
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 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.

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



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 NON-EXECUTIVE DIRECTOR
AND
PROPOSED AMENDMENT TO THE RULES OF PROCEDURE FOR
MEETINGS OF THE BOARD OF SUPERVISORS
AND
NOTICE OF 2022 FIRST EXTRAORDINARY GENERAL MEETING**

The 2022 First Extraordinary General Meeting of Shanghai Dongzheng Automotive Finance Co., Ltd.* will be held at 10:30 a.m. on Wednesday, 6 April 2022 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC. A notice convening the EGM is set out on pages 9 to 10 of this circular.

Whether or not you are able to attend the EGM, you are advised to read the Notice of 2022 First Extraordinary 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 2022 First Extraordinary 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 2022 First Extraordinary General Meeting or any adjourned meeting(s) thereof should you so wish.

* For identification purposes only

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I — Proposed Amendment to the Rules of Procedure for Meetings of the Board of Supervisors	7
Notice of 2022 First Extraordinary General Meeting	9

DEFINITIONS

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

“2022 First Extraordinary General Meeting” or “EGM”	the first extraordinary general meeting of 2022 to be convened by the Company at 10:30 a.m. on Wednesday, 6 April 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 of the Company
“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)
“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
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	10 March 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

DEFINITIONS

“Mr. Huang”	Mr. HUANG Shenggui
“PRC”	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
“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

16 March 2022

To the Shareholders,

**PROPOSED ELECTION OF NON-EXECUTIVE DIRECTOR
AND
PROPOSED AMENDMENT TO THE RULES OF PROCEDURE FOR
MEETINGS OF THE BOARD OF SUPERVISORS
AND
NOTICE OF 2022 FIRST EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the EGM and the information in respect of the resolutions to be proposed at the EGM in relation to (i) the proposed election of non-executive Director; and (ii) the proposed amendment to the Rules of Procedure for Meetings of the Board of Supervisors.

* *For identification purposes only*

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE EGM

(I) PROPOSED ELECTION OF NON-EXECUTIVE DIRECTOR

Reference is made to the announcement dated 10 March 2022 of the Company in relation to, among others, the resignation and proposed election of non-executive Director.

Mr. LI Guozhou (“**Mr. Li**”) tendered his resignation as a non-executive Director with effect from the effective date of appointment of Mr. Huang as a non-executive Director, as he intends to focus on the development of his other business commitments. Mr. Li has confirmed to the Board that he has no disagreement with the Board and the Company, and there is no other matter in relation to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange. The Board would like to express its sincere gratitude to Mr. Li for his invaluable contribution to the Company during his term of office with the Company.

The Board proposed to elect Mr. Huang as a non-executive Director (the “**Proposed Election**”). The Proposed Election shall be conducted in accordance with the Articles of Association and the relevant PRC laws and regulations, and it is conditional upon fulfilment of the following conditions (the “**Conditions**”):

- (i) the approval of the CBIRC on the qualification of Mr. Huang as a non-executive Director;
- (ii) the passing of a resolution by the Shareholders in a general meeting of the Company; and
- (iii) the entering into of a Director’s service agreement.

The biography of Mr. Huang is as follows:

Mr. Huang, aged 41, has 20 years of accounting and management experience in the automobile manufacturing industry in the PRC. Mr. Huang is currently a deputy general manager of the financial control department of Dongfeng Motor Corporation (東風汽車集團有限公司), a Shareholder. He has also been a general manager of Dongfeng Peugeot Citroën Automobile Finance Co., Ltd. (東風標緻雪鐵龍汽車金融有限公司).

Mr. Huang received a bachelor’s degree in management from South-Central University for Nationalities (中南民族大學) in June 2002. Mr. Huang has also been recognized as an accountant by Dongfeng Motor Human Resources Department (東風汽車人事部) in December 2008.

The term of office of Mr. Huang will commence from the date on which all the Conditions are fulfilled and end on the expiry of the second session of the Board. Mr. Huang may be re-elected upon expiration of his term of office. Mr. Huang will not receive remuneration from the Company.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Huang 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 SFO. Mr. Huang 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 he have any other relationship with any Directors, supervisors, senior management or substantial shareholders or controlling shareholders of the Company, and nor does he hold other positions in the Company or major appointments and professional qualifications.

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 Mr. Huang 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 EGM to consider and approve the proposed election of Mr. Huang as a non-executive Director.

(II) PROPOSED AMENDMENT TO THE RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF SUPERVISORS

To further improve the Company's corporate governance and in accordance with the requirement of the Corporate Governance Standards for Banking or Insurance Institutions issued by CBIRC, the Company has proposed to amend a provision of the existing Rules of Procedure for Meetings of the Board of Supervisors and an ordinary resolution will be proposed at the EGM to consider and approve the proposed amendment to the Rules of Procedure for Meetings of the Board of Supervisors. The text of the proposed amendments to the Rules of Procedure for Meetings of the Board of Supervisors is set out in Appendix I to this circular.

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 EGM, the Company's H shares register of members will be closed from Thursday, 31 March 2022 to Wednesday, 6 April 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 EGM, 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, 30 March 2022.

4. PROXY ARRANGEMENT

The proxy form of the EGM is enclosed.

LETTER FROM THE BOARD

If you intend to appoint a proxy to attend the EGM, 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 EGM 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 EGM 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, the resolutions proposed at the EGM 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 EGM.

To the best knowledge, information and belief of the Directors, as at the Latest Practicable Date, no Shareholder was required under the Listing Rules to abstain from voting on the proposed resolutions at the EGM.

6. RECOMMENDATION

The Board considers that the proposed resolutions at the EGM 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 as set out in the notice of the EGM.

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

DETAILS OF THE PROPOSED AMENDMENT TO THE RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF SUPERVISORS

Existing Rules of Procedure for Meetings of the Board of Supervisors	Proposed Rules of Procedure for Meetings of the Board of Supervisors
<p>Article 7 Supervisors shall perform the following responsibilities:</p> <ol style="list-style-type: none"> (1) to comply with the provisions of national laws, administrative regulations and the Articles of Association, and perform their duties in good faith and with due diligence; (2) to adhere to the principles of truthfulness, fairness and impartiality in their work; (3) to attend the meetings of the Board of Supervisors on time; (4) to maintain and protect the legitimate interests of the Company from infringement, not to use their authorities for personal gains or accept bribes, and not to divulge the Company’s secrets; (5) to be liable for losses incurred by the Company due to their faults; (6) If any resolution of the Board of Supervisors causes serious damage to the interests of the Company, and the supervisors involved in the resolution fail to perform their duties of diligence and prudence, such supervisors shall bear corresponding compensation liability in accordance with the degree of their faults, except that those supervisors who are proven to have expressed dissenting opinions on the resolution during the voting and recorded in the meeting minutes shall be exempted from liability; 	<p>Article 7 Supervisors shall perform the following responsibilities:</p> <ol style="list-style-type: none"> (1) to comply with the provisions of national laws, administrative regulations and the Articles of Association, and perform their duties in good faith and with due diligence; (2) to adhere to the principles of truthfulness, fairness and impartiality in their work; (3) to attend the meetings of the Board of Supervisors on time; (4) to maintain and protect the legitimate interests of the Company from infringement, not to use their authorities for personal gains or accept bribes, and not to divulge the Company’s secrets; (5) to be liable for losses incurred by the Company due to their faults; (6) If any resolution of the Board of Supervisors causes serious damage to the interests of the Company, and the supervisors involved in the resolution fail to perform their duties of diligence and prudence, such supervisors shall bear corresponding compensation liability in accordance with the degree of their faults, except that those supervisors who are proven to have expressed dissenting opinions on the resolution during the voting and recorded in the meeting minutes shall be exempted from liability;

Existing Rules of Procedure for Meetings of the Board of Supervisors	Proposed Rules of Procedure for Meetings of the Board of Supervisors
<p>(7) to bear the liability of compensation to the Company in cases where the supervisors violate the resolution of the Board of Supervisors and cause damages to the interests of the Company during the performance of their specific duties;</p> <p>(8) to bear the liability of compensation for any loss to the Company due to their breach of laws, administrative regulations or the Articles of Association in the course of performance of their duties.</p>	<p>(7) to bear the liability of compensation to the Company in cases where the supervisors violate the resolution of the Board of Supervisors and cause damages to the interests of the Company during the performance of their specific duties;</p> <p>(8) to bear the liability of compensation for any loss to the Company due to their breach of laws, administrative regulations or the Articles of Association in the course of performance of their duties;</p> <p><u>(9) to supervise the Board of Directors in establishing sound business philosophy and value criteria and formulating development strategies in line with the Company’s situation; to evaluate the scientificity, reasonableness and soundness of the Company’s development strategies and form evaluation reports.</u></p>



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 2022 FIRST EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the 2022 first extraordinary general meeting (the “EGM”) of Shanghai Dongzheng Automotive Finance Co., Ltd.* (the “Company”) will be held at 10:30 a.m. on Wednesday, 6 April 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 16 March 2022.

ORDINARY RESOLUTIONS

1. To consider and approve the proposed election of Mr. Huang Shenggui as a non-executive Director.
2. To consider and approve the proposed amendment to the Rules of Procedure for Meetings of the Board of Supervisors.

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

Shanghai, PRC, 16 March 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, the resolutions proposed at the EGM 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 EGM.
2. A shareholder entitled to attend and vote at the EGM 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.

* *For identification purposes only*

NOTICE OF 2022 FIRST EXTRAORDINARY GENERAL MEETING

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 EGM 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 EGM 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 EGM, the Company's H shares register of members will be closed from Thursday, 31 March 2022 to Wednesday, 6 April 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 EGM, 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, 30 March 2022.
5. For joint holders, only the one whose name stands first in the register shall be entitled to attend the EGM and vote in respect thereof.
6. Shareholders or their proxies shall present their identity documents when attending the EGM:
 - (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 EGM 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.