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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)**

## **JUDICIAL AUCTION OF SHARES HELD BY A CONTROLLING SHAREHOLDER AND RESUMPTION OF TRADING IN H SHARES**

This announcement is made by Shanghai Dongzheng Automotive Finance Co., Ltd.\* (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

### **JUDICIAL AUCTION OF SHARES HELD BY A CONTROLLING SHAREHOLDER**

Reference is made to the announcement dated 3 February 2021 and the monthly update announcements dated 3 March 2021, 1 April 2021, 3 May 2021, 3 June 2021, 5 July 2021, 5 August 2021, 6 September 2021, 6 October 2021, 9 November 2021, 9 December 2021, 10 January 2022, 8 February 2022, 8 March 2022 and 8 April 2022 of the Company (collectively, the “**Announcements**”) in relation to, among others, the enforcement of the Administrative Decision that China ZhengTong’s equity interests in the Company be liquidated by way of auction (the “**Auction**”). Unless otherwise specified, capitalised terms used in this announcement have the same meanings as those used in the Announcements.

### **I. BACKGROUND OF THE AUCTION**

Reference is made to the Announcements, an application was made by the CBIRC Shanghai Office to the Shanghai Financial Court for the enforcement of the Administrative Decision that China ZhengTong’s equity interests in the Company under the custody of China Securities Depository and Clearing Corporation Limited in the amount of 1.52 billion Shares be liquidated by way of auction in accordance with the applicable PRC laws and regulations.

## II. DETAILS OF THE AUCTION

On 16 April 2022, the Company noted that an auction announcement (the “**Auction Announcement**”) has been published by the Shanghai Financial Court on the network platform of JD.com Judicial Auction in relation to the Shares held by China ZhengTong to be put up for the Auction (the “**Auction in May 2022**”). The salient details of the Auction Announcement include the following:

Subject of Auction: 1.52 billion Shares in the Company held by China ZhengTong (representing all the issued unlisted foreign Shares and approximately 71.04% of the total issued ordinary shares of the Company).

Base bid price: RMB1,606,812,970.00; Deposit: RMB160 million; increment interval of bid: RMB5 million or in multiples thereof.

Time of Auction: 10:00 am on 18 May 2022 to 10:00 am on 19 May 2022 (excluding any extension).

Qualification of bidder: A bidder shall be a corporate legal person which complies with the PRC laws and regulations, and the regulations and requirements imposed by the CBIRC as well as other relevant regulatory authorities in relation to any changes to the controlling shareholder of an auto finance company. The bidder shall also be aware of the relevant Hong Kong regulatory requirements.

For further details of the Auction in May 2022, please refer to the link to the network platform of JD.com Judicial Auction for the full content of the Auction Announcement (<https://paimai.jd.com/287421325>).

## III. IMPACT ON THE COMPANY AND RISK WARNING

As at the date of this announcement, China ZhengTong is interested in 1.52 billion unlisted foreign Shares in the Company, representing all the issued unlisted foreign Shares and approximately 71.04% of the total issued ordinary shares of the Company.

Should the Auction result in any person or a group of persons acting in concert holding in aggregate 30% or more of the voting rights of the Company, such person or a group of persons acting in concert would be required to make a mandatory general offer to acquire all the issued H Shares (other than those acquired by such person or a group of persons acting in concert) pursuant to Rule 26.1 of the Takeovers Code, at the offer price which would not be less than the final auction price per Share at the Auction.

For illustrative purposes only, based on the base bid price of RMB1,606,812,970.00 and the 1.52 billion unlisted foreign Shares under the Auction in May 2022 and the assumption that the Auction in May 2022 would be proceeded successfully, it is

anticipated that the offer price of the mandatory offer would be no less than RMB1.058 per Share (equivalent to HK\$1.294 per Share)<sup>(Note)</sup>. The above price is for illustrative purposes only and the final offer price is subject to a number of factors including, but not limited to, whether the mandatory offer would be triggered, the final auction price and the prevailing exchange rate etc.

As of the date of this announcement, the Auction remains at the publication stage and there is uncertainty as to whether a party would be successful in acquiring 30% or more of the voting rights of the Company, and it may or may not lead to a general offer under Rule 26.1 of the Takeovers Code. The Company will continue to assess and follow-up on any material developments in the Auction and will make further announcements in accordance with the applicable Listing Rules and regulations in due course.

*Note:* The figures are rounded up to the nearest three decimal places and the exchange rate adopted for conversion was the middle exchange rate for RMB to HK\$ published by the People's Bank of China on 21 April 2022.

## **RESUMPTION OF TRADING IN H SHARES**

At the request of the Company, trading in H shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 19 April 2022 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in H shares of the Company with effect from 9:00 a.m. on 22 April 2022.

**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, 21 April 2022

*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.*

*The directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

\* for identification purposes only