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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)

PROFIT WARNING

This announcement is made by China Zhengtong Auto Services Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 and the information currently available to the Board, due to the intensifying price war in the automotive market and macroeconomic factors, the Group has made impairment provisions on the goodwill and/or intangible assets — car dealerships/dealership operation rights of certain underperforming 4S stores, and fixed assets such as buildings and renovations of certain 4S stores planning a transformation. As a result, the Group is expected to record an increase in net loss for the six months ended 30 June 2025 of approximately 40% as compared to the corresponding period of the previous year. The increase in net loss was mainly attributable to a decrease in selling price of new automobiles, impairment on goodwill and intangible assets, and impairment on fixed assets.

Based on the long-term strategic support of the Group's controlling shareholder, Xiamen ITG Holdings Group Co., Ltd., and based on the assessment of the Group's unaudited consolidated management accounts for the six months ended 30 June 2025, the Board believes that the Group can adapt to industry changes and continue to maintain its operation and development.

As the Company is still in the course of preparing the interim results for the six months ended 30 June 2025, the information contained in this announcement is only based on the preliminary review of the unaudited consolidated management accounts and the financial information currently available to the Board. Such information has not been reviewed by the Company's auditors and may be subject to adjustments.

The Group's financial results and performance for the six months ended 30 June 2025 will be set out in the forthcoming interim results announcement of the Company, which is expected to be published before the end of August 2025.

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

Hong Kong, 25 August 2025

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