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**Shanghai Dongzheng Automotive Finance Co., Ltd.\***

**上海東正汽車金融股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2718)**

**ANNOUNCEMENT PURSUANT TO  
RULE 3.7 OF THE TAKEOVERS CODE,  
RULE 13.09 OF THE LISTING RULES AND  
INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF  
THE SECURITIES AND FUTURES ORDINANCE**

This announcement is made by Shanghai Dongzheng Automotive Finance Co., Ltd.\* (the “**Company**”) pursuant to Rule 3.7 of the Code on Takeovers and Mergers and Share Buy-backs (“**Takeovers Code**”) issued by the Securities and Futures Commission, Rule 13.09(2) of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement dated 7 December 2020 (the “**Announcement**”) of the Company in relation to, among others, the Decisions from the CBIRC Shanghai Office. Unless otherwise defined, capitalised terms used in this announcement have the same meanings as those defined in the Announcement.

**POTENTIAL DISPOSAL OF SHARES BY CONTROLLING SHAREHOLDER**

As disclosed in the Announcement, the Company shall withdraw the equity interests in the Company held by China ZhengTong, the controlling shareholder of the Company, within three months from the date of receipt of the relevant Decisions. The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, as informed by China ZhengTong, that in view of the Decisions, China ZhengTong is in discussion with an independent potential purchaser (the “**Potential Purchaser**”) regarding, amongst others, a potential disposal of the shares of the Company (the “**Potential Disposal**”). The Potential

Purchaser and its ultimate beneficial owner are third parties independent to, and not connected, with the Company, its directors, chief executive, substantial shareholders, subsidiaries and associates.

As at the date of this announcement, China ZhengTong is interested in 1,520,000,000 unlisted foreign shares of the Company, representing the entire issued unlisted foreign shares and approximately 71.04% of the total issued ordinary shares of the Company (the “Shares”).

**Accordingly, if the Potential Disposal materialises, it may lead to various possible outcomes, one of which could be a change in control of the Company and a mandatory general offer under Rule 26.1 of the Takeovers Code. As at the date of this announcement, no decision has been made on whether to proceed with the Potential Disposal, no formal agreements have been entered into in respect of the Potential Disposal, and the discussion and negotiation are still in progress, therefore the Potential Disposal may or may not proceed.**

## **RELEVANT SECURITIES IN ISSUE**

As at the date of this announcement, the relevant securities of the Company has 2,139,651,400 Shares in issue (comprising of (i) 539,651,400 H shares; (ii) 80,000,000 domestic shares; and (iii) 1,520,000,000 unlisted foreign shares). Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

## **MONTHLY UPDATE**

The Company will continue to actively implement the Decisions in accordance with applicable laws and regulations, including but not limited to obtaining the approval(s) of CBIRC, the China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong, the Stock Exchange, and other regulatory authorities (where necessary).

In accordance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Potential Disposal will be made by the Company until an announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and/or the Takeovers Code (as the case may be).

## **DEALING DISCLOSURE**

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 3 February 2021.

The respective associates (as defined in the Takeovers Code including but not limited to any person holding 5% or more of a class of relevant securities) of the Company and the Potential Purchaser are hereby reminded to disclose their dealings in any relevant securities of the Company under Rule 22 of the Takeovers Code.

## **RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES**

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other 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 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 Rules. 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.”*

*“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.*

## **WARNINGS**

**There is no assurance that the Potential Disposal will materialise or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of the Takeovers Code. The Potential Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).**

By Order of the Board  
**Shanghai Dongzheng Automotive Finance Co., Ltd.\***  
**Lin Fan**  
*Chairman*

Shanghai, 3 February 2021

*As at the date of this announcement, the Board comprises Mr. Lin Fan and Mr. Shao Yongjun as executive directors; Mr. Koh Tee Choong and Mr. Li Guozhou as non-executive directors; and Mr. Wong Man Chung Francis and Ms. Liang Yanjun as independent non-executive directors.*

*\* for identification purposes only*