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If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China ZhengTong Auto Services Holdings Limited 中國正通汽車服務控股有限公司, you should at once hand this circular together with the accompanying form of proxy and annual report to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China ZhengTong Auto Services Holdings Limited
中國正通汽車服務控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)
(Stock code: 1728)

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2011 annual general meeting of China ZhengTong Auto Services Holdings Limited 中國正通汽車服務控股有限公司 (the "Company") is set out on Pages 19 to 22 of this circular. Whether or not you intend to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions stated thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

31 March 2011

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DEFINITIONS

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

“AGM”	the 2011 Annual General Meeting of the Company
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	China ZhengTong Auto Services Holdings Limited 中國正通汽車服務控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules, and in the context of the Company, means Grand Glory, Joy Capital and Mr. Wang
“Director(s)”	the director(s) of the Company
“Grand Glory”	Grand Glory Enterprises Limited, a company incorporated in Bahamas, whose entire issued share capital is the trust asset of The Grand Glory Trust, which was founded by Mr. Wang as settlor and managed by J.P. Morgan Trust Company (Bahamas) Limited as trustee for The Grand Glory Trust. The discretionary beneficiaries of The Grand Glory Trust include Mr. Wang and his family members
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to issue, allot and deal with unissued Shares up to a maximum of 20 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution

DEFINITIONS

“Joy Capital”	Joy Capital Holdings Limited, a company incorporated in BVI, which is wholly owned by Grand Glory and which is the direct controlling shareholder of the Company
“Latest Practicable Date”	25 March 2011, being the latest practicable date prior to the printing of this circular
“Listing Date”	10 December 2010, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wang”	Mr. Wang Muqing
“PRC”	The People’s Republic of China, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Pre-IPO Share Option Scheme”	the pre-initial public offering share option scheme adopted by the Company on 17 November 2010 under which the Company has granted options to certain Directors, senior management, employees and former employees of the Group to subscribe for Shares at the exercise price of RMB1.5, RMB2.0 or RMB2.5, depending on the date of grant
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange, or any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) with nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases issued by the Hong Kong Securities and Futures Commission
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

LETTER FROM THE BOARD



China ZhengTong Auto Services Holdings Limited
中國正通汽車服務控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock code: 1728)

Executive Directors:

Mr. WANG Kunpeng (王昆鵬) (*Chief Executive Officer*)
Mr. LI Zhubo (李著波) (*Chief Financial Officer*)
Mr. CAO Limin (曹里民) (*Senior Vice President*)
Mr. LIU Dongli (柳東麗) (*Chief Investment Officer*)
Mr. CHEN Tao (陳弢)

Registered Office:

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

Non-Executive Director:

Mr. WANG Muqing (王木清)

Principal Place of Business in

Hong Kong:
40/F, Jardine House
1 Connaught Place
Central
Hong Kong

Independent Non-Executive Directors:

Dr. WONG Tin Yau, Kelvin (黃天祐)
Mr. TAN Xiangyong (譚向勇)
Mr. ZHANG Yansheng (張燕生)

31 March 2011

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on Friday, 6 May 2011. These include ordinary resolutions relating to (i) the granting to the Directors the Repurchase Mandate and the Issue Mandate; and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

THE REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase on the Stock Exchange, or on any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution.

THE ISSUE MANDATE

An ordinary resolution will also be proposed at the AGM that the Directors be granted the Issue Mandate to issue, allot and deal with unissued Shares up to a maximum of 20 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there was a total of 2,000,000,000 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to issue up to a maximum of 400,000,000 Shares.

In addition, an ordinary resolution will be proposed at the AGM adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the AGM.

RE-ELECTION OF RETIRING DIRECTORS

In relation to item 2 in the notice of the AGM, Mr. Wang Kunpeng, Mr. Li Zhubo, Mr. Cao Limin, Mr. Liu Dongli, Mr. Wang, Mr. Chen Tao, Dr. Wong Tin Yau, Kelvin, Mr. Tan Xiangyong and Mr. Zhang Yansheng shall retire from office as Directors at the AGM and, being eligible, will offer themselves for re-election pursuant to the Articles.

Biographical details of the above retiring Directors proposed for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

LETTER FROM THE BOARD

NOTICE OF 2011 ANNUAL GENERAL MEETING

Notice of the AGM is set out in Appendix III to this circular. A form of proxy for appointing proxy is despatched with this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.zhengtongauto.com). Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions stated thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

VOTING AT THE 2011 ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules and the Company's Articles, all votes of the Shareholders at the general meetings must be taken by poll. An announcement on the results of the poll will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed granting of the Repurchase Mandate and Issue Mandate to the Directors and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,

For and on behalf of the Board

China ZhengTong Auto Services Holdings Limited

中國正通汽車服務控股有限公司

WANG Kunpeng

Executive Director

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 2,000,000,000 Shares in issue.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase up to a maximum of 200,000,000 Shares, being 10 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands.

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 for the year ended 31 December 2010) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the four months preceding the Latest Practicable Date commencing from the Listing Date:

Month	Share Prices Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
December	7.83	6.75
2011		
January	7.55	6.44
February	7.33	6.18
March (up to and including the Latest Practicable Date)	8.28	7.06

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

The Company has not been notified by any Connected Person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

If, as a result of a repurchase of Shares, 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 Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, 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.

As at the Latest Practicable Date, to the best of knowledge and belief of the Company, the Controlling Shareholders were interested in 1,453,977,500 Shares representing approximately 72.70 per cent of the total issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares, which is proposed to be granted to the Directors pursuant to the Repurchase Mandate, the shareholding of the Controlling Shareholders would be increased to approximately 80.78 per cent of the total issued share capital of the Company. The Directors consider that such increase would not give rise to an obligation on the Controlling Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the number of Shares held by the public to less than 25 per cent of the Company's total issued share capital. The Directors have no intention to exercise the Repurchase Mandate to such an extent as may result in the public shareholding falling below the minimum public float requirement.

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, since the Listing Date up to the Latest Practicable Date.

The following are the biographical details of the Directors proposed for re-election at the AGM:

1. MR. WANG KUNPENG – Executive Director

Mr. Wang Kunpeng (王昆鵬先生), aged 39, is an executive director appointed on 20 July 2010 and has served as the chief executive officer since 1 May 2010. Mr. Wang is also the chairman of the operation and management committee and a member of the remuneration committee of the Company. He has held several senior management positions within the Group since 2006, including at Hubei Shengze Industry Co., Ltd. (湖北聖澤實業有限公司) where he has been the chief executive officer since 2009 and was previously the special assistant of the president and at Wuhan Shengze Jietong Logistics Co., Ltd. (武漢聖澤捷通物流有限公司), where he was the general manager and had the primary responsibilities of overseeing the logistics services business. Prior to joining the Group, Mr. Wang held several positions in FAW-Volkswagen Sales Company Ltd. (一汽大眾銷售有限責任公司), a company engaged in distribution-related activities with respect to Volkswagen automobiles, from 1997 to 2006, including as the general manager of the central south China region from 2002 to 2006, the chief executive manager of Liaoning and Shandong region from 2000 to 2002, the manager of the Liaoning region from 1997 to 2000, where his primary responsibilities included the management of sales of, after-sales services for, and logistics services relating to Audi and Volkswagen branded automobiles. Mr. Wang received a diploma in vehicle engineering from Jilin University of Technology in 1994.

Mr. Wang has entered into a service contract with the Company for an initial term of three years with effect from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles.

Mr. Wang is entitled to a basic annual salary of RMB180,000 under his service contract. In addition, Mr. Wang is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive directors for any financial year of the Company may not exceed 10% of the audited combined or consolidated audited net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company. The emoluments of Mr. Wang are determined by the Board with the recommendation of the remuneration committee with reference to his commitment, responsibilities and performance as well as the Group's performance and prevailing market conditions.

Mr. Wang does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Wang was taken to be beneficially interested in 2,050,000 underlying shares of the Company within the meaning of Part XV of the SFO in respect of share options granted to him under the Pre-IPO Share Option Scheme.

2. MR. LI ZHUBO – Executive Director

Mr. Li Zhubo (李著波先生), aged 41, is an executive director appointed on 20 July 2010 and has served as the chief financial officer of the Group since 1 May 2010 with primary responsibilities for overall financial management of the Group. He is also a member of the operation and management committee of the Company. Mr. Li has also served as a vice president of Hubei Shengze Industry Co., Ltd. (湖北聖澤實業有限公司) since 2003. Mr. Li has 18 years of experience in financial management in the automobile industry. Prior to joining the Group in 1999, Mr. Li served as an accounting officer of Hubei Shenying Automobile Co., Ltd. (湖北神鷹汽車有限責任公司), a specialty vehicle manufacturer based in Hubei province, from July 1992 to July 1996. Mr. Li received a diploma in audit from Finance and Trading School of Yunyang and a junior college certificate in financial accounting jointly issued by the Amateur College and Direct Subordinate Organisation of Hubei Provincial Government in 1992 and 2004 respectively. He also completed the non-degree undergraduate accounting program jointly sponsored by Beijing Technology and Business University and The Open University of China in 2006.

Mr. Li has entered into a service contract with the Company for an initial term of three years with effect from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles.

Mr. Li is entitled to a basic annual salary of RMB108,000 under his service contract. In addition, Mr. Li is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive directors for any financial year of the Company may not exceed 10% of the audited combined or consolidated audited net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company. The emoluments of Mr. Li are determined by the Board with the recommendation of the remuneration committee with reference to his commitment, responsibilities and performance as well as the Group's performance and prevailing market conditions.

Mr. Li does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Li was taken to be beneficially interested in 2,050,000 underlying shares of the Company within the meaning of Part XV of the SFO in respect of share options granted to him under the Pre-IPO Share Option Scheme.

3. MR. CAO LIMIN – Executive Director

Mr. Cao Limin (曹里民先生), aged 41, has been an executive director since 7 August 2010 and a senior vice president since 1 August 2010. He is also a member of the operation and management committee of the Company. Mr. Cao has held several senior positions in Hubei Shengze Industry Co., Ltd. (湖北聖澤實業有限公司), including as vice president from 1998 to 2002, executive president from 2003 to 2009 and president since 2009. Mr. Cao has approximately 20 years of experience in the automobile industry. Prior to joining the Group in 1998, Mr. Cao was an assistant engineer in the manufacture design institute of Dongfeng Motor Corporation (東風汽車公司), an automobile manufacturer in China, from July 1991 to November 1996. Mr. Cao served as business manager of Dongfeng Automobile Industrial Financing Company (東風汽車工業財務公司) from November 1996 to March 1998. Mr. Cao received a bachelor's degree in computer applications from Fudan University in 1991.

Mr. Cao has entered into a service contract with the Company for an initial term of three years with effect from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles.

Mr. Cao is entitled to a basic annual salary of RMB180,000 under his service contract. In addition, Mr. Cao is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive directors for any financial year of the Company may not exceed 10% of the audited combined or consolidated audited net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company. The emoluments of Mr. Cao are determined by the Board with the recommendation of the remuneration committee with reference to his commitment, responsibilities and performance as well as the Group's performance and prevailing market conditions.

Mr. Cao does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Cao was taken to be beneficially interested in 2,050,000 underlying shares of the Company within the meaning of Part XV of the SFO in respect of share options granted to him under the Pre-IPO Share Option Scheme.

4. MR. LIU DONGLI – Executive Director

Mr. Liu Dongli (柳東麗先生), aged 40, has been an executive director since 7 August 2010 and the chief investment officer of the Group since 1 May 2010 and is responsible for strategic investments and the development of dealership network, including the establishment and acquisition of dealership stores. Mr. Liu has over 10 years of experience in the automobile industry. He is also a member of the nomination committee and a member of the operation and management committee of the Company. Mr. Liu was the vice president of Hubei Shengze Industry Co., Ltd. (湖北聖澤實業有限公司) from August 2009 to July 2010. Prior to joining the Group, Mr. Liu was the chief operating officer of China Grand Automotive Service Co., Ltd. (廣匯汽車服務股份公司), a major automobile dealership group in China, from October 2007 to February 2009, as its acting chief executive officer for one year and the chief dealership network officer from February 2009 to July 2009. From 1999 to 2007, Mr. Liu held various positions in Shanghai Shenhua Holdings Co., Ltd. (上海申華控股股份有限公司 stock code: 600653), a listed subsidiary of Brilliance Auto Group Co., Ltd. (華晨汽車集團控股有限公司) which is an automobile manufacturer that has indirectly established BMW Brilliance Automotive Co., Ltd. (華晨寶馬汽車有限公司) with BMW AG to manufacture BMW branded automobiles in China, including acting as the deputy manager of investment department from 1999 to 2002, the secretary to the board of directors and the head of investment department from 2002 to 2003, the vice president from June 2002 to October 2007 and a director from December 2005 to October 2007.

Mr. Liu received a bachelor's degree in business management from Shanghai University of Finance and Economics in 1992 and a master's degree in business administration from Shanghai University of Finance and Economics in 2000. Mr. Liu is also the vice chairman of the China Auto Dealers Chambers of Commerce and an executive member of China Automobile Dealers Association.

Mr. Liu has entered into a service contract with the Company for an initial term of three years with effect from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles.

Mr. Liu is entitled to a basic annual salary of RMB108,000 under his service contract. In addition, Mr. Liu is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive directors for any financial year of the Company may not exceed 10% of the audited combined or consolidated audited net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company. The emoluments of Mr. Liu are determined by the Board with the recommendation of the remuneration committee with reference to his commitment, responsibilities and performance as well as the Group's performance and prevailing market conditions.

Mr. Liu does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Liu was taken to be beneficially interested in 2,050,000 underlying shares of the Company within the meaning of Part XV of the SFO in respect of share options granted to him under the Pre-IPO Share Option Scheme.

5. MR. CHEN TAO – Executive Director

Mr. Chen Tao (陳弢先生), aged 40, had served as a non-executive director of the Group since 7 August 2010 and was re-designated as an executive director on 12 March 2011. Mr. Chen was a member of the audit committee of the Company from 17 November 2010 to 12 March 2011. He is responsible for investors' relationship. Mr. Chen has over 16 years of experience in management consulting and has been a consultant to Hubei Shengze Industry Co., Ltd. (湖北聖澤實業有限公司) since 2009. Prior to joining the Group, Mr. Chen served as a management consultant of Beijing Pilot Sales Marketing Management Consultant Co., Ltd. (北京派力營銷管理諮詢有限公司) from 1994 to 1998 and as a management consultant of Shanghai Bexcel Management Consultants Co., Ltd. (上海遠卓企業管理諮詢有限責任公司) from 1999 to 2009. Mr. Chen received a bachelor's degree in machinery design and manufacture from Zhejiang University in 1992.

Mr. Chen has entered into a service contract with the Company which supersedes the appointment letter following his re-designation as an executive director of the Company for an initial term of three years commencing from 12 March 2011, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Mr. Chen is entitled to an annual salary of RMB900,000 under his service contract. In addition, Mr. Chen is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive directors for any financial year of the Company may not exceed 10% of the audited combined or consolidated audited net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company. The emoluments of Mr. Chen are determined by the Board with the recommendation of the remuneration committee with reference to his commitment, responsibilities and performance as well as the Group's performance and prevailing market conditions. Mr. Chen was not entitled to any remuneration for holding his office as a non-executive director.

Mr. Chen does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Chen did not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

6. MR. WANG MUQING – Non-Executive Director

Mr. Wang Muqing (王木清先生), aged 60, is the founder of the Group and has served as a non-executive director since 9 July 2010. Mr. Wang is also the Controlling Shareholder of the Company. Prior to founding the Group in 1999, Mr. Wang held various positions from 1970 to 1998 in the Shiyang Representative Office of Hubei Industrial Building Group Installation Engineering Co., Ltd. (湖北省工業建築集團安裝工程有限公司十堰辦事處), which engaged in the business of the installation and commission of equipment. As he had an opportunity to meet with some of the manufacturers and/or distributors of automobiles, he became interested in establishing his own business in the automobile industry. He thus established an automobile trading business in 1996 with an initial registered capital amounted to RMB688,000. The management responsibility of such enterprise was then entrusted with other family members of Mr. Wang, and to date, he has not actively participated in the management of any 4S dealership business.

Mr. Wang has signed an appointment letter with the Company for an initial term of three years commencing from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Mr. Wang is not entitled to any remuneration for holding his office as a non-executive director.

Save for being one of the substantial and Controlling Shareholders of the Company, Mr. Wang does not have any relationships with any directors and senior management of the Company nor does he hold any other positions in the Group. Mr. Wang does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Wang was deemed to be interested in 1,453,977,500 Shares within the meaning of Part XV of the SFO. These Shares were directly owned by Joy Capital, a wholly owned subsidiary of Grand Glory whose entire issued share capital is the trust asset of The Grand Glory Trust which was founded by Mr. Wang as settlor with the discretionary beneficiaries of which including Mr. Wang and his family members.

7. DR. WONG TIN YAU, KELVIN – Independent Non-Executive Director

Dr. Wong Tin Yau, Kelvin (黃天祐博士), aged 50, has served as an independent non-executive director of the Group since 17 November 2010. Dr. Wong is also the chairman of the audit committee and a member of the remuneration committee of the Company. Dr. Wong is also an executive director and deputy managing director of, the chairman of the corporate governance committee and a member of the executive committee of COSCO Pacific Limited 中遠太平洋有限公司 (stock code: 1199), where he is responsible for the overall management, strategic planning, financial management and investor relations. Dr. Wong held various senior positions in several listed companies in Hong Kong before he joined COSCO Pacific Limited 中遠太平洋有限公司 in July 1996.

In addition, Dr. Wong is the Chairman of The Hong Kong Institute of Directors, Council Advisor and the former Chairman of the Hong Kong Chinese Orchestra Limited, a member of the OECD/World Bank Asian Corporate Governance Roundtable, a member of Main Board and GEM Listing Committee of The Stock Exchange of Hong Kong Limited, a member of the SFC (HKEC Listing) Committee of the Securities and Futures Commission, a member of the Appeal Board Panel (Town Planning), a member of the Standing Committee on Company Law Reform, a member of Corruption Prevention Advisory Committee of Independent Commission Against Corruption, a member of The Board of Review (Inland Revenue Ordinance) and a Board Director of Business Environment Council. He was a member of the Auditing and Assurance Standards Committee of the Hong Kong Institute of Certified Public Accountants and a member of the China Trade Advisory Committee of the Hong Kong Trade Development Council. Dr. Wong received a master of business administration from Andrews University in Michigan in the United States in 1992 and a doctor's degree from The Hong Kong Polytechnic University in 2007. He is an associate member of The Chartered Institute of Bankers, a member of the Hong Kong Securities Institute, The Chartered Institute of Marketing and the former National Investor Relations Institute in the United States. He has more than 25 years of working experience in management, banking and securities industries. Dr. Wong is also currently an independent non-executive director and the chairman of the audit committee of China Metal International Holdings Inc. 勤美達國際控股有限公司 (stock code: 0319), an independent non-executive director of CIG Yangtze Ports PLC (stock code: 8233) and an independent non-executive director of I.T Limited (stock code: 0999) and was an independent non-executive Director and the chairman of the audit committee of Tradelink Electronic Commerce Limited 貿易通電子貿易有限公司 (stock code: 0536).

Dr. Wong is the independent non-executive director who has the qualifications and experience (as mentioned above) to meet the requirements under Rule 3.10(2) of the Listing Rules.

Dr. Wong has signed an appointment letter with the Company for an initial term of three years commencing from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Dr. Wong is entitled to an annual director's fee of HK\$300,000 (which is covered by the appointment letter) as determined by the Board and the remuneration committee with reference to the market practice.

Dr. Wong does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group.

As at the Latest Practicable Date, Dr. Wong did not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

8. MR. TAN XIANGYONG – Independent Non-Executive Director

Mr. Tan Xiangyong (譚向勇先生), aged 53, has served as an independent non-executive director of the Group since 17 November 2010. Mr. Tan is also the chairman of the remuneration committee and a member of the nomination committee and the audit committee of the Company. Mr. Tan has been the president of Beijing Technology and Business University and as a doctoral supervisor in Economics since March 2008. Mr. Tan also holds several senior management positions in various associations and public bodies including, serving as the vice chairman of the China Logistic and Supply Association since 2007, the vice chairman of the China Agricultural Economics Institution since 1999, a council of the 7th and 8th Beijing municipal government since 2003 and a member of the expert committee of the “11th Five-Year Plan” of Beijing since 2005. Mr. Tan has also held several positions in various educational institutions, including Beijing Agricultural University (which became China Agricultural University in September 1995) from August 1982 to October 2005, where he was a professor and dean of the Economics and Management School from 1993 to 1997 and the executive vice dean of the postgraduate school from 1997 to 1998 and the vice president of the China Agricultural University from 1998 to 2005. Mr. Tan was also the president of Beijing Wuzi University from 2005 to 2008. Mr. Tan received a bachelor’s degree in agricultural economics in 1982, a master’s degree in agricultural economics and administration in 1988 and a doctor’s degree in agricultural economics and management in 1995 from Beijing Agricultural University. Mr. Tan is an expert entitled to special subsidy from the State Council of the PRC. Mr. Tan was recognized as a Beijing Excellent Tutor and National Excellent Tutor in 1995.

Mr. Tan has signed an appointment letter with the Company for an initial term of three years commencing from 17 November 2010, determinable by either party by giving 3 months’ written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Mr. Tan is entitled to an annual director’s fee of HK\$300,000 (which is covered by the appointment letter) as determined by the Board and the remuneration committee with reference to the market practice.

Mr. Tan does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any other positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Tan did not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

9. MR. ZHANG YANSHENG – Independent Non-Executive Director

Mr. Zhang Yansheng (張燕生先生), aged 56, has served as an independent non-executive director of the Group since 17 November 2010. Mr. Zhang is also the chairman of the nomination committee and a member of the audit committee of the Company. Mr. Zhang also serves in several senior management positions of various official bodies including as the head of the Institute for International Economic Research of the National Development and Reform Commission since 1996 and a professor of international finance of the Central University of Finance and Economics. Mr. Zhang previously served as the senior supervisor of the Central University of Finance and Economics from 1984 to 1996. Mr. Zhang received a bachelor's degree in law from Sichuan Normal College (now become Sichuan Normal University) in 1981 and graduated from the graduate school of Huazhong University of Science and Technology with a master's degree in Economics. Mr. Zhang is an expert entitled to special subsidy from the State Council of the PRC.

Mr. Zhang has signed an appointment letter with the Company for an initial term of three years commencing from 17 November 2010, determinable by either party by giving 3 months' written notice and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Mr. Zhang is entitled to an annual director's fee of HK\$300,000 (which is covered by the appointment letter) as determined by the Board and the remuneration committee with reference to the market practice.

Mr. Zhang does not have any relationships with any directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold any positions in the Group. He does not at present, nor did he in the last three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Zhang did not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

10. GENERAL

Save as disclosed above, each of the above retiring Directors proposed for re-election has confirmed that there is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.



China ZhengTong Auto Services Holdings Limited
中國正通汽車服務控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)
(Stock code: 1728)

NOTICE OF 2011 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2011 Annual General Meeting (the “Meeting”) of China ZhengTong Auto Services Holdings Limited 中國正通汽車服務控股有限公司 (the “Company”) will be held at Level 5, Tianshan and Lushan Rooms, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 6 May 2011 at 2:00 p.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December 2010.
2. To re-elect the retiring directors.
3. To authorise the board of directors to fix the directors’ remuneration.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. 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 (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved and authorised;

- (b) the aggregate nominal amount of the share capital of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period 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 approval pursuant to paragraph (a) shall be limited accordingly; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from the date of 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 of the shareholders of the Company 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.”.
6. 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, a general mandate be and is hereby unconditionally given to the directors of the Company (the “Directors”) to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with the unissued shares in the capital of the Company including the power to make an offer or agreement, or grant options which would or might require shares of the Company to be issued and allotted, whether during the continuance of the Relevant Period or thereafter;
- (b) the aggregate nominal amount of the share capital issued, allotted or agreed conditionally or unconditionally to be issued, allotted or dealt with pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, 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:
 - (i) a rights issue;
 - (ii) the exercise of options granted or to be granted under a share option scheme;

- (iii) the exercise of rights of subscription or conversion attaching to any securities which are convertible into shares of the Company or any warrants to subscribe for shares of the Company;
 - (iv) any scrip dividend schemes or similar arrangements implemented in accordance with the articles of association of the Company; or
 - (v) a specific authority granted or to be granted by the shareholders in general meeting; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of 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 of the shareholders of the Company 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.”.
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of ordinary resolutions 5 and 6 as set out in the notice convening this meeting, the general mandate granted to the Directors of the Company pursuant to resolution 6 to exercise the powers of the Company to issue, allot and deal with the unissued shares in the share capital of the Company be and is hereby extended by the addition thereto the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution 5, 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
China ZhengTong Auto Services Holdings Limited
中國正通汽車服務控股有限公司
Liang, Current Tien Tzu
Company Secretary

31 March 2011

Notes:

1. All resolutions at the Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the said form of proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from Wednesday, 4 May 2011 to Friday, 6 May 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 3 May 2011.

As at the date of this announcement, the Board comprises Mr. WANG Kunpeng (Chief Executive Officer), Mr. LI Zhubo, Mr. CAO Limin, Mr. LIU Dongli and Mr. CHEN Tao as Executive Directors; Mr. WANG Muqing as Non-Executive Director; and Dr. WONG Tin Yau, Kelvin, Mr. TAN Xiangyong and Mr. ZHANG Yansheng as Independent Non-Executive Directors.