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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)

CONTINUING CONNECTED TRANSACTIONS SECURITY AND CLEANING SERVICES FRAMEWORK AGREEMENT

SECURITY AND CLEANING SERVICES FRAMEWORK AGREEMENT

On 1 June 2026, the Company entered into the Security and Cleaning Services Framework Agreement with ITG Urban Services, pursuant to which the ITG Urban Services Group will provide Security and Cleaning Services for properties owned or used by the Group for a term commencing on 1 June 2026 until 31 December 2028 (both days inclusive).

LISTING RULES IMPLICATIONS

As at the date of this announcement, ITG Holding is a controlling shareholder of the Company and ITG Urban Services is an associate of ITG Holding by virtue of being a subsidiary of ITG Holding. Accordingly, ITG Urban Services is a connected person of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the Security and Cleaning Services Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest annual cap for the transactions contemplated under the Security and Cleaning Services Framework Agreement exceeds HK\$3 million and the highest applicable percentage ratio calculated in accordance with Rule 14.07 of the Listing Rules exceeds 0.1% but is less than 5%, the transactions are subject to the reporting, announcement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the Announcement made pursuant to Rule 14A.60(1) of the Listing Rules.

As disclosed in the Announcement, upon completion of the Acquisition (PRC), Xindeco ITG Automobile and its subsidiaries became members of the Group, and the pre-existing continuing transactions between Xindeco ITG Automobile Group, on the one hand, and certain subsidiaries of ITG Holding, on the other hand, have become continuing connected transactions of the Company. These include transactions conducted under the Security and Cleaning Services Agreements, some of which are due to expire in the coming months.

The Group has historically, in its ordinary and usual course of business and on normal commercial terms or better, procured cleaning services from the ITG Holding Group under broader property management agreements. Each of these transactions entered into and subsisting immediately prior to the completion of the Acquisition (PRC), whether on a standalone basis or in aggregate over any 12-month period at the time of each transaction, was less than HK\$3 million and the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules were less than 5%. As a result, these transactions constituted de minimis continuing connected transactions under Rule 14A.76(1)(c) of the Listing Rules and were fully exempt from the requirement of reporting, announcement and independent shareholders' approval.

Given the imminent expiry of certain Security and Cleaning Services Agreements, and in order to better manage the continuing connected transactions in relation to Security and Cleaning Services between the Group and the ITG Holding Group (which the Group anticipates will exceed the de minimis threshold under the Listing Rules given, among other things, the additional members of the Group being increased after completion of the Acquisition (PRC)), the Company entered into the Security and Cleaning Services Framework Agreement with ITG Urban Services on 1 June 2026, pursuant to which the ITG Urban Services Group will provide Security and Cleaning Services for properties owned or used by the Group for a term commencing on 1 June 2026 until 31 December 2028 (both days inclusive).

SECURITY AND CLEANING SERVICES FRAMEWORK AGREEMENT

Principal terms

The principal terms of the Security and Cleaning Services Framework Agreement are set out below:

Date

1 June 2026

Parties

- (1) the Company; and
- (2) ITG Urban Services.

Term

From 1 June 2026 to 31 December 2028 (both days inclusive)

Subject Matter

Pursuant to the Security and Cleaning Services Framework Agreement, ITG Urban Services Group shall provide to the Group Security and Cleaning Services for the properties owned or used by it. Relevant members of the Group and the ITG Urban Services Group will enter into separate individual agreements in respect of the Security and Cleaning Services in accordance with the terms of the Security and Cleaning Services Framework Agreement and applicable laws and regulations. The Security and Cleaning Services Framework Agreement will govern the Security and Cleaning Services Agreements and agreements relating to the provision of Security and Cleaning Services to the Group which may be entered into during the term of the Security and Cleaning Services Framework Agreement between members of the ITG Urban Services Group and members of the Group.

Pricing policy and other terms

The fees to be charged under the Security and Cleaning Services Framework Agreement shall be determined through arm's length negotiations with reference to (i) the size, location and positioning of the properties; (ii) the scope of services to be provided; (iii) the manpower required by the Group in relation to the provision of the Security and Cleaning Services and the related labour costs (including salaries and benefits for security guards and cleaning staff) and costs of materials; and (iv) the prevailing market rates for similar services.

The fees payable by the Group to ITG Urban Services Group shall be determined through arm's length negotiations between the relevant parties, taking into account the above factors, and shall not be higher than the fee quotations offered to the Group by Independent Third Parties for providing similar services. Accordingly, the pricing terms will be on normal commercial terms and no less favorable to the Group than those offered by Independent Third Parties.

Upon the Security and Cleaning Services Framework Agreement becoming effective, all transactions contemplated under the Security and Cleaning Services Agreements will be covered under the Security and Cleaning Services Framework Agreement, the principal terms of which shall apply to the extent practicable.

Historical Amounts

The total historical amounts of fees paid by Xindeco ITG Automobile Group to ITG Holding Group for Security and Cleaning Services for the three years ended 31 December 2025 are as follows:

For the year ended	Amount <i>(RMB million)</i>
31 December 2023	0.26
31 December 2024	0.93
31 December 2025	3.31

The historical figures for fees paid by the Group (excluding the Xindeco ITG Automobile Group) to the ITG Holding Group for cleaning services for the last three financial years ended 31 December 2025 are not readily available because the ITG Holding Group provided these services as part of broader property management agreements, with the corresponding fees already included (and not specifically separately stated) in the overall property management fees charged to the Group.

Annual Caps

The proposed annual caps for the Security and Cleaning Services Framework Agreement (which include fees paid under the Security and Cleaning Services Agreements following completion of the Acquisition (PRC)) for each of the three years ending 31 December 2028 are as follows:

For the year ending	Amount (RMB million)
31 December 2026	10*
31 December 2027	10*
31 December 2028	10*

* Among which, the maximum aggregate annual amount of fees to be paid for security services shall be capped at RMB7 million and the maximum aggregate annual amount of fees to be paid for cleaning services shall be capped at RMB3 million.

The above annual caps were determined with reference to estimated future demand by reference to the size, nature, location and use of the Group's properties requiring such services, bases of charging for similar services by Independent Third Parties, inflation and prevailing market rates.

Internal Control Policy

To ensure that the Security and Cleaning Services Framework Agreement and the transactions contemplated thereunder adhere to normal commercial terms or better and that the transaction amounts do not exceed the annual caps, the Company has implemented the following internal control procedures:

1. Before entering into separate individual agreements under the Security and Cleaning Services Framework Agreement, the relevant personnel of the Group will review and assess the terms of the relevant agreements to ensure that they are consistent with the principles and provisions set out in the Security and Cleaning Services Framework Agreement. In addition, the Group will obtain fee quotations for the Security and Cleaning Services from Independent Third Parties to ensure that the fees to be charged by the ITG Urban Services Group will not be higher than the fee quotations offered to the Group by Independent Third Parties.
2. The finance department of the Group will consistently record and monitor the amounts of the transactions conducted under the Security and Cleaning Services Framework Agreement to ensure that the applicable annual caps are not exceeded.
3. The Company's external auditor, as well as the independent non-executive Directors, will perform an annual review of the continuing connected transactions for the preceding financial year in accordance with the Listing Rules.

GENERAL INFORMATION

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

ITG Holding is a state-owned enterprise directly controlled by the State-owned Assets Supervision and Administration Commission of Xiamen Municipal People's Government and a controlling shareholder of the Company. It is a Fortune Global 500 Company with operations in commodity trading, circulation automobile trading, logistics business, commodity retail business and other businesses.

ITG Urban Services is a wholly-owned subsidiary of ITG Holding and is primarily engaged in comprehensive urban services business, including property management, industrial park operation, integrated municipal services and community value-added services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SECURITY AND CLEANING SERVICES FRAMEWORK AGREEMENT

As ITG Urban Services is primarily engaged in comprehensive urban services business, it possesses the necessary expertise to carry out the Security and Cleaning Services. In addition, the transactions contemplated under the Security and Cleaning Services Framework Agreement are expected to be recurrent in nature and to occur on a regular and continuing basis in the ordinary and usual course of business of both the ITG Urban Services Group and the Group. The Security and Cleaning Services Framework Agreement is intended to streamline the continuing connected transactions between members of the ITG Urban Services Group and members of the Group. It provides a single basis on which the Company will comply with the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules, thereby reducing the administrative burden and costs on the Company in relation to the execution of agreements for the provision of the Security and Cleaning Services.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Security and Cleaning Services Framework Agreement and the annual caps are fair and reasonable, the transactions contemplated under the Security and Cleaning Services Framework Agreement are on normal commercial terms and the entering into of the Security and Cleaning Services Framework Agreement is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

As Mr. WANG Mingcheng, Mr. WU Xiaoqiang and Ms. YU Lijie are currently serving roles within the ITG Holding Group, they have abstained from voting on the relevant Board resolutions so as to avoid the perception of a conflict of interest. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Security and Cleaning Services Framework Agreement and no Director has abstained from voting on the relevant resolutions of the Board.

LISTING RULES IMPLICATIONS

As at the date of this announcement, ITG Holding is a controlling shareholder of the Company and ITG Urban Services is an associate of ITG Holding by virtue of being a subsidiary of ITG Holding. Accordingly, ITG Urban Services is a connected person of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the Security and Cleaning Services Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest annual cap for the transactions contemplated under the Security and Cleaning Services Framework Agreement exceeds HK\$3 million and the highest applicable percentage ratio calculated in accordance with Rule 14.07 of the Listing Rules exceeds 0.1% but is less than 5%, the transactions are subject to the reporting, announcement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Acquisition (PRC)”	the acquisition of 100% of the equity interest of Xindeco ITG Automobile pursuant to the sale and purchase agreement dated 5 December 2025 entered into between Xiamen ZhengTong as purchaser and Xiamen Xindeco as seller
“Announcement”	the announcement of the Company dated 12 March 2026 made pursuant to Rule 14A.60(1) of the Listing Rules in relation to the continuing connected transactions between Xindeco ITG Automobile Group, on the one hand, and certain subsidiaries of ITG Holding, on the other hand
“Beijing Anyang Weiye”	Beijing Anyang Weiye Automotive Sales Service Co., Ltd.* (北京安洋偉業汽車銷售服務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“Board”	the board of Directors
“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.HK)
“Director(s)”	the director(s) of the Company

“Fujian Huaxia”	Fujian Huaxia Automobile City Development Co., Ltd.* (福建華夏汽車城發展有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“Fuzhou Lexus”	Fuzhou Xindeco Jiajin Lexus Automobile Sales Service Co., Ltd.* (福州信達嘉金雷克薩斯汽車銷售服務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and is(are) not a connected person (connected persons) of the Company
“ITG Commercial Property Service”	Xiamen ITG Commercial Property Service Co., Ltd.* (廈門國貿商寫物業服務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of ITG Holding
“ITG Dongben”	Fujian ITG Dongben Automobile Trading Co., Ltd.* (福建國貿東本汽車貿易有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“ITG Holding”	Xiamen ITG Holding Group Co., Ltd.* (廈門國貿控股集團有限公司), a state-owned enterprise directly controlled by the State-owned Assets Supervision and Administration Commission of Xiamen Municipal People’s Government (廈門市人民政府國有資產監督管理委員會), and a controlling shareholder of the Company
“ITG Holding Group”	ITG Holding and its subsidiaries
“ITG Urban Services”	Xiamen ITG Urban Services Group Co., Ltd.* (廈門國貿城市服務集團股份有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of ITG Holding
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Poly Automobile”	Poly Automobile (Beijing) Co., Ltd.* (保利汽車(北京)有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Security and Cleaning Services”	security and other safety related services and cleaning services
“Security and Cleaning Services Agreements”	certain agreements entered into between the Xindeco ITG Automobile Group and the ITG Holding Group for Security and Cleaning Services prior to the completion of the Acquisition (PRC), including the Security Services Outsourcing Framework Agreement and the Security Services Agreements
“Security and Cleaning Services Framework Agreement”	the framework agreement entered into between the Company and ITG Urban Services on 1 June 2026 in relation to the provision of the Security and Cleaning Services by the ITG Urban Services Group to the Group
“Security Services Agreement A”	the agreement entered into between Poly Automobile and Xiamen Anjiexiang on 1 October 2025, pursuant to which Xiamen Anjiexiang agreed to provide security services to Poly Automobile for the Poly Automobile Maserati 4S Store No. A8, Xinbei Road, Chaoyang District, Beijing for a term commencing from 1 October 2025 to 30 September 2026
“Security Services Agreement B”	the agreement entered into between ITG Dongben and Xiamen Anjiexiang on 1 December 2025, pursuant to which Xiamen Anjiexiang agreed to provide security services to ITG Dongben for GAC Honda 4S Store, No. 631 Zexu Avenue, Cangshan District, Fuzhou City, Fujian for a term commencing from 1 January 2026 to 31 December 2027
“Security Services Agreement C”	the agreement entered into between Xintian Automobile and Xiamen Anjiexiang on 1 December 2025, pursuant to which Xiamen Anjiexiang agreed to provide security services to Xintian Automobile for GAC Honda 4S Store, No. 631 Zexu Avenue, Cangshan District, Fuzhou City, Fujian for a term commencing from 1 January 2026 to 31 December 2027
“Security Services Agreement D”	the agreement entered into between Fuzhou Lexus and Xiamen Anjiexiang on 4 December 2025, pursuant to which Xiamen Anjiexiang agreed to provide security services to Fuzhou Lexus for Lexus 4S Store, No. 80 Yuantianding, Huangshan Village, Chengmen Town, Cangshan District, Fuzhou City, Fujian for a term commencing from 1 January 2026 to 31 December 2027

“Security Services Agreement E”	the agreement entered into between Fujian Huaxia and Xiamen Anjiexiang on 4 December 2025, pursuant to which Xiamen Anjiexiang agreed to provide security services to Fujian Huaxia for (1) Huaxia Automobile City, No. 80 Yuantianding, Huangshan Village, Chengmen Town, Cangshan District, Fuzhou City, Fujian; and (2) Huaxia Automobile City Sheet Metal Spray Center (Sheet Metal Spray Center), No. 9 Yexia Road, Gaishan Town, Cangshan District, Fuzhou City, Fujian for a term commencing from 1 January 2026 to 31 December 2027
“Security Services Agreement F”	the agreement entered into between Beijing Anyang Weiye and Shanghai Maocheng Property Service on 1 August 2025 pursuant to which Shanghai Maocheng Property Service agreed to provide security services to Beijing Anyang Weiye for its the 4S dealership located at No. 52, Luhua Road, Langfa, Huangcun Town, Daxing District, Beijing for a term commencing from August 2025 to 31 July 2026
“Security Services Agreements”	collectively, Security Services Agreement A, Security Services Agreement B, Security Services Agreement C, Security Services Agreement D, Security Services Agreement E, Security Services Agreement F
“Security Services Outsourcing Framework Agreement”	the agreement entered into between Xindeco ITG Automobile and ITG Commercial Property Service on 14 May 2025, pursuant to which ITG Commercial Property Service agreed to provide security services to Xindeco ITG Automobile for its Xiamen Region 4S Projects for a term commencing from 1 June 2025 to 31 May 2026
“Shanghai Maocheng Property Service”	Shanghai Maocheng Property Service Co., Ltd.* (上海貿城物業服務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of ITG Holding
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiamen Anjiexiang”	Anjiexiang (Xiamen) Security Services Co., Ltd.* (安嘉享(廈門)保安服務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of ITG Holding
“Xiamen Xindeco”	Xiamen Xindeco Ltd.* (廈門信達股份有限公司), a company incorporated in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000701.SZ)

“Xiamen ZhengTong”	Xiamen ZhengTong Motors Group Co., Ltd.* (廈門正通汽車集團有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“Xindeco ITG Automobile”	Xiamen Xindeco ITG Automobile Group Co., Ltd.* (廈門信達國貿汽車集團股份有限公司), a company incorporated in the PRC with limited liability, and a subsidiary of the Company
“Xindeco ITG Automobile Group”	Xindeco ITG Automobile and its subsidiaries
“Xintian Automobile”	Fujian Xintian Automobile Co., Ltd.* (福建信田汽車有限公司), a joint stock company incorporated in the PRC with limited liability, and a subsidiary of the Company
“%”	per cent

* As at the date of this announcement, the English names of entities incorporated in the PRC are for identification purpose only.

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

1 June 2026

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