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正通

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)

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Sole Overall Coordinator and Sole Placing Agent

富強證券
FORTUNE (HK) SECURITIES

THE PLACING

The Board announces that on 30 June 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as, the agent of the Company to procure, on a best efforts basis, not less than six Placees to subscribe for up to 2,203,531,500 new Shares at the Placing Price upon the terms and subject to the conditions set out in the Placing Agreement.

The maximum of 2,203,531,500 Placing Shares represent: (a) approximately 22.00% of the total existing issued Shares as at the date of this announcement; and (b) approximately 18.03% of the total issued Shares as enlarged by the allotment and issue of 2,203,531,500 Placing Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Placing other than the issue by the Company of the Placing Shares).

Assuming that all Placing Shares are fully placed, the gross proceeds from the Placing are approximately HK$330.53 million and the net proceeds of approximately HK$328.64 million are intended to be applied towards replenishing the working capital of the Company.

The Placing Shares are expected to be placed to not less than six independent Placees, who and whose ultimate beneficial owners are independent of the Company and the connected persons of the Company.

The Placing Shares will be allotted and issued under the Specific Mandate and the Placing is subject to Shareholders' approval at the EGM.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Placing Shares.

A circular containing, among other things, (i) further details of the Placing; and (ii) a notice convening the EGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

As completion of the Placing is subject to satisfaction of certain conditions precedent and the Placing Agent's termination rights, the Placing may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

THE PLACING

The Board announces that on 30 June 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which, the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as the agent of the Company to procure, on a best efforts basis, not less than six Placees to subscribe for up to 2,203,531,500 new Shares at the Placing Price upon the terms and subject to the conditions set out in the Placing Agreement.

THE PLACING AGREEMENT

Date

30 June 2026 (after trading hours)

Parties

(i) The Company; and

(ii) The Placing Agent.

The Placing Agent

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of the Company and the connected persons of the Company.

Number of the Placing Shares

The Placing Agent has agreed to act as agent of the Company to procure, on a best efforts basis, not less than six Placees to subscribe for up to 2,203,531,500 new Shares at the Placing Price (together with the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable by the Placees), upon the terms and subject to the conditions set out in the Placing Agreement.

The maximum of 2,203,531,500 Placing Shares represent: (a) approximately 22.00% of the total existing issued Shares, as at the date of this announcement; and (b) approximately 18.03% of the total issued Shares, as enlarged by the allotment and issue of 2,203,531,500 Placing Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Placing other than the issue by the Company of the Placing Shares).

Rights of the Placing Shares

The Placing Shares will rank *pari passu* in all aspects with the existing Shares upon issuance.

Placees

The Placing Shares are expected to be placed to not less than six independent Placees, who are either individual or institutional investor. The Placing Agent should use all reasonable endeavours to ensure that, among other things, the Placees and their respective ultimate beneficial owners are independent of the Company and its connected persons.

Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company.

Placing Price

The Placing Price is HK$0.15 per Placing Share and represents:

(a) a premium of approximately 4.90% over the closing price of HK$0.143 per Share as quoted on the Stock Exchange on 30 June 2026, being the date of the Placing Agreement;

(b) a premium of approximately 4.90% over the closing price of HK$0.143, being the average closing price as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement;

Note: As trading of the Shares has been suspended since 2 July 2025, the closing price per Share as quoted on the Stock Exchange on 30 June 2026 and the average closing price per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement are the same as the closing price per Share as quoted on the Stock Exchange on 30 June 2025 (i.e. the Last Trading Day).

(c) a premium of approximately 6.76% over the average closing price of HK$0.1405 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to the Last Trading Day;

(d) a premium of approximately 19.05% over the average closing price of HK$0.1260 per Share as quoted on the Stock Exchange for the last 60 consecutive trading days immediately prior to the Last Trading Day;

(e) a premium of approximately HK$0.17791 over the audited consolidated net liabilities per Share as at 31 December 2025 of approximately RMB0.02424 (equivalent to approximately HK$0.02791, calculated using the exchange rate of HK$100 = RMB86.86 as announced by the People's Bank of China on 30 June 2026) calculated based on the audited total deficit attributable to the equity Shareholders as at 31 December 2025 of approximately RMB242,781,000 and 10,016,050,944 Shares in issue as at the date of this announcement.

The net Placing Price (after deducting the costs and expenses of the Placing) is approximately HK$0.149 per Placing Share. Based on a nominal value of HK$0.10 per Share, the aggregate nominal value of the Placing Shares is HK$220,353,150.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to the trading prices of the Shares before the Last Trading Day, the Connected Subscription Price of HK$0.15 per Connected Subscription Share and the Offer Price of HK$0.15 per Offer Share, respectively, and the funding needs, financial position and prospects of the Company. The Directors consider that the

Placing Price is fair and reasonable in light of the prevailing market conditions and liquidity of the Shares and the Placing are in the interests of the Company and its Shareholders as a whole.

Condition of the Placing

Completion of the Placing is conditional upon the fulfillment of the following conditions:

(a) the Shareholders approving in general meeting the grant of the Specific Mandate in connection with this Placing; and

(b) the Stock Exchange having granted the listing approval for the Placing Shares, and such listing approval remaining in full force and effect.

If the above conditions are not fulfilled on or before the Long Stop Date, the obligations of the Company and the Placing Agent under the Placing Agreement shall terminate and neither of the parties shall have any claim against the others for costs, damages, compensation or otherwise in respect of the Placing save for relevant costs and expenses of the Placing Agent as contemplated under the Placing Agreement.

Termination

If any of the following events occur at any time prior to the Closing Date,

(a) if there has come to the notice of the Placing Agent:-

  (i) that any statement contained in the Placing Announcements was when the Placing Announcements was issued, or has become, untrue, incorrect or misleading in any material respect; or

  (ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Placing Announcements, constitute a material omission therefrom; or

  (iii) any material breach of the undertakings, warranties and representations of the Company set out in the Placing Agreement; or

  (iv) any material breach of any of the obligations imposed upon the Company; or

  (v) any adverse material change in the business or in the financial or trading position of the Group taken as a whole which is material in the context of the Placing; or

(b) if there develops, occurs, or comes into effect:-

  (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which could reasonably be expected to result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the reasonable opinion of the Placing Agent (after negotiation with the Company) would materially prejudice the success of the Placing; or

(ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the reasonable opinion of the Placing Agent (after negotiation with the Company), would materially prejudice the success of the Placing; or

(iii) any change in conditions of local, national or international securities markets occurs which in the reasonable opinion of the Placing Agent (after negotiation with the Company) would materially prejudice the success of the Placing; or

(iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority locally, or nationally, or in any other jurisdiction relevant to the Group and if in the reasonable opinion of the Placing Agent (after negotiation with the Company) any such new law or change would materially and adversely affect the business or financial prospects of the Group (as the case may be) and/or materially prejudice the success of the Placing; or

(v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) locally, or nationally, or in any other jurisdiction relevant to the Group and if in the reasonable opinion of the Placing Agent (after negotiation with the Company), any such change or development would materially prejudice the success of the Placing; or

(vi) any material litigation or claim of any third party being instigated against any member of the Group, which has or may have a material effect on the business or financial prospects of the Group and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing,

the Placing Agent may, by giving a written notice to the Company, at any time prior to 8:30 a.m. (Hong Kong time) on the Closing Date, terminate the Placing Agreement without liability to the Company and, save for any antecedent breach of any obligation and liabilities contemplated under the Placing Agreement, the Placing Agreement shall cease to have effect and neither the Company nor the Placing Agent shall have any rights or claims by reason of the termination.

Application for listing of the Placing Shares

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Placing Shares.

Completion of the Placing

Subject to the fulfillment of the conditions set out above, the completion of the Placing will take place on the Closing Date.

As completion of the Placing is subject to satisfaction of certain conditions precedent, the Placing may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

SPECIFIC MANDATE TO ISSUE THE PLACING SHARES

The Placing Shares will be allotted and issued pursuant to the Specific Mandate to be sought at the EGM. Resolution will be proposed at the EGM to be held and convened for the Shareholders' approval of the grant of Specific Mandate.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

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

The Directors consider that the issue of the Placing Shares enables the Company to seize market opportunities to replenish its working capital for its subsequent development and operations, including without limitation the development of new energy business and international business. The Directors also believe that the Placing will facilitate the resumption of trading of Shares by increasing the public float of the Company. The Directors consider that the terms of the Placing Agreement (including the Placing Price) are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Assuming that all Placing Shares are fully placed, the aggregate gross proceeds from the Placing are expected to be approximately HK$330.53 million. The Company intends to use the net proceeds of approximately HK$328.64 million (after deducting related costs and expenses) from the Placing for replenishing its working capital.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company as at the date of this announcement and immediately after the completion of the Placing is set out as follows (assuming all Placing Shares are fully placed and no other changes to the share capital of the Company prior to completion of the Placing):

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Controlling Shareholder				
Xiamen ITG Holding Group Co., Ltd.* (廈門國貿控股集團有限公司)(2)	9,085,216,736	90.71	9,085,216,736	74.35
Public Shareholders				
Placees(3)	—	—	2,203,531,500	18.03
Other public shareholders	930,834,208	9.29	930,834,208	7.62
Total	10,016,050,944	100.00	12,219,582,444	100.00

Notes:

1. Percentages listed herein are subject to rounding.

2. Xiamen ITG Holding Group Co., Ltd.* (廈門國貿控股集團有限公司) is deemed to be interested in the 22,359,500 Shares held by Hong Kong Sindanol Limited, which is a wholly owned subsidiary of Xiamen Xindeco Ltd.* (廈門信達股份有限公司), and ITG Holding was beneficially interested in approximately 40.38% of the issued share capital of Xiamen Xindeco Ltd.* according to the 2026 first quarter report published by Xiamen Xindeco Ltd.* on 24 April 2026. Xinda Motors, a wholly owned subsidiary of ITG Holding, held 9,062,857,236 Shares as at the date of this announcement.

3. None of the Placees nor the Placing Agent is a substantial shareholder as at the date of this announcement, and it is expected that none of the Placees nor the Placing Agent will become a substantial shareholder of the Company immediately upon the completion of the Placing.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising exercises in the past twelve months immediately before the date of this announcement.

GENERAL

A circular containing, among other things, (i) further details of the Placing; and (ii) a notice convening the EGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise required, the following terms have the following meanings:

"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Board"	board of Directors
"Business Day"	means any day (excluding a Saturday, Sunday, public holiday in Hong Kong and a day on which a tropical cyclone warning signal number 8 or above or a "black rainstorm warning signal" is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong and the Stock Exchange is generally open for trading of securities in Hong Kong
"Closing Date"	means the third Business Day after the date on which the conditions to the completion of the Placing are fulfilled
"Company"	China ZhengTong Auto Services Holdings Limited 中國正通汽車服務控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Stock Exchange (stock code: 1728)
"Connected Subscription"	the subscription of 6,669,060,524 Connected Subscription Shares by Xinda Motors pursuant to the Connected Subscription Agreement
"Connected Subscription Agreement"	the subscription agreement dated 25 January 2025 entered into between the Company and Xinda Motors in relation to the Connected Subscription
"Connected Subscription Price"	the subscription price of HK$0.15 per Connected Subscription Share
"Connected Subscription Shares"	6,669,060,524 Shares issued by the Company to Xinda Motors pursuant to the Connected Subscription
"Director(s)"	the director(s) of the Company

"EGM"	an extraordinary general meeting of the Company to be convened to seek the approval of the Shareholders in respect of the Placing, including the grant of the Specific Mandate for the allotment and issue of the Placing Shares
"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
"Last Trading Day"	30 June 2025
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Long Stop Date"	31 August 2026 (or such later date as may be agreed in writing between the Company and the Placing Agent)
"Offer"	the unconditional mandatory cash offer being made by CLSA Limited on behalf of Xinda Motors to acquire all the issued Shares (other than those already owned or agreed to be acquired by Xinda Motors and/or parties acting in concert with it) which closed on 30 June 2025
"Offer Price"	the price at which the Offer was made, being HK$0.15 per Offer Share
"Offer Shares"	all of the Share(s) in issue at the time of the Offer, other than those already owned or agreed to be acquired by Xinda Motors and/or parties acting in concert with it
"Placee(s)"	investor(s) procured by the Placing Agent to purchase the Placing Shares pursuant to the Placing Agreement
"Placing"	the placing to the Placees procured by the Placing Agent of the Placing Shares subject to the terms and conditions set out in the Placing Agreement
"Placing Agent"	Fortune (HK) Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities) regulated activities under the Securities and Futures Ordinance
"Placing Agreement"	the placing agreement entered into between the Company and the Placing Agent dated 30 June 2026 in respect of the Placing

"Placing Announcements"	this announcement, the announcement to be issued by the Company following the completion of the Placing and all other announcements relating to the Placing to be issued by the Company as required by the Stock Exchange
"Placing Price"	HK$0.15 per Placing Share
"Placing Shares"	up to 2,203,531,500 new Shares to be issued pursuant to the Placing
"PRC"	the People's Republic of China
"SFC"	the Securities and Futures Commission of Hong Kong
"Share(s)"	the ordinary share(s) of HK$0.1 each in the issued share capital of the Company
"Shareholder(s)"	shareholder(s) of the Company
"Specific Mandate"	a specific mandate to be granted to the Directors in relation to the proposed allotment and issue of the Placing Shares to be approved by the Shareholders at the EGM
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	have the meaning given to such term in the Listing Rules
"U.S." or "United States"	the United States of America
"Xinda Motors"	Xinda Motors Co., Limited* (信達汽車(香港)有限公司), a company incorporated in Hong Kong with limited liability
"%"	per cent

English translations of company names in Chinese which are marked with "" are for identification purposes only.*

By order of the Board of
China ZhengTong Auto Services Holdings Limited
中國正通汽車服務控股有限公司
HUANG Junfeng
Chairman

Hong Kong, 30 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.