XXF GROUP HOLDINGS LIMITED
喜相逢集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2473)

MAJOR TRANSACTION
SALE AND LEASEBACK ARRANGEMENTS

ENTERING INTO OF THE SALE AND LEASEBACK ARRANGEMENTS

On 19 August 2026 (after trading hours), XXF Group, an indirect wholly-owned subsidiary of the Company, and/or certain of its subsidiaries, together being the Lessees, and the Lessor entered into the Sale and Leaseback Agreements, pursuant to which (1) the Lessees agreed to transfer the Leased Assets to the Lessor at an aggregate total consideration of approximately RMB4,698,972 and (2) the Lessees agreed to lease back the Leased Assets from the Lessor for a lease period of 48 months at an aggregate total rent of approximately RMB5,091,711.

LISTING RULES IMPLICATIONS

Since 4 January 2026 and up to the date immediately prior to the Sale and Leaseback Agreements, the Group (through the Lessees) as lessees and the Lessor entered into the Previous Sale and Leaseback Agreements. The transactions contemplated under the Sale and Leaseback Agreements and the Previous Sale and Leaseback Agreements are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As disclosed in the announcement dated 30 March 2026 of the Company, as the highest applicable percentage ratio in respect of the Previous Sale and Leaseback Agreements, when aggregated, exceeds 5% but is less than 25%, the transactions contemplated under the Previous Sale and Leaseback Agreements constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Sale and Leaseback Agreements and the Previous Sale and Leaseback Agreements, when aggregated, exceeds 25% but is less than 75%, the entering into of the Sale and Leaseback Agreements and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, Mr. Huang is a connected person of the Company and therefore the guarantees given by him in respect of the Sale and Leaseback Agreements constitute financial assistance received by the Group from connected persons. As the relevant guarantees are on normal commercial terms or better and are not secured by the assets of the Group, the guarantees given by Mr. Huang in respect of the Sale and Leaseback Agreements are fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Leaseback Agreements and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information relating to the Sale and Leaseback Agreements; (ii) other information as required under the Listing Rules; and (iii) a notice of the EGM will be despatched to the Shareholders as soon as practicable, which is expected to be on or before 9 September 2026.

ENTERING INTO OF THE SALE AND LEASEBACK ARRANGEMENTS

Reference is made to the announcements dated 30 March 2026 and 8 April 2026 of the Company in relation to, among other things, certain sale and leaseback agreements entered into between the Group and the Lessor. On 19 August 2026 (after trading hours), XXF Group, an indirect wholly-owned subsidiary of the Company, and/or certain of its subsidiaries, together being the Lessees, and the Lessor entered into the Sale and Leaseback Agreements, pursuant to which (1) the Lessees agreed to transfer the Leased Assets to the Lessor at an aggregate total consideration of approximately RMB4,698,972 and (2) the Lessees agreed to lease back the Leased Assets from the Lessor for a lease period of 48 months at an aggregate total rent of approximately RMB5,091,711.

SALE AND LEASEBACK AGREEMENTS

The major terms of the Sale and Leaseback Agreements are set out below:

Date: 19 August 2026 (after trading hours)

Parties: (i) the Lessees (XXF Group and/or certain of its subsidiaries); and

(ii) the Lessor

Subject matter: The Lessees agreed to transfer the Leased Assets to the Lessor at an aggregate total consideration of approximately RMB4,698,972 (the "**Sale Price**"), which was determined after arm's length negotiations between the parties with reference to the aggregate net asset value of the automobiles, being RMB4,698,972, which was based on the total cost of procurement of the automobiles by the Group from its suppliers, including the purchase price, tax and/or automobile insurance payable by the Group. The Leased Assets did not generate revenue or net profits for the Group for the years ended 31 December 2024 and 2025.

Payment of the Sale Price shall be made by the Lessor prior to the commencement of the Lease Period to an account designated by the Lessees.

The Lessees will then lease back the Leased Assets from the Lessor for a lease period of 48 months at an aggregate total rent of approximately RMB5,091,711, comprising (i) the lease principal (which is the same amount as the Sale Price), and (ii) interest accrued thereon totaling approximately RMB392,739. The rent will be settled by the Lessees in accordance with the rent payment schedules under the Sale and Leaseback Agreements.

The lease interest under the Sale and Leaseback Agreements was determined upon arm's length negotiations between the parties with reference to the prevailing market interest rates of the same category of finance lease products with similar lease terms in the PRC.

Upon the expiration of the Lease Period and the settlement in full by the Lessees of all outstanding indebtedness under the Sale and Leaseback Agreements, the Lessees may purchase back the Leased Assets at a nominal consideration of RMB1 per automobile.

Pledge of assets: The Leased Assets shall be pledged in favour of the Lessor until the full repayment by the Group of all indebtedness under the relevant Sale and Leaseback Agreements entered into between the Lessor and the Group pursuant to the relevant financing arrangements.

Guarantee: Mr. Huang has provided a guarantee in favour of the Lessor pursuant to separate guarantee agreements for an aggregate maximum amount of RMB472,500,000, covering all liabilities (including but not limited to lease principal, interest and other expenses) of the Group under the Previous Sale and Leaseback Agreements entered into, the Sale and Leaseback Agreements and individual sale and leaseback agreements to be entered into by the Lessees.

PREVIOUS SALE AND LEASEBACK AGREEMENTS

Since 4 January 2026 and up to the date immediately prior to the Sale and Leaseback Agreements, the Group (through the Lessees) and the Lessor entered into an aggregate of 2,294 Previous Sale and Leaseback Agreements, with an aggregate lease principal of approximately RMB184,886,962 and aggregate total rent of approximately RMB199,609,124.

The table below sets out information about the Previous Sale and Leaseback Agreements on an aggregated basis, including: (i) the approximate range of lease principal at which the Previous Leased Assets were leased back by the Group from the Lessor (being the same amount as the consideration for the sale of the Previous Leased Assets by the Group to the Lessor); (ii) the approximate range of total rent (inclusive of the lease principal and the interest accrued thereon) payable by the Group to the Lessor; and (iii) the approximate range of net asset value of the Previous Leased Assets under the Previous Sale and Leaseback Agreements:

Date of agreement	Approximate range of lease principal (RMB'000)	Approximate range of total rent (RMB'000)	Approximate range of net asset value of Previous Leased Assets (RMB'000)	Lease period of the Previous Sale and Leaseback Agreements (months)	Annual interest rate (range)
Between 4 January 2026 and 23 July 2026	52.47 to 216.09	53.34 to 238.82	52.47 to 216.09	6 months and 48 months	Approximately 3.99% to 5.70% p.a.

Save for the information set out in the table above, all material terms of the Previous Sale and Leaseback Agreements are substantially the same as those of the Sale and Leaseback Agreements as disclosed above.

The amounts of the consideration for the transfer of the Previous Leased Assets (being the same amount as the lease principal for the corresponding Previous Sale and Leaseback Agreements) under the Previous Sale and Leaseback Agreements were determined after arm's length negotiations between the parties with reference to the net asset value of the relevant automobiles, which was based on the total cost of procurement of the automobiles by the Group from its suppliers, including the purchase price, taxes and/or automobile insurance payable by the Group.

The lease interest rates under the Previous Sale and Leaseback Agreements were determined after arm's length negotiations between the parties with reference to the prevailing market interest rates of the same category of finance lease products with similar lease terms in the PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SALE AND LEASEBACK AGREEMENTS

As an automobile retailer, the Group procures automobiles from suppliers from time to time for trading and for use in its automobile finance lease business in its ordinary and usual course of business.

By entering into the Sale and Leaseback Agreements, the Group can diversify its financing channels, optimise its capital structure and replenish capital required for its operations, thereby enabling the Group to capture business development and expansion opportunities.

In view of the above, the Board (including the independent non-executive Directors) considers that the terms of the Sale and Leaseback Agreements and the transactions contemplated thereunder were arrived at after arm's length negotiations between the parties, are on normal commercial terms or better, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACTS AND USE OF PROCEEDS

The funding from the transactions contemplated under the Previous Sale and Leaseback Agreements and the Sale and Leaseback Agreements has been or will be used for financing the procurement of the relevant automobiles by the Group from suppliers.

In respect of the Previous Sale and Leaseback Agreements, the transactions thereunder were accounted for as financing arrangements and did not have any significant immediate effect on the earnings of the Group. The Directors expect that the transactions contemplated under the Sale and Leaseback Agreements will also be accounted for as financing arrangements and therefore will not have any significant immediate effect on the earnings of the Group.

The Sale and Leaseback Agreements are not expected to result in any material gain or loss on disposal of the Leased Assets for accounting purposes. The Leased Assets will continue to be recognised as assets of the Group and the lease principal will be recognised as borrowings, with the interest portion of the rent being recognised as finance costs over the relevant lease periods.

INFORMATION ON THE PARTIES

The Group and XXF Group

The Group is an automobile retailer providing automobile finance lease services primarily through self-operated sales outlets in the PRC. The Group's principal businesses comprise: (i) automobile retail and finance; (ii) automobile-related businesses; and (iii) outright car sales business.

XXF Group is a company established under the laws of the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in automobile finance lease and/or automobile sales and related businesses.

The Lessor

The Lessor is a company established in the PRC with limited liability. The Lessor focuses on the field of automobile finance services, and its business is developed around automobile finance-related services. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, based on the information currently available to the Company, as at the date of this announcement, the Lessor is owned as to 100% by Volkswagen Financial Services Overseas AG (大眾汽車金融服務海外股份公司), which is in turn wholly owned by Volkswagen AG, the shares of which are listed on the Frankfurt Stock Exchange in Germany (stock code: ISIN DE0007664005, WKN 766400 and symbol VOW). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Lessor and its ultimate beneficial owner are Independent Third Parties.

LISTING RULES IMPLICATIONS

Since 4 January 2026 and up to the date immediately prior to the Sale and Leaseback Agreements, the Group (through the Lessees) as lessees and the Lessor entered into an aggregate of 2,294 Previous Sale and Leaseback Agreements with an aggregate lease principal of approximately RMB184,886,962 and aggregate total rent of approximately RMB199,609,124. Therefore, the transactions contemplated under the Sale and Leaseback Agreements and the Previous Sale and Leaseback Agreements will be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As disclosed in the announcement dated 30 March 2026 of the Company, as the highest applicable percentage ratio in respect of the Previous Sale and Leaseback Agreements, when aggregated, exceeds 5% but is less than 25%, the transactions contemplated under the Previous Sale and Leaseback Agreements constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements, but are exempt from the circular and shareholders' approval requirements under the Listing Rules.

When aggregated with the Sale and Leaseback Agreements (with an aggregate lease principal of approximately RMB4,698,972 and aggregate total rent of approximately RMB5,091,711), the aggregate lease principal of all the Previous Sale and Leaseback Agreements and the Sale and Leaseback Agreements is approximately RMB189,585,934, and the aggregate total rent is approximately RMB204,700,835.

As the highest applicable percentage ratio in respect of the Sale and Leaseback Agreements and the Previous Sale and Leaseback Agreements, when aggregated, exceeds 25% but is less than 75%, the entering into of the Sale and Leaseback Agreements and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, Mr. Huang is a connected person of the Company and therefore the guarantees given by him in respect of the Sale and Leaseback Agreements constitute financial assistance received by the Group from connected persons. As the relevant guarantees are on normal commercial terms or better and the Group has not provided any counter-guarantee to Mr. Huang and/or his associates in respect of the guarantees provided by Mr. Huang, nor has any security over the Group's assets been granted in respect of such guarantees, the guarantees given by Mr. Huang in respect of the Sale and Leaseback Agreements are fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Leaseback Agreements and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information relating to the Sale and Leaseback Agreements; (ii) other information as required under the Listing Rules; and (iii) a notice of the EGM will be despatched to the Shareholders as soon as practicable, which is expected to be on or before 9 September 2026.

DEFINITIONS

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

"Board"	the board of Directors;
"Company"	XXF Group Holdings Limited (喜相逢集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 2473);
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Director(s)"	the director(s) of the Company;
"EGM"	an extraordinary general meeting to be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Leaseback Agreements and the transactions contemplated thereunder;
"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;
"Independent Third Party(ies)"	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the Listing Rules;
"Lease Period"	a period of 48 months commencing from the date of the Sale and Leaseback Agreements;
"Leased Assets"	certain automobiles owned by the Lessees as particularized under the Sale and Leaseback Agreements;
"Lessees"	XXF Group and/or certain of its subsidiaries, being the lessees under the Sale and Leaseback Agreements;
"Lessor"	Volkswagen Finance (China) Co., Ltd.* (大眾汽車金融(中國)有限公司), a limited liability company established under PRC laws;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
"Mr. Huang"	Mr. Huang Wei, Chairman of the Board, the chief executive officer of the Company, an executive Director and a substantial shareholder of the Company;

"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules;
"PRC"	the People's Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement;
"Previous Leased Assets"	certain automobiles owned by the Lessees as particularized in the Previous Sale and Leaseback Agreements;
"Previous Sale and Leaseback Agreements"	the 2,294 sale and leaseback agreements entered into between the Lessor and the Lessees during the period from 4 January 2026 to 26 March 2026, and from 30 March 2026 to 23 July 2026;
"RMB"	Renminbi, the lawful currency of the PRC;
"Sale and Leaseback Agreements"	the automobile finance lease (sale and leaseback) agreements dated 19 August 2026 entered into by, among others, the Lessor and the Lessees;
"Share(s)"	ordinary share(s) of HK$0.003333333333 each in the capital of the Company;
"Shareholder(s)"	holder(s) of issued Shares of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules;
"XXF Group"	Xixiangfeng Finance Lease Group Co., Ltd.* (喜相逢融資租賃集團有限公司), a company established under the laws of the PRC on 7 September 2007 and an indirect wholly-owned subsidiary of the Company; and
"%"	per cent.

* *For identification purposes only*

By Order of the Board
XXF Group Holdings Limited
Mr. Huang Wei
Chairman of the Board, chief executive officer and executive Director

Hong Kong, 19 August 2026

As at the date of this announcement, the executive Directors are Mr. Huang Wei, Mr. Ye Fuwei and Ms. Zhang Jinghua, the non-executive Director is Mr. Liu Wei, and the independent non-executive Directors are Mr. Wu Fei, Mr. Fung Che Wai, Anthony and Mr. Chen Shuo.