

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zhongsheng Group Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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中升集團控股有限公司
Zhongsheng Group Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 881)

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF THE ANNUAL GENERAL MEETING

A notice convening an annual general meeting (“**Annual General Meeting**”) of Zhongsheng Group Holdings Limited to be held at Chatham Room, 7/F, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Monday, 21 June 2010 at 10:00 a.m. is set out on pages 20 to 23 of this circular. A form of proxy for use at the Annual General Meeting is enclosed herewith. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.zs-group.com.cn) respectively.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

17 May 2010

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DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Chatham Room, 7/F, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Monday, 21 June 2010 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the Annual General Meeting which is set out on pages 20 to 23 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company adopted on 9 February 2010 and became effective on 26 March 2010
“Board”	the board of Directors
“Buyback Mandate”	as defined in paragraph 3(a) of the letter from the Board in this circular
“Company”	Zhongsheng Group 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
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	as defined in paragraph 3(b) of the letter from the Board in this circular
“Latest Practicable Date”	12 May 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Listing Date”	26 March 2010, the date on which trading in Shares commenced on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.0001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“%”	per cent



中升集團控股有限公司
Zhongsheng Group Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 881)

Executive Directors:

Mr. Huang Yi (*Chairman*)
Mr. Li Guoqiang
Mr. Du Qingshan
Mr. Yu Guangming

Non-executive Director:

Mr. Leng Xuesong

Independent non-executive Directors:

Mr. Shigeno Tomihei
Mr. Ng Yuk Keung
Mr. Shen Jinjun

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business

in Hong Kong:

Room 3504-12
35th Floor, Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

17 May 2010

To the Shareholders

Dear Sir/Madam,

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF THE ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the re-election of the retiring Directors; (ii) the granting of the Buyback Mandate to the Directors; (iii) the granting of the Issuance Mandate to the Directors; and (iv) the extension of the Issuance Mandate by adding to it the nominal amount of the issued Shares repurchased by the Company under the Buyback Mandate.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

According to Article 83(3) of the Articles of Association and in the opinion of the Board, all the Directors, namely Mr. Huang Yi, Mr. Li Guoqiang, Mr. Du Qingshan, Mr. Yu Guangming, Mr. Leng Xuesong, Mr. Shigeno Tomihei, Mr. Ng Yuk Keung and Mr. Shen Jinjun shall retire at the Annual General Meeting. All of the above 8 retiring Directors, being eligible, will offer themselves for re-election at the same meeting.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director(s) in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

The general mandates previously granted to the Directors to repurchase and issue Shares by written resolutions of the Shareholders passed on 9 February 2010 will expire at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount not exceeding 10% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$19,084.8129 (equivalent to 190,848,129 Shares) on the basis that issued share capital of the Company remains unchanged as at the date of the Annual General Meeting) (the "**Buyback Mandate**");

LETTER FROM THE BOARD

- (b) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$38,169.6259 (equivalent to 381,696,259 Shares) on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting) (the "**Issuance Mandate**"); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company to be held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the Annual General Meeting as set out on pages 20 to 23 of this circular. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company shall send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 20 to 23 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, among others, the re-election of the retiring Directors, the granting of the Buyback Mandate and the Issuance Mandate as well as the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Buyback Mandate.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.zs-group.com.cn) respectively. Whether or not you are able to attend the Annual General Meeting, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queens Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, the form of proxy shall be deemed to be revoked.

5. RECOMMENDATION

The Directors consider that the re-election of the retiring Directors, the granting of the Buyback Mandate and the granting/extension of the Issuance Mandate are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) and Appendix II (Explanatory Statement on the Buyback Mandate) to this circular.

Yours faithfully,
By Order of the Board
Huang Yi
Chairman

APPENDIX I	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting, are provided below.

(1) Mr. Huang Yi (“Mr. Huang”), aged 48

Position & experience

Mr. Huang is the Company’s chairman and executive director. Mr. Huang is one of the Company’s two founders, and has been chairman of the Group since its inception in 1998. Mr. Huang was appointed an executive director of the Board on 23 June 2008. He is responsible for the strategic management of the Group and for formulating the Group’s overall corporate direction and focus. Prior to founding the Group, Mr. Huang was a director and deputy general manager at China Resources Machinery Co., Ltd. (“**China Resources Machinery**”), a state-owned enterprise engaged in importing and exporting automobiles and other machinery. Mr. Huang held numerous management positions in business administration, product procurement and sales operations in China Resources Machinery during his tenure between 1984 and 1994. In 1994, Mr. Huang joined China Automobile Company Limited (“**China Automobile**”) as a director, and was responsible for China Automobile’s procurement and sales divisions. In 1996, Mr. Huang invested in, and became a shareholder of, China Automobile. China Automobile, currently known as Hokuryo Holdings Company Limited, which is presently an indirect wholly-owned subsidiary of the Group. Mr. Huang is currently a council member of the Lexus China Dealer Council, as well as a council member of the National Dealer Advisory Council of FAW Toyota Motor Sales Co., Ltd. Mr. Huang has substantial senior management experience and more than 22 years’ of experience and in-depth knowledge of the PRC automobile industry. He received a bachelor’s degree in Economics from Xiamen University in 1983 and was awarded the title of “Economist” by MOFCOM in 1990, a work-related qualification title usually awarded to the government officials or managerial staff in state-owned enterprises by the government in recognition of their relevant working experiences. Mr. Huang also served on a pro bono basis as a director of Pok Oi Hospital, a charitable organization providing medical and educational services in the New Territories in Hong Kong, between 1997 and 1999.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Huang was deemed to be interested in 1,325,993,876 Shares directly held by Blue Natural Development Ltd., representing 69.48% of the issued share capital of the Company, pursuant to Part XV of the SFO. Such Shares were held through his wholly-owned investment company, Light Yield Ltd.. Light Yield Ltd. owns 62.3% equity interest in Blue Natural Development Ltd.

Save as disclosed above, Mr. Huang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Huang does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emolument

As set out in the service contract entered into by Mr. Huang and the Company dated 9 February 2010, the fixed portion of the annual salary of Mr. Huang shall be no more than RMB5,000,000 (less any required deductions). The Company may provide Mr. Huang with other benefits which it may determine from time to time. The emolument of Mr. Huang has been determined in accordance with the Articles of Association and the remuneration policy of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Huang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Huang that need to be brought to the attention of the Shareholders.

(2) Mr. Li Guoqiang ("Mr. Li"), aged 46

Position & experience

Mr. Li is one of the two founders of the Group, and has served as the Group's chief executive officer and vice-chairman since 1998. Mr. Li was appointed an executive Director on 23 June 2008. He is responsible for the overall management and operations of the Group. Mr. Li has served as deputy chairman and a member of standing committee for China Automobile Dealers Association since December 2009. In 1995, Mr. Li founded Dalian Aotong Automobile Repair & Assembly Factory ("**Aotong Repair & Assembly**"), a company engaged in automobile repair and maintenance services. Mr. Li served as the factory director and legal representative of Aotong Repair & Assembly, and he was responsible for its overall management and operations. From 1996 to 1998, Mr. Li served as the vice chairman of Dalian Toyota Maintenance & Service Co., Ltd. and general manager of Dalian Bonded Zone Toyota Automobile Sales Co., Ltd., and Mr. Li was responsible for the decisions of procurement and sales of automobiles as well as the management of the national distribution networks during his tenure. In 1998, Mr. Li founded Dalian Aotong Industry Co., Ltd. ("**Aotong Industry**"), a company engaged in distribution of automobiles. Aotong Industry is the predecessor of Zhongsheng (Dalian) Holdings Co., Ltd., which is presently an indirect wholly-owned subsidiary of the Group. Mr. Li has substantial senior management experience and more than 20 years' experience and in-depth knowledge of the PRC automobile industry. Mr. Li

APPENDIX I	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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also received a Distinguished Lexus Dealer award in 2007 from Toyota Motor (China) Investment Co., Ltd., as part of the Lexus Certification Program.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li was deemed to be interested in 1,325,993,876 Shares directly held by Blue Natural Development Ltd., representing 69.48% of the issued share capital of the Company, pursuant to Part XV of the SFO. Such Shares were held through his wholly-owned investment company, Vest Sun Ltd.. Vest Sun Ltd. owns 37.7% equity interest in Blue Natural Development Ltd.

Save as disclosed above, Mr. Li was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Li does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emolument

As set out in the service contract entered into by Mr. Li and the Company dated 9 February 2010, the fixed portion of the annual salary of Mr. Li shall be no more than RMB5,000,000 (less any required deductions). The Company may provide Mr. Li with other benefits which it may determine from time to time. The emolument of Mr. Li has been determined in accordance with the Articles of Association and the remuneration policy of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Li to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

(3) **Mr. Du Qingshan (“Mr. Du”), aged 48**

Position & experience

Mr. Du has served as deputy general manager of the Group since 2007. Mr. Du was appointed an executive Director on 23 June 2008. He is responsible for the financial planning, strategy and management of the Group, and oversees all the accountancy and financial aspects of the Group. Prior to joining the Group in 2007, Mr. Du was appointed by State-owned Assets Supervision and Administration Commission of Dalian Municipal Government to serve as the chief financial officer of a large PRC corporation, Dalian DHI.DCW Group Co., Ltd. (“**Dalian DHI.DCW**”) and was in charge of the general financial and accounting affairs of Dalian DHI.DCW. Mr. Du was primarily responsible for the financial operations of Dalian DHI.DCW, which contributed to his over 20 years’ experience in the areas of accountancy and finance. Mr. Du received a bachelor degree in Economics from the Shanghai University of Finance and Economics in 1986 and a master’s degree in Business Administration from Dongbei University of Finance and Economics in 2002.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Du was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Du does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director’s emolument

As set out in the service contract entered into by Mr. Du and the Company dated 9 February 2010, the fixed portion of the annual salary of Mr. Du shall be no more than RMB2,000,000 (less any required deductions). The Company may provide Mr. Du with other benefits which it may determine from time to time. The emolument of Mr. Du has been determined in accordance with the Articles of Association and the remuneration policy of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Du to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Du that need to be brought to the attention of the Shareholders.

(4) Mr. Yu Guangming (“Mr. Yu”), aged 52

Position & experience

Mr. Yu has served as deputy general manager of the Group since 2004. Mr. Yu was appointed an executive Director on 23 June 2008. He is responsible for the strategic business development of the Group as well as selecting and training middle-to-senior level managers of 4S dealerships of the Group. Since joining the Group in 2000, Mr. Yu has held numerous management positions in several of the Group’s principal subsidiaries, including Zhongsheng (Dalian) Holdings Co., Ltd., Dalian Aotong Dongfeng Honda Automobile Sales & Services Co., Ltd., Shanghai Guoxin Automobile Sales Co., Ltd. and Shanghai Zhongsheng Toyota Automobile Sales & Services Co., Ltd., primarily in charge of setting up, overseeing and improving the management teams of the Group’s subsidiaries, implementing the strategic decisions of the Group and liaising with the automakers and customers regarding business relationship building. Prior to joining the Group, Mr. Yu served as a manager of Shanghai Material Office of the PRC Ministry of Railways from 1975 to 1994, and he was primarily responsible for the management of its business operations. From 1994 to 2000, Mr. Yu served as a deputy managing director of Hong Kong Union Park Company Limited, a Hong Kong subsidiary of China Railway Materials Commercial Corporation, a large-scale PRC state-owned enterprise, and was in charge of its overall management and operations during his tenure. Mr. Yu has more than eight years’ relevant experience in the PRC automobile industry. Mr. Yu received a graduation certificate in respect of an associate degree majoring in English from Shanghai International Studies University in 1985.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Yu was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Yu does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Director's emolument

As set out in the service contract entered into by Mr. Yu and the Company dated 9 February 2010, the fixed portion of the annual salary of Mr. Yu shall be no more than RMB2,000,000 (less any required deductions). The Company may provide Mr. Yu with other benefits which it may determine from time to time. The emolument of Mr. Yu has been determined in accordance with the Articles of Association and the remuneration policy of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Yu to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Yu that need to be brought to the attention of the Shareholders.

(5) Mr. Leng Xuesong ("Mr. Leng"), aged 40

Position & experience

Mr. Leng was appointed as a non-executive Director on 1 August 2008. Mr. Leng is a managing director at General Atlantic LLC. He is based in Hong Kong, where he focuses on General Atlantic LLC's investment opportunities in North Asia. Prior to joining General Atlantic LLC, Mr. Leng served as a managing director at Warburg Pincus, an international private equity firm from 1999 to 2007. Mr. Leng also served as non-executive director of China Huiyuan Juice Group Limited (中國滙源果汁集團有限公司), a company listed on the Stock Exchange (stock code: 1886) from July 2006 to August 2007. Mr. Leng earned his master's degree in Business Administration from the Wharton School of the University of Pennsylvania in 1999, and his bachelor's degree of International Industrial Trade from Shanghai Jiao Tong University in 1992.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Leng was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Leng does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emolument

Mr. Leng serves as a non-executive Director without any emolument.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Leng to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Leng that need to be brought to the attention of the Shareholders.

(6) Mr. Shigeno Tomihei ("Mr. Shigeno"), aged 57

Position & experience

Mr. Shigeno was appointed an independent non-executive Director on 1 August 2008. From 2007 to 2010, Mr. Shigeno was the head of the Beijing office of Minebea Trading (Shanghai) Ltd., a division of sales of Minebea Electronics & Hi-Tech Components (Shanghai) ("**Minebea Shanghai**"), which was established in 1994 by Minebea Co., Ltd., manufacturing miniature ball bearing and other electronics products. Prior to joining Minebea Shanghai in 2007, Mr. Shigeno worked for Nissan Motor Co., Ltd. ("**Nissan Motor**") from 1976 to 2006. Mr. Shigeno was part of the team which established Nissan Motor's Beijing office, and he served as its chief representative from 1991 to 1997. He was also chief representative of Nissan Motor's China operations from 2000 to 2003, specialising in sales and marketing, and was primarily responsible for developing Nissan Motor's distribution and service networks by establishing authorized distributors and automobile dealerships across the PRC. Mr. Shigeno was assigned by Nissan Motor to assist the president of Dongfeng Commercial Vehicle Company. Mr. Shigeno has over 31 years' of experience and in-depth knowledge of the automobile industry, sales and business management. He earned his bachelor's degree in Chinese language studies from Tokyo University of Foreign Studies in 1976.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Shigeno was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Shigeno does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Director's emolument

As set out in the appointment letter entered into by Mr. Shigeno and the Company dated 9 February 2010, Mr. Shigeno will be entitled to a fee for his services as an independent non-executive Director and a chairman of a board committee of the Company of RMB250,000 per annum (less any necessary statutory deductions).

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Shigeno to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Shigeno that need to be brought to the attention of the Shareholders.

(7) Mr. Ng Yuk Keung ("Mr. Ng"), aged 45

Position & experience

Mr. Ng was appointed an independent non-executive Director on 27 October 2009. Mr. Ng is a vice-president, the chief financial officer, the company secretary and the qualified accountant of China Huiyuan Juice Group Limited (中國匯源果汁集團有限公司) (stock code: 1886), a company listed on the Stock Exchange. Mr. Ng also serves as an independent non-executive director of Sany Heavy Equipment International Holdings Company Limited (三一重裝國際控股有限公司) (stock code: 0631), a company listed on the Stock Exchange. Mr. Ng worked with PricewaterhouseCoopers for over 12 years from 1988 to 2001. From November 2004 to August 2006, he was the deputy chief financial officer, a joint company secretary and the qualified accountant of Irico Electronics Group Company Limited (彩虹集團電子股份有限公司) (stock code: 0438), a company listed on the Stock Exchange. Mr. Ng is also an independent non-executive director of Xinjiang Xinxin Mining Industry Co., Ltd. (新疆新鑫礦業股份有限公司) (stock code: 3833) and Beijing Capital Land Ltd. (首創置業股份有限公司) (stock code: 2868), both of which are listed on the Stock Exchange. Mr. Ng graduated from The University of Hong Kong with a bachelor's degree in Social Sciences in 1988 and a master's degree in Global Business Management and E-commerce in 2002. He is a professional accountant and a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, and a member of the Institute of Chartered Accountants in England and Wales.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ng was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Ng does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emolument

As set out in the appointment letter entered into by Mr. Ng and the Company dated 9 February 2010, Mr. Ng will be entitled to a fee for his services as an independent non-executive Director and a chairman of a board committee of the Company of RMB250,000 per annum (less any necessary statutory deductions).

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Ng to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Ng that need to be brought to the attention of the Shareholders.

(8) Mr. Shen Jinjun ("Mr. Shen"), aged 52*Position & experience*

Mr. Shen was appointed an independent non-executive Director on 16 November 2009. Mr. Shen has served as deputy chairman and secretary chief for China Automobile Dealers Association since 2005. Mr. Shen has also worked as the deputy chief of the Transport and Mechanical section of the State Administration of Supplies, and the chief of the Automobile section and Electrical, Mechanical and Metallic section of the State Administration of Domestic Commerce. During his tenure, Mr. Shen was mainly responsible for administering the automobile dealing industry and participated in formulations of related regulations. Mr. Shen completed all the related courses of an associate degree majoring in electronic at the Beijing Open University in 1982.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Shen was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Shen does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emolument

As set out in the appointment letter entered into by Mr. Shen and the Company dated 9 February 2010, Mr. Shen will be entitled to a fee for his services as an independent non-executive Director and a chairman of a board committee of the Company of RMB250,000 per annum (less any necessary statutory deductions).

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Shen to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Shen that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buyback Mandate.

1. REASONS FOR SHARES BUYBACK

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,908,481,295 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting i.e. being 1,908,481,295 Shares, the Directors would be authorized under the Buyback Mandate to repurchase, during the period in which the Buyback Mandate remains in force, an aggregate nominal amount of Shares not exceeding HK\$19,084.8129 (equivalent to 190,848,129 Shares), representing 10% of the aggregate nominal amount of the Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and Articles of Association, the Cayman Companies Law and/or any other applicable laws, as the case may be.

The Company is empowered by its memorandum and Articles of Association to repurchase Shares. The laws of the Cayman Islands provide that a purchase of shares may be made (to the extent of the par value of such shares) out of profits or the proceeds of a fresh issue of shares made for such purpose or, out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorized by its Articles of Association. Any premium payable on a purchase may be made out of profits, the Company's share premium account or out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorized by its Articles of Association.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2009) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best knowledge of the Directors, the controlling shareholders (as defined in the Listing Rules) of the Company, namely Mr. Huang Yi, Mr Li Guoqiang, Light Yield Ltd., Vest Sun Ltd. and Blue Natural Development Ltd. (the "**Controlling Shareholders**"), together control the exercise of 69.48% voting rights in the general meeting of the Company.

In the event that the Directors exercise in full the power to repurchase Shares under the Buyback Mandate, the shareholding interest of the Controlling Shareholders would, based on their current shareholding, be increased to approximately 77.20% of the total issued share capital of the Company. The Directors are not aware of any consequences which would give rise to an obligation on the Controlling Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will not make any repurchase of Shares if the repurchase would result in the number of issued Shares which are in the hands of the public falling below the public float percentage as required under the Listing Rules and agreed by the Stock Exchange.

APPENDIX II EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Share to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Share to the Company, or that they have undertaken not to sell any Share held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange in the last 3 months since the Listing Date were as follows:-

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
March	11.86	9.99
April	14.60	10.48
May (up to the Latest Practicable Date)	11.00	9.76

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the period starting from the Listing Date to the Latest Practicable Date (whether on the Stock Exchange or otherwise).



中升集團控股有限公司
Zhongsheng Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 881)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Zhongsheng Group Holdings Limited (the “Company”) will be held at Chatham Room, 7/F, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong, on Monday, 21 June 2010 at 10:00 a.m. for the following purposes.

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and the auditors of the Company for the year ended 31 December 2009;
2. To re-elect the retiring Directors and to authorize the Board to fix the respective Directors’ remuneration;
3. To re-appoint Ernst & Young as auditors of the Company and to authorize the Board to fix their remuneration;
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of Shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF THE ANNUAL GENERAL MEETING

- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company's shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held";
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options granted under the share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange); and

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening the Annual General Meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the Shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution”.

By order of the Board
Huang Yi
Chairman

Hong Kong, 17 May 2010

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

- (a) Any Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on behalf of him/her. A proxy needs not be a Shareholder. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
- (b) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) The register of members of the Company will be closed from Wednesday, 16 June 2010 to Monday, 21 June 2010, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, unregistered holders of Shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 15 June 2010.
- (d) In relation to the ordinary resolutions set out in items 4, 5 and 6 of this notice, the Directors wish to state that they have no immediate plan to repurchase any existing Shares or issue any new Shares.