

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.

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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 GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES**

**PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening an Annual General Meeting of Zhongsheng Group Holdings Limited to be held at Tai Shan Room, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 15 June 2012 at 10:30 a.m. is set out on pages 14 to 17 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 appointed for the holding 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 meeting if they so wish.

27 April 2012

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Proposed Granting of the Buyback and Issuance Mandates	4
3. Proposed Re-election of the Retiring Directors	5
4. Annual General Meeting and Proxy Arrangement	5
5. Recommendation	6
6. General Information	6
Appendix I — Explanatory Statement on the Buyback Mandate	7
Appendix II — Details of the Retiring Directors proposed to be re-elected at the Annual General Meeting	10
Notice of the Annual General Meeting	14

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 Tai Shan Room, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 15 June 2012 at 10:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 17 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company (as amended, modified or otherwise supplemented from time to time)
“Board”	the board of Directors
“Buyback Mandate”	as defined in paragraph 2(a) of the Letter from the Board
“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 2(b) of the Letter from the Board
“Latest Practicable Date”	20 April 2012, 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

DEFINITIONS

“PRC” or “China”	The People’s Republic of China, but for the purposes of this circular only, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.0001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases 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

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Mr. Leng Xuesong

Principal Place of Business in Hong Kong:

Room 3504-12

Independent non-executive Directors:

Mr. Shigeno Tomihei

35th Floor, Sun Hung Kai Centre

Mr. Ng Yuk Keung

30 Harbour Road

Mr. Shen Jinjun

Wanchai

Hong Kong

27 April 2012

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES**

**PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
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 granting of the Buyback Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the aggregate nominal amount of the issued Shares repurchased by the Company under the Buyback Mandate and; (iv) the re-election of the retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 28 June 2011, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares of the Company and to issue new Shares of the Company respectively. Up to the Latest Practicable Date, such mandates have not been used and, if not used by the date of the Annual General Meeting, will lapse 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**");
- (b) to allot, issue or deal with new 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 held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the Annual General Meeting as set out on pages 14 to 17 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 is required to 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 I to this circular.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 84 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall be eligible for re-election at the relevant annual general meeting.

According to the above Article, Mr. Yu Guangming, Mr. Leng Xuesong and Mr. Shigeno Tomihei will retire by rotation at the Annual General Meeting. All the retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details as required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director 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 Mr. Yu Guangming, Mr. Leng Xuesong and Mr. Shigeno Tomihei are 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 14 to 17 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Buyback Mandate and the re-election of the retiring Directors.

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.

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,

LETTER FROM THE BOARD

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 or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

5. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate, the granting/extension of the Issuance Mandate and the re-election of the retiring Directors are in the interests of the Company, the Group and the Shareholders as a whole. 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 (Explanatory Statement on the Buyback Mandate) and Appendix II (Details of the retiring Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
By Order of the Board of
Zhongsheng Group Holdings Limited
Huang Yi
Chairman

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 8 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 laws of the Cayman Islands 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 2011) 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., Blue Natural Development Ltd., Mountain Bright Limited, RBC Trustees (CI) Limited and Vintage Star Limited (the "**Controlling Shareholders**"), together control the exercise of 65.34% 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 72.60% of the total issued share capital of the Company. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase to be made under the Buyback Mandate. Moreover, the Directors will not make share purchase on the Stock Exchange if such repurchase would result in the obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

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) have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

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 Shares to the Company, or that they have undertaken not to sell any Shares 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 12 months were as follows:-

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
May	16.34	13.56
June	17.40	14.50
July	20.00	16.12
August	17.18	11.90
September	13.92	11.78
October	15.10	9.29
November	14.90	12.50
December	15.16	11.02
2012		
January	16.84	12.40
February	17.18	14.70
March	15.46	13.00
April (up to the Latest Practicable Date)	16.64	14.82

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company the previous 6 months (whether on the Stock Exchange or otherwise).

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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) Yu Guangming (“Mr. Yu”), aged 54

Position & experience

Mr. Yu has been serving as deputy general manager of our Group since 2004. Mr. Yu has been an executive director of our Board since 23 June 2008. He is responsible for the strategic business development of our Group as well as selecting and training middle-to-senior level managers of 4S dealerships of our Group. Since joining our Group in 2000, Mr. Yu has held numerous management positions in several of our 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 our subsidiaries, implementing the strategic decisions of our Group and liaising with the automakers and customers regarding business relationship building. Prior to joining our 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 10 years’ of 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 II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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.

(2) Leng Xuesong ("Mr. Leng"), aged 42

Position & experience

Mr. Leng has been serving as a non-executive director of our Board since 1 August 2008. Mr. Leng is a managing director of 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 is also the non-executive directors of two companies listed on the New York Stock Exchange, namely Wuxi Pharmatech (Cayman) Inc. (stock code: WX) and Soufun Holdings Ltd. (stock code: SFUN). Mr. Leng earned his master's degree in Business Administration from the Wharton School of the University of Pennsylvania in 1999, and his Bachelor of International Industrial Trade degree 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.

(3) Shigeno Tomihei ("Mr. Shigeno"), aged 59

Position & experience

Mr. Shigeno has been serving as an independent non-executive director of our Board since 1 August 2008. 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 33 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 II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
-------------	---

Director's emolument

A 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.

NOTICE OF THE ANNUAL GENERAL MEETING



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 Tai Shan Room, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 15 June 2012 at 10:30 a.m. for the following purposes:–

1. To consider and receive the audited consolidated financial statements of the Company and the reports of the directors and of the auditors for the year ended 31 December 2011;
2. To declare a final dividend of HK\$0.16 per share for the year ended 31 December 2011;
3. To re-elect Mr. Yu Guangming as an executive director of the Company;
4. To re-elect Mr. Leng Xuesong as a non-executive director of the Company;
5. To re-elect Mr. Shigeno Tomihei as an independent non-executive director of the Company;
6. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint Messrs. Ernst & Young as auditors of the Company and to authorize the board of directors of the Company to fix their remuneration;
8. 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 of the Company 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;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above 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 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;
 - (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 of the Company or any applicable laws to be held.”;
9. 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 of the Company 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

NOTICE OF THE ANNUAL GENERAL MEETING

- (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 of the Company,

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

- (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 of the Company 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

- 10. 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 8 and 9 of the notice convening the Annual General Meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 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 8 of the Notice, provided that such

NOTICE OF THE ANNUAL GENERAL MEETING

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 of
Zhongsheng Group Holdings Limited
Huang Yi
Chairman

Hong Kong, 27 April 2012

Notes:

- (a) Any shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its 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 of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from Monday, 11 June 2012 to Friday, 15 June 2012, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Friday, 8 June 2012.
- (d) For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 21 June 2012 to Monday, 25 June 2012, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 20 June 2012.
- (e) In relation to the ordinary resolutions set out in items 8, 9 and 10 of this notice, the directors wish to state that they have no immediate plan to repurchase any existing shares or issue any new shares of the Company.