

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 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 Conference Room, 30/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Monday, 23 June 2014 at 10:00 a.m. is set out on pages 18 to 21 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.

30 April 2014

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 Conference Room, 30/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Monday, 23 June 2014 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 21 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”	23 April 2014, 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

“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
(President and Chief Executive Officer)
Mr. Du Qingshan
Mr. Yu Guangming
Mr. Si Wei
Mr. Zhang Zhicheng

Non-executive Directors:

Mr. Leng Xuesong
Mr. Adam Keswick

Independent non-executive Directors:

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

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

30 April 2014

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

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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.

2. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 18 June 2013, 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. The Company issued 238,560,162 Shares by placing on 24 January 2014 pursuant to the said general mandates and such mandates 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\$21,470.4145 (equivalent to 214,704,145 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\$42,940.8291 (equivalent to 429,408,291 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.

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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 11 and 12 of the notice of the Annual General Meeting as set out on pages 18 to 21 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.

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 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.

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 only until the first general meeting of members 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. Any Director appointed pursuant to Article 83(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation pursuant to Article 84(2) of the Articles of Association.

According to Article 84 of the Articles of Association, Mr. Li Guoqiang, Mr. Du Qingshan, Mr. Yu Guangming and Mr. Leng Xuesong shall retire by rotation at the Annual General Meeting whereas according to Article 83(3) of the Articles of Association, Mr. Zhang Zhicheng and Mr. Lin Yong (who were appointed by the Directors on 31 March 2014) shall hold office only until the Annual General Meeting. These six retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

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. Li Guoqiang, Mr. Du Qingshan, Mr. Yu Guangming, Mr. Zhang Zhicheng, Mr. Leng Xuesong and Mr. Lin Yong 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 18 to 21 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, 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.

LETTER FROM THE BOARD

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 2,147,041,457 Shares.

Subject to the passing of the ordinary resolution set out in item 11 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 2,147,041,457 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\$21,470.4145 (equivalent to 214,704,145 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 2013) 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 58.73% 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 65.26% 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 do not propose to make share purchase on the Stock Exchange if such repurchase to the knowledge of the Directors would result in an 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.

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>
2013		
May	11.24	9.74
June	9.70	8.00
July	8.97	7.40
August	10.36	8.12
September	13.00	10.22
October	13.96	12.06
November	12.90	10.30
December	12.50	10.42
2014		
January	13.80	10.16
February	12.10	10.60
March	11.60	9.80
April (up to the Latest Practicable Date)	11.10	9.58

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).

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) **Li Guoqiang (“Mr. Li”), aged 50**

Position & experience

Mr. Li is the President and Chief Executive Officer of the Company. Mr. Li is one of the two founders of the Group. Mr. Li has been serving as the Group’s chief executive officer and vice-chairman since 1998 and as an executive Director of the Company since 23 June 2008 and he is also a director of the various companies in the Group. Mr. Li is responsible for the overall management and operations of the Group. Mr. Li has been serving 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 24 years’ experience and in-depth knowledge of the PRC automobile industry. Mr. Li 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 1,261,008,876 Shares, representing 58.73% of the issued share capital of the Company, pursuant to Part XV of the SFO. 135,015,000 Shares out of these Shares were directly held by Blue Natural Development Ltd.. Such Shares were held through his wholly-owned investment company, Vest Sun Ltd., which owns 37.70% equity interest in Blue Natural Development Ltd.. 486,657,686 Shares were by mean of being a founder of a discretionary trust/beneficiary of a trust, and the remaining 639,336,190 Shares were by agreement to acquire interests.

Save as disclosed above, Mr. Li was not interested or deemed to be interested in any shares, underlying shares or debentures 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, 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.

(2) Du Qingshan ("Mr. Du"), aged 51**Position & experience**

Mr. Du has been serving as deputy general manager of the Group since 2007 and as an executive Director of the Company since 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 24 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 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, underlying shares or debentures 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, 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.

(3) Yu Guangming ("Mr. Yu"), aged 56**Position & experience**

Mr Yu has been serving as deputy general manager of the Group since 2004. Mr. Yu has been an executive director of the Company since 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 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 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 largescale PRC state-owned enterprise, and was in charge of its overall management and operations during his tenure. Mr. Yu has more than 14 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, underlying shares or debentures 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.

Director's emolument

As set out in the service contract entered into by Mr. Yu and the Company, 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.

(4) Leng Xuesong ("Mr. Leng"), aged 44**Position & experience**

Mr Leng has been serving as a non-executive director of the 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, underlying shares or debentures 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.

(5) Zhang Zhicheng ("Mr. Zhang"), aged 41**Position & experience**

Mr. Zhang has been serving as vice-president of the Group since July 2008. He has been an executive director of the Company since 31 March 2014. Mr. Zhang joined the Group in 2003, and has held numerous management positions in several of our key operating subsidiaries, including Fuzhou Zhongsheng Toyota Automobile Sales Co., Ltd., Dalian Zhongsheng Lexus Automobile Sales & Services Co., Ltd. and Dalian Zhongsheng Toyota Automobile Sales & Services Co., Ltd., primarily responsible for implementing the strategic decisions of the Group and liaising with the automakers regarding developing our brand automobile sales business. Mr. Zhang currently oversees the sales and management of our brand automobile sales business. Mr. Zhang has over 11 years' relevant experience and in-depth expertise in the People's Republic of China automobile industry. Mr. Zhang received a Master's degree in Business Administration from Dongbei University of Finance and Economics in 2003. Mr. Zhang also received Peak Performance General Manager awards in both 2006 and 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. Zhang was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Zhang 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. Zhang and the Company, the fixed portion of the annual salary of Mr. Zhang shall be no more than RMB2,000,000 (less any required deductions). The Company may provide Mr. Zhang with other benefits which it may determine from time to time. The emolument of Mr. Zhang 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. Zhang 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. Zhang that need to be brought to the attention of the Shareholders.

(6) Lin Yong ("Mr. Lin"), aged 44**Position & experience**

Mr. Lin has been an independent non-executive director of the Company since 31 March 2014. Mr. Lin has 17 years of experience in investment bank industry. He joined Haitong Securities Co., Ltd. in 1996 and was a general manager of the Investment Banking Department of Haitong Securities Co., Ltd. from 2001 to 2007. He has been the chief executive officer of Haitong International Holdings Limited (formerly known as "Hai Tong (HK) Financial Holdings Limited") since 2007 and is responsible for the overall operation of Haitong International Holdings Limited. He was appointed as an Executive Director of Haitong International Securities Group Ltd. which is a company listed on The Stock Exchange of Hong Kong Limited on 23 December 2009 and as the Joint Managing Director of this company on 10 March 2010. He has been a Deputy Chairman of the Board of Directors and the Managing Director of this company as well as the Chief Executive Officer of this Group since 29 April 2011. In addition, Mr. Lin is the chairman of the board of directors or a

director of various subsidiaries of this Company and a responsible officer of Hai Tong Asset Management (HK) Limited, Hai Tong Capital (HK) Limited, Haitong International Asset Management Limited and Haitong International Capital Limited under the Securities and Futures Ordinance. Mr. Lin is one of the first batch of sponsor representatives of China Securities Regulatory Committee. Mr. Lin also concurrently serves as a member of the advisory committee of the Securities and Futures Commission. In 2006, Mr. Lin was named 2006 Top Ten Outstanding Young Person in Financial Sector in Shanghai (2006年上海首屆十大金融傑出青年). He acts as an adjunct professor in Management College of Xiamen University since 12 May 2010. Mr. Lin was an independent non-executive director of Shenzhen Laibao Hi-Tech Co., Ltd., which is a company listed on the Shenzhen Stock Exchange, up to his resignation in April 2010. He was also an independent non-executive director of Mingfa Group (International) Company Limited from 9 October 2009 to 20 May 2011. The shares of this company are listed on The Stock Exchange of Hong Kong Limited. Mr. Lin holds a Doctorate Degree in Economics from Xi'an Jiaotong University.

Interests in Shares

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

Relationships

As far as the Directors are aware, Mr. Lin 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. Lin and the Company, Mr. Lin will be entitled to a fee for his services as an independent non-executive Director of the Company of HK\$250,000 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. Lin 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. Lin that need to be brought to the attention of the Shareholders.



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 Conference Room, 30/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong, on Monday, 23 June 2014 at 10:00 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 2013;
2. To declare a final dividend of HK\$0.12 per share for the year ended 31 December 2013;
3. To re-elect Mr. Li Guoqiang as an executive director of the Company;
4. To re-elect Mr. Du Qingshan as an executive director of the Company;
5. To re-elect Mr. Yu Guangming as an executive director of the Company;
6. To re-elect Mr. Zhang Zhicheng as an executive director of the Company;
7. To re-elect Mr. Leng Xuesong as a non-executive director of the Company;
8. To re-elect Mr. Lin Yong as an independent non-executive director of the Company;
9. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
10. 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;
11. 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

NOTICE OF THE ANNUAL GENERAL MEETING

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 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.";
12. 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

- 13. 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 11 and 12 of the notice convening the Annual General Meeting (the “Notice”), the general mandate referred to in the resolution set out in item 12 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

NOTICE OF THE ANNUAL GENERAL MEETING

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 11 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 of
Zhongsheng Group Holdings Limited
Huang Yi
Chairman

Hong Kong, 30 April 2014

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 Wednesday, 18 June 2014 to Monday, 23 June 2014, 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 Tuesday, 17 June 2014.
- (d) For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 27 June 2014 to Wednesday, 2 July 2014, 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 Thursday, 26 June 2014.
- (e) In relation to the ordinary resolutions set out in items 11, 12 and 13 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.