the equity holders as at 30 June 2024 of approximately RMB515,321,000 and 3,346,990,420 Shares in issue as at the Last Trading Day.

As at 31 December 2024, the value of the Group's audited consolidated net liabilities attributable to equity holders of the Company was approximately RMB357,000,000 (equivalent to approximately HK\$384,000,000<sup>1</sup>) and based on a total of 3,346,990,420 Shares in issue as at the Last Trading Day, the value of the audited net liabilities per Share was approximately HK\$0.1146.

*Note 1: based on an exchange rate of RMB1 = HK\$1.0756 as at the Last Trading Day extracted from Bloomberg*

### **Highest and lowest closing prices of Shares**

The highest and lowest closing prices of the Shares recorded on the Stock Exchange during the Relevant Period were HK\$0.23 on 2 October 2024 and HK\$0.058 on 15 January 2025, respectively.

### **Confirmation of Financial Resources**

The Offeror intends to finance the Offer by its internal resources. CITICS HK (financial adviser to the Offeror) is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

### **Effect of accepting the Offer**

By validly accepting the Offer, the Independent Shareholders will be selling their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including the rights to receive in full all dividends and other



distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of the posting of the Composite Document. As at the date of this joint announcement, the Company had not declared any dividends which have not been distributed and the Company has no plan to declare, recommend, or pay any dividends or make any other distributions before the close of the Offer.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

### **Overseas Shareholders**

The Offeror intends to make the Offer available to all the Independent Shareholders, including the Overseas Shareholders. However, the Offer is in respect of securities of a company incorporated in the Cayman Islands and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions.

Overseas Shareholders who wish to participate in the Offer but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Shareholders in respect of such jurisdictions).

### **Hong Kong Stamp Duty**

Seller's Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.10% of the consideration payable in respect of the relevant acceptance by the Independent Shareholders or if higher, the market value of the Shares, will be deducted from the cash amount payable by the Offeror to such Shareholders who accept the Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty would be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

## **Taxation advice**

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. The Offeror accepts no responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

## **Payment**

Payment in cash in respect of the acceptances of the Offer, will be made as soon as possible but in any event, no later than seven (7) Business Days after the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by or for the Offeror to render each such acceptance of the Offer complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code. No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent.

## **INFORMATION REQUIRED UNDER THE TAKEOVERS CODE**

As at the date of this joint announcement, the Offeror confirms that:

- (a) save for the Connected Subscription where the Offeror subscribed for 6,669,060,524 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Shares (with a total consideration of HK\$1,000,359,078.60), none of the Offeror or parties acting in concert with it has dealt for value in any Shares, convertible, acquired or entered into any agreement or arrangement to acquire any voting rights in the Company within the Relevant Period;
- (b) save as disclosed in the section headed “SHAREHOLDING STRUCTURE OF THE COMPANY” in this joint announcement, there is no holding of voting rights in the Company or rights over any Shares which is owned, controlled or directed by the Offeror or parties acting in concert with it;
- (c) none of the Offeror or parties acting in concert with it holds any outstanding options, warrants, or any securities that are convertible into Shares or any derivatives in respect of Shares nor has entered into any outstanding derivative in respect of securities in the Company;
- (d) there is no outstanding derivative in respect of the securities of the Company which has been entered into by any of the Offeror or parties acting in concert with it;
- (e) there is no arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) with any other persons in relation to the Shares or shares of the Offeror and which might be material to the Offer;



- (f) none of the Offeror or parties acting in concert with it has received any irrevocable commitment from any person as to whether they will accept or reject the Offer;
- (g) there is no agreement or arrangement to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (h) none of the Offeror or parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (i) save for the subscription price for the Subscription Shares for the Connected Subscription, none of the Offeror or parties acting in concert with it has paid or will pay any other consideration, compensation or benefit in whatever form to the Company or any of the parties acting in concert with it in relation to the Connected Subscription; and
- (j) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or parties acting in concert with it on the one hand and any of the Shareholders on the other hand.

There is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Company, its subsidiaries or associated companies on the one hand and any of the Shareholders on the other hand.

## INFORMATION ON THE GROUP

The Group is principally engaged in 4S dealership business, automotive supply chain business and comprehensive properties business in the PRC.

Set out below is a summary of certain audited financial information of the Group for the two years ended 31 December 2024:

	Year ended 31 December 2023 <i>RMB'000</i>	Year ended 31 December 2024 <i>RMB'000</i>
Revenue	24,131,975	20,746,774
Loss for the period	(820,480)	(1,529,086)
Net asset (liability) value attributable to the Shareholders	361,830	(356,683)

The audited consolidated net liabilities of the Group attributable to owners of the Company as at 31 December 2024 were approximately RMB357 million.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (a) as at the date of this joint announcement; and (b) immediately after the Connected Subscription Completion assuming that there is no other change to the share capital and shareholding structure of the Company from the date of this joint announcement to the date of the Connected Subscription Completion, is set out below:

	As at the date of this joint announcement		Immediately after the Connected Subscription Completion	
	<i>Number of Shares</i>	<i>% of issued Shares</i>	<i>Number of Shares</i>	<i>% of issued Shares</i>
The Offeror	820,618,184	24.52	7,489,678,708	74.78
Hong Kong Sindanol	22,359,500	0.67	22,359,500	0.22
<b>The Offeror and parties acting in concert with it<sup>(1)</sup></b>	842,977,684	25.19	7,512,038,208	75.00
<b>Non-public Shareholders</b>				
Cheung Mui <sup>(2)</sup>	369,127,500	11.03	—	—
<b>Public Shareholders</b>				
Cheung Mui <sup>(2)</sup>	—	—	369,127,500	3.69
Other public Shareholders	<u>2,134,885,236</u>	<u>63.78</u>	<u>2,134,885,236</u>	<u>21.31</u>
<b>Total</b>	<u><u>3,346,990,420</u></u>	<u><u>100.00</u></u>	<u><u>10,016,050,944</u></u>	<u><u>100.00</u></u>

Notes:

- (1) ITG Holding is deemed to be interested in 22,359,500 Shares held by Hong Kong Sindanol, as ITG Holding was beneficially interested in approximately 39.93% of the issued share capital of Xiamen Xindeco according to the 2025 first quarterly report of Xiamen Xindeco, and Xiamen Xindeco was beneficially interested in the entire issued share capital of Hong Kong Sindanol. As the Offeror is an indirectly wholly owned subsidiary of ITG Holding, (a) ITG Holding is deemed to be interested in 820,618,184 Shares held by the Offeror as at the date of this joint announcement, and (b) ITG Holding will be deemed to be interested in 7,489,678,708 Shares held by the Offeror immediately after the Connected Subscription Completion.
- (2) Cheung Mui was not considered a public shareholder given her more than 10% shareholding at the Company immediately before the Connected Subscription Completion. Immediately after the Connected Subscription Completion, she is considered a public shareholder.
- (3) The percentage figures as set out above are subject to rounding adjustments.
- (4) As at the date of this joint announcement, none of the Directors held any Shares in the Company.

## **INFORMATION ON THE OFFEROR**

The Offeror is a company incorporated in Hong Kong with limited liability, and is principally engaged in investment holding. As at the date of this joint announcement, the Offeror is indirectly wholly owned by ITG Holding, a controlling shareholder of the Company.

ITG Holding is a Fortune Global 500 Company with operations in commodity trading, circulation automobile trading, logistics business, commodity retail business and other businesses. ITG Holding is a state-owned enterprise directly controlled by Xiamen State-owned Assets Supervision and Administration Commission. As at the date of this joint announcement, ITG Holding's board of directors comprises 9 directors, namely, Mr. ZHENG Yongda (鄭永達), Mr. GAO Shaoyong (高少鏞), Mr. MA Chenhua (馬陳華), Mr. CHEN Dingyu (陳鼎瑜), Mr. CHEN Fang (陳方), Mr. YANG Qingrong (楊清榕), Mr. WU Shinong (吳世農), Mr. CHEN Cangxing (陳蒼星) and Mr. CAI Yingbin (蔡瑩彬).

## **INTENTIONS OF THE OFFEROR REGARDING THE GROUP**

The Offeror confirms that:

- (a) it is intended that the Group will continue its existing business following the Connected Subscription Completion;
- (b) there is no intention to introduce any major changes to the existing business of the Group or the continued employment of the Group's employees, and there is no intention to redeploy the fixed assets of the Group other than in its ordinary course of business.

### **Public Float**

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares, if any), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
  - (b) that there are insufficient Shares in public hands to maintain an orderly market,
- it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

## **FINANCIAL ADVISERS, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Huatai as its financial adviser. The Offeror has appointed CITICS HK as its financial adviser, and CLSA Limited as its agent in relation to the Offer.

The Independent Board Committee (comprising all the independent non-executive Directors, namely Dr. TSUI Wai Ling Carlye, Mr. SHEN Jinjun and Ms. YU Jianrong) has been formed to advise the Independent Shareholders in respect of the Offer.

Gram Capital, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

## **COMPOSITE DOCUMENT**

Pursuant to Rules 8.2 and 8.4 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, an offer document is required to be despatched to the Shareholders, and the Company is required to send the offeree board circular in respect of the Offer to the Shareholders within 14 days after the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offer (including the expected timetable and terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee in relation to the Offer; and (iii) a letter of advice from Gram Capital to the Independent Board Committee on the Offer, together with the Form of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code. The relevant holders of Offer Shares are encouraged to read the Composite Document carefully, including the advice of Gram Capital to the Independent Board Committee and the recommendation from the Independent Board Committee as to whether the Offer is fair and reasonable and as to the acceptance of the Offer, before deciding whether or not to accept the Offer.

## **DEALING DISCLOSURE**

For the purposes of the Takeovers Code, the offer period has commenced as at the date of the Joint Announcement dated 26 January 2025. The respective associates (as defined in the Takeovers Code) of the Company and the Offeror (including persons owning or controlling 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22

of the Takeovers Code) of the Company) are hereby reminded to disclose their dealings in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company pursuant to Rule 22 of the Takeovers Code.

For this purpose, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

***“Responsibilities of stockbrokers, banks and intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant requirements under the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

**The making of the Offer is subject to the Connected Subscription Completion having taken place. Accordingly, the Offer may or may not be made.**

**Shareholders and potential investors are reminded to exercise caution when dealing in the Shares, and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and as to actions that they should take.**

**DEFINITIONS**

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	means a day on which the Stock Exchange is open for the transaction of business

“Circular”	the shareholders’ circular dated 31 March 2025 issued by the Company in relation to the Connected Subscription and Whitewash Waiver together with the notice of EGM
“CITICS HK”	CITIC Securities (Hong Kong) Limited, the financial adviser to the Offeror and a corporation licensed to carry out Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being, an indirectly wholly-owned subsidiary of CITIC Securities Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6030)
“CLSA Limited”	CLSA Limited, the agent of the Offeror in relation to the Offer and a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 7 (providing automated trading services) regulated activities under the SFO, being an indirectly wholly-owned subsidiary of CITIC Securities Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6030)
“Company”	China ZhengTong Auto Services Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1728)
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company in accordance with the Takeovers Code containing, among other things, details of the Offer, the recommendation from the Independent Board Committee and the advice from Gram Capital to the Independent Board Committee in respect of the Offer
“Connected Subscription”	the subscription of 6,669,060,524 Subscription Shares by the Offeror pursuant to the Subscription Agreement
“Connected Subscription Completion”	the completion of the Connected Subscription pursuant to the Subscription Agreement
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company



“EGM”	the extraordinary general meeting of the Company held on 23 April 2025 at 11:00 a.m. which approved the Connected Subscription but did not approve the Whitewash Waiver
“Encumbrances”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of its delegates
“Form of Acceptance”	the form of acceptance and transfer of Shares in respect of the Offer
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Sindanol”	Hong Kong Sindanol Limited, a company incorporated in Hong Kong with limited liability
“Huatai”	Huatai Financial Holdings (Hong Kong) Limited, the financial adviser to the Company and a licensed corporation permitted to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
“Independent Board Committee”	the independent committee of the Board, comprising Dr. TSUI Wai Ling Carlye, Mr. SHEN Jinjun and Ms. YU Jianrong, the independent non-executive Directors, which has been established to advise the Independent Shareholders in respect of the Offer and as to the acceptance of the Offer
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and as to the acceptance of the Offer

“Independent Shareholders”	Shareholders other than the Offeror and any parties acting in concert with it, including but not limited to ITG Holding and Hong Kong Sindanol
“ITG Holding”	Xiamen ITG Holding Group Co., Ltd.* (廈門國貿控股集團有限公司), a company incorporated in PRC with limited liability and a controlling shareholder of the Company
“Joint Announcement dated 26 January 2025”	the joint announcement of the Company and the Offeror dated 26 January 2025 in relation to, among other matters, the Connected Subscription, the Whitewash Waiver and the possible Offer
“Joint Announcement dated 23 May 2025”	the joint announcement of the Company and the Offeror dated 23 May 2025 in relation to, among other matters, satisfaction of certain conditions precedent for the Connected Subscription
“Last Trading Day”	24 January 2025, being the last trading day immediately prior to the issue of the Joint Announcement dated 26 January 2025
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the possible mandatory unconditional cash offer to be made by CLSA Limited on behalf of the Offeror to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and/or parties acting in concert with it)
“Offer Price”	the price at which the Offer will be made, being HK\$0.15 per Offer Share
“Offer Share(s)”	all of the Share(s) in issue, other than those already owned or agreed to be acquired by the Offeror and/or parties acting in concert with it
“Offeror”	Xinda Motors Co., Limited (信達汽車(香港)有限公司), a company incorporated in Hong Kong with limited liability
“Overseas Shareholder(s)”	Shareholder(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“Poll Results Announcement”	the poll results announcement of the EGM held on 23 April 2025 at 11:00 a.m. jointly issued by the Company and the Offeror

“PRC”	the People’s Republic of China, excluding, for the purpose of this joint announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“Relevant Period”	the period commencing from 26 July 2024, being the date falling six months prior to 26 January 2025, i.e. the date of the Joint Announcement dated 26 January 2025, and up to and including the date of this joint announcement
“RMB”	RMB, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 25 January 2025 entered into between the Company and the Offeror in relation to the Connected Subscription
“Subscription Price”	HK\$0.15 per Subscription Share
“Subscription Shares”	6,669,060,524 Shares to be issued by the Company to the Offeror pursuant to the Connected Subscription
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“voting right(s)”	has the meaning ascribed to it under the Takeovers Code
“Whitewash Waiver”	the whitewash waiver from the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of any obligation of the Offeror to make a mandatory general offer for all the issued Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) which might otherwise arise as a result of the Connected Subscription Completion

“Xiamen Xindeco” Xiamen Xindeco Ltd.\* (廈門信達股份有限公司), a company incorporated in PRC with limited liability and a company listed on the Shenzhen Stock Exchange (stock code: 000701.SZ)

“%” per cent.

By order of the sole director  
**Xinda Motors Co., Limited**  
**WANG Mingcheng**  
*Director*

By order of the board  
**China ZhengTong Auto Services Holdings Limited**  
**HUANG Junfeng**  
*Chairman*

Hong Kong, 28 May 2025

*As at the date of this joint announcement, the Board comprises Mr. HUANG Junfeng (Chairman), Mr. WANG Mingcheng, Mr. CHEN Hong and Mr. SU Yi as executive Directors; and Dr. TSUI Wai Ling Carlye, Mr. SHEN Jinjun and Ms. YU Jianrong as independent non-executive Directors.*

*As at the date of this joint announcement, the sole director of the Offeror is Mr. WANG Mingcheng. As at the date of this joint announcement, the ultimate parent company of the Offeror is ITG Holding, also the single largest Shareholder of the Company, and the directors of ITG Holding are Mr. ZHENG Yongda, Mr. GAO Shaoyong, Mr. MA Chenhua, Mr. CHEN Dingyu, Mr. CHEN Fang, Mr. YANG Qingrong, Mr. WU Shinong, Mr. CHEN Cangxing and Mr. CAI Yingbin.*

*Each of the directors of the Offeror and ITG Holding jointly and severally accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and parties acting in concert with it (other than the Group)), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by each of the directors of the Offeror and ITG Holding in his capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*

\* For identification purpose only