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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 Shanghai Dongzheng Automotive Finance Co., Ltd.*, you should at once hand this circular and the accompanying form of proxy, to the purchaser or the transferee or to the bank, the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Shanghai Dongzheng Automotive Finance Co., Ltd.*
上海東正汽車金融股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2718)

**PROPOSED ELECTION OF SUPERVISOR;
PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
PROPOSED GENERAL MANDATE TO ISSUE
DEBT FINANCING INSTRUMENTS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting of Shanghai Dongzheng Automotive Finance Co., Ltd.* will be held at 11:00 a.m. on Tuesday, 14 June 2022 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC. A notice convening the AGM is set out on pages 8 to 10 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the Notice of Annual General Meeting carefully and to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for H Shareholders, or to the Company's registered office at Unit ABC, 30/F, Mirae Asset Tower, No. 166 Lu Jia Zui Ring Road, Shanghai, the PRC for Domestic Shareholder and Unlisted Foreign Shareholder, in any event not less than 24 hours before the time fixed for convening the Annual General Meeting or any adjourned meeting(s) thereof in person or by post. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting(s) thereof should you so wish.

* For identification purposes only

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 11:00 a.m. on Tuesday, 14 June 2022 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC
“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
“Board of Supervisors”	the board of Supervisors
“CBIRC”	the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)
“Company”	Shanghai Dongzheng Automotive Finance Co., Ltd.* (上海東正汽車金融股份有限公司), a joint stock company incorporated in the PRC with limited liability and whose H Shares are listed on the Stock Exchange (Stock Code: 2718)
“Debt Financing Instruments”	has the meaning ascribed to it under section headed “2. Matters to be considered at the AGM — III Proposed general mandate to issue debt financing instruments” of this circular
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	issued ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in Renminbi
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“H Share(s)”	issued ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	20 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares in the share capital of the Company, including Domestic Shares, Unlisted Foreign Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Unlisted Foreign Share(s)”	issued ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and held by persons other than PRC nationals or PRC-incorporated entities and are not listed on any stock exchange
“Unlisted Foreign Shareholder(s)”	holder(s) of Unlisted Foreign Shares



Shanghai Dongzheng Automotive Finance Co., Ltd.*

上海東正汽車金融股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2718)

Executive Directors:

Mr. Lin Fan (*Chairman*)
Mr. Shao Yongjun

Registered office:

Unit ABC, 30/F, Mirae Asset Tower
No. 166, Lu Jia Zui Ring Road
Shanghai, the PRC

Non-executive Directors:

Mr. Koh Tee Choong
Mr. Li Guozhou

Principal place of business in Hong Kong:

Unit 5905, 59/F
The Center

Independent Non-executive Directors:

Mr. Wong Man Chung Francis
Ms. Liang Yanjun

99 Queen's Road Central
Hong Kong

26 April 2022

To the Shareholders,

**PROPOSED ELECTION OF SUPERVISOR;
PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
PROPOSED GENERAL MANDATE TO ISSUE
DEBT FINANCING INSTRUMENTS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and the information in respect of the resolutions to be proposed at the AGM in relation to, among other matters: (i) the proposed election of Supervisor; (ii) the re-appointment of auditor of the Company; and (iii) the grant of a general mandate to the Board to issue the Debt Financing Instruments.

* *For identification purposes only*

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE AGM

(I) PROPOSED ELECTION OF SUPERVISOR

As disclosed in the announcement dated 26 May 2021 of the Company, Mr. Li Tao (“**Mr. Li**”) resigned from the position as a Supervisor due to health reason. According to the provisions of the Company Law of the PRC and the Articles of Association, Mr. Li shall continue to assume office until the newly elected Supervisor commences his/her term of office.

In view of the above, the Board of Supervisors held a meeting on 6 April 2022 and considered and approved the resolution on the proposed election of Ms. Wu Liyue (“**Ms. Wu**”) as a Shareholders representative Supervisor. The proposed election of Ms. Wu as a Supervisor shall be conducted in accordance with the Company’s Articles of Association and the relevant PRC laws and regulations, and is subject to the approval by the Shareholders by way of ordinary resolution in a general meeting of the Company.

The biography of Ms. Wu is as follows:

Ms. Wu, aged 36, has more than 13 years of compliance and management experience with over 7 years of experience in the automobile industry. She joined China Zhengtong Auto Services Holdings Limited, the controlling Shareholder, in 2014 and has been appointed as the managing director of the compliance department of the Company since January 2016. Ms. Wu received a bachelor’s degree in law from Beijing International Studies University in the PRC in 2007.

If appointed, Ms. Wu will enter into a Supervisor’s service agreement with the Company. The term of office of Ms. Wu will commence from the date of approval by the Shareholders by way of ordinary resolution in a general meeting of the Company and end on the expiry of the second session of the Board of Supervisors. Ms. Wu may be re-elected upon expiration of her term of office. Pursuant to the service agreement, Ms. Wu will be entitled to receive remuneration including salary, discretionary bonus, contributions to retirement benefit and other benefits. Ms. Wu’s remuneration will be determined with reference to her experience, qualifications and duties.

As at the Latest Practicable Date, Ms. Wu did not hold any interests or short positions in the Shares or underlying shares of the Company or its associated corporation which are discloseable under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Ms. Wu did not hold any directorships in other public companies the securities of which are listed on any securities market in the PRC, Hong Kong or overseas in the past three years, nor does she have any other relationship with any Directors, Supervisors, senior management or substantial shareholders or controlling shareholders of the Company, and nor does she hold other positions in the Company or major appointments and professional qualifications.

LETTER FROM THE BOARD

Save as disclosed above, the Board, to the best of its knowledge, is not aware of any other matters in relation to the appointment of Ms. Wu that need to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters which need to be brought to the attention of the Shareholders.

An ordinary resolution will be proposed at the AGM to consider and approve the proposed election of Ms. Wu as a Supervisor.

(II) PROPOSED RE-APPOINTMENT OF AUDITOR

The Company's auditor, KPMG, shall retire, and is eligible for re-appointment as auditor of the Company. It is proposed at the AGM to re-appoint KPMG as auditor of the Company for a term until the conclusion of the next annual general meeting of the Company, and to authorise the Board to fix the remuneration of the auditor appointed for the said term.

(III) PROPOSED GENERAL MANDATE TO ISSUE DEBT FINANCING INSTRUMENTS

In order to satisfy the Company's objective of long-term and stable development, optimize capital structure and to take advantage of favourable market opportunities, the Company proposes to grant a general and unconditional mandate to the Board to conduct debt financing. The debt financing instruments in the principal amount of not more than RMB2.5 billion (inclusive) in aggregate or the equivalent in foreign currency (the "**Debt Financing Instruments**") will be issued in one or several tranches in domestic or overseas markets, including but not limited to securities market bonds, corporate bonds, company bonds, asset-backed securities, asset-backed notes, domestic or overseas debt financing instruments denominated in Renminbi or foreign currencies, as permitted by regulatory authorities.

It is proposed at the AGM to grant a general and unconditional mandate to the Directors, and consent to the Board to further authorize the executive Directors to handle all relevant matters in relation to the issuance of the Debt Financing Instruments, including but not limited to, applying for registration, signing relevant declarations and issuance of documents and agreements. The proposed grant of the general mandate to the Board to issue the Debt Financing Instruments is subject to the approval of the Shareholders at the AGM by way of special resolution. The validity of the mandate is proposed to be from the date of which the relevant resolution is passed at the AGM to the date of the Company's next annual general meeting.

The Board and the delegated executive Directors shall exercise the aforesaid mandate prudently. Exercise of power according to this general mandate must comply with the Listing Rules, the Articles of Association, and the applicable laws and regulations of the PRC.

LETTER FROM THE BOARD

3. CLOSURE OF REGISTER OF MEMBERS

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the Company's H shares register of members will be closed from Thursday, 9 June 2022 to Tuesday, 14 June 2022 (both days inclusive), during which period no transfer of H Shares will be effected. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Wednesday, 8 June 2022.

4. PROXY ARRANGEMENT

The proxy form of the AGM is enclosed.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the enclosed proxy form in accordance with the instructions printed thereon, and the proxy form should be returned to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for H Shareholders, or to the Company's registered office at Unit ABC, 30/F, Mirae Asset Tower, No. 166 Lu Jia Zui Ring Road, Shanghai, the PRC for Domestic Shareholder and Unlisted Foreign Shareholder, in any event not less than 24 hours before the time fixed for convening the AGM or any adjourned meeting(s) thereof in person or by post. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any other adjourned meeting(s) thereof should you so wish.

5. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll. The poll results will be published on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.dongzhengafcc.com upon the conclusion of the AGM.

As at the Latest Practicable Date, no Shareholder is required to abstain from voting on any resolution.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Board considers that all the proposed resolutions at the AGM are in the interests of the Company and the Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favor of the proposed resolutions at the AGM as set out in the notice of the AGM.

By Order of the Board
Shanghai Dongzheng Automotive Finance Co., Ltd.*
LIN Fan
Chairman



Shanghai Dongzheng Automotive Finance Co., Ltd.*

上海東正汽車金融股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2718)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting (the “AGM”) of Shanghai Dongzheng Automotive Finance Co., Ltd.* (the “Company”) will be held at 11:00 a.m. on Tuesday, 14 June 2022 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC, to consider and, if thought fit, pass the following resolutions. Unless otherwise stated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 26 April 2022.

ORDINARY RESOLUTIONS

1. To consider and approve the report of the Directors for the year ended 31 December 2021.
2. To consider and approve the report of the Board of Supervisors for the year ended 31 December 2021.
3. To consider and approve the audited financial statements of the Company for the year ended 31 December 2021.
4. To consider and approve the annual report of the Company for the year ended 31 December 2021.
5. To consider and approve the authorisation to the Board to approve annual financial budget of the Company for the year ending 31 December 2022.
6. To consider and, if thought fit, approve that the Company will not declare final dividend for the year ended 31 December 2021.
7. To consider and approve the authorisation to the Board to deal with all issues in relation to the Company's distribution of interim dividend for the year 2022 at its absolute discretion (including, but not limited to determining whether to distribute interim dividend for the year 2022).
8. To consider and approve the proposed election of Ms. Wu Liyue as a Supervisor.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

9. To authorise the Board to determine the remuneration of the Directors and Supervisors for the year 2022.
10. To consider and approve the re-appointment of KPMG as the auditor of the Company for a term until the conclusion of the next annual general meeting of the Company, and to authorise the Board to determine its remuneration.

SPECIAL RESOLUTION

11. To consider and approve the grant of a general mandate to the Board to issue the Debt Financing Instruments.

By Order of the Board
Shanghai Dongzheng Automotive Finance Co., Ltd.*
LIN Fan
Chairman

Shanghai, PRC, 26 April 2022

Notes:

1. According to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll. The poll results will be published on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.dongzhengafc.com upon the conclusion of the AGM.
2. A shareholder entitled to attend and vote at the AGM announced to be convened herein is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a shareholder of the Company.
3. The proxy form together with notarised authorisation letters of signatories or other authorisation documents (if any) shall be invalid unless they are duly filled out and returned to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) or the Company's registered office (for Domestic Shareholder and Unlisted Foreign Shareholder) not less than 24 hours before the time fixed for convening the AGM or at any adjourned meeting(s) thereof. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting(s) thereof in person should you so wish.
4. In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the Company's H shares register of members will be closed from Thursday, 9 June 2022 to Tuesday, 14 June 2022 (both days inclusive), during which period no transfer of H Shares will be effected. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Wednesday, 8 June 2022.

NOTICE OF ANNUAL GENERAL MEETING

5. For joint holders, only the one whose name stands first in the register shall be entitled to attend the AGM and vote in respect thereof.
6. Shareholders or their proxies shall present their identity documents when attending the AGM:
 - (1) Corporate shareholders' legal representatives attending the meeting shall present their valid personal identification, valid documents that can prove their identities as legal representatives and documents proving their shareholder identities; where legal representatives authorise others to attend the meeting, in addition to the aforesaid documents, the proxies shall also present their valid personal identification and the written authorisation letters lawfully issued by the legal representatives (including authorizing others to sign). Where corporate shareholders authorise others to attend the meeting, the proxies shall present their valid personal identification, the authorisation resolution of the board of directors of corporate shareholders or other decision-making bodies and documents proving shareholder identities.
 - (2) Natural person shareholders attending the meeting in person shall present their valid personal identification and documents proving their shareholder identities; proxies attending the meeting shall present their valid personal identification, the authorisation letters from the shareholders and documents proving their shareholder identities.
7. The AGM is expected to last for not more than half a day. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.
8. The address of Computershare Hong Kong Investor Services Limited are 17M Floor and Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
9. The address of Company's registered office is Unit ABC, 30/F, Mirae Asset Tower, No. 166 Lu Jia Zui Ring Road, Shanghai, the PRC.

Telephone: 86 (21) 2068 9999

Facsimile: 86 (21) 2068 9996

As at the date of this notice, the Board comprises Mr. Lin Fan and Mr. Shao Yongjun as executive Directors; Mr. Koh Tee Choong and Mr. Li Guozhou as non-executive Directors; and Mr. Wong Man Chung Francis and Ms. Liang Yanjun as independent non-executive Directors.