
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 and reply slip, 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 INDEPENDENT NON-EXECUTIVE
DIRECTOR AND
NOTICE OF THE 2019 FOURTH EXTRAORDINARY
GENERAL MEETING**

The 2019 Fourth EGM of Shanghai Dongzheng Automotive Finance Co., Ltd.* will be held at 11:00 a.m. on Tuesday, 31 December 2019 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC. A notice of convening the 2019 Fourth EGM is set out on pages 8 to 9 of this circular.

Whether or not you are able to attend the 2019 Fourth EGM, you are advised to read the notice of the 2019 Fourth EGM carefully and to complete the enclosed proxy form in accordance with the instructions printed thereon and return 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 served by hand or by post not less than 24 hours before the time appointed for convening the 2019 Fourth EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the 2019 Fourth EGM or any adjourned meeting(s) thereof in person if you so wish.

If you intend to attend the 2019 Fourth EGM in person or by proxy, you are required to complete and return the enclosed reply slip to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited (for H Shareholders) or the Company's registered office (for Domestic Shareholder and Unlisted Foreign Shareholder) on or before Wednesday, 11 December 2019.

* *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:

“2019 Fourth EGM”	the fourth extraordinary general meeting of 2019 to be convened by the Company at 11:00 a.m. on Tuesday, 31 December 2019 at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC
“Announcement”	the announcement dated 11 November 2019 of the Company in relation to the proposed election of independent non-executive Director
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board” or “Board of Directors”	the board of Directors 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)”	holders 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 dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	11 November 2019
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Wong”	Mr. WONG Man Chung Francis
“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)”	Shareholder(s) of the Company
“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



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

Non-executive Directors:

Mr. Koh Tee Choong
Mr. Li Guozhou

Independent Non-executive Directors:

Mr. Lau Wai Leung Anders
Mr. Lin Zheyang
Ms. Liang Yanjun

Registered office:

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

Principal place of business in the PRC:

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

Place of business in Hong Kong:

31/F, Tower Two, Time Square
1 Matheson Street, Causeway Bay
Hong Kong

15 November 2019

To the Shareholders,

**PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE
DIRECTOR AND
NOTICE OF THE 2019 FOURTH EXTRAORDINARY
GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the 2019 Fourth EGM and to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to be proposed at the 2019 Fourth EGM.

2. MATTER TO BE CONSIDERED AT THE 2019 FOURTH EGM

At the 2019 Fourth EGM, the following ordinary resolution will be proposed for approval.

* *For identification purposes only*

LETTER FROM THE BOARD

Resolution on the Proposed Election of Mr. Wong as an independent non-executive Director

Reference is made to the Announcement. The Board proposed to appoint Mr. Wong as an independent non-executive Director.

The biography of Mr. Wong is as follows:

Mr. WONG, aged 54, is currently a non-executive chairman of Union Alpha C.P.A. Limited, a non-executive director of Union Alpha CAAP Certified Public Accountants Limited, and a founding director and member of Francis M. C. Wong Charitable Foundation Limited. Mr. Wong holds a master's degree in management from Jinan University (暨南大學) in the PRC. He is also a fellow member of the Association of Chartered Certified Accountants of the United Kingdom, the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England and Wales and the Society of Chinese Accountants and Auditors, and a Certified Tax Advisor of the Taxation Institute of Hong Kong. He is a practising certified public accountant and has over 30 years of experience in auditing, taxation, corporate internal control and governance, acquisition and financial advisory, corporate restructuring or liquidation, family trust and wealth management.

Mr. Wong is currently an independent non-executive director of the following companies listed on the Stock Exchange: Qeeka Home (Cayman) Inc. (stock code: 1739); Hilong Holding Limited (stock code: 1623); China New Higher Education Group Limited (stock code: 2001); GCL-Poly Energy Holdings Limited (stock code: 3800); Greenheart Group Limited (stock code: 94); Integrated Waste Solutions Group Holdings Limited (stock code: 923); Wai Kee Holdings Limited (stock code: 610); Digital China Holdings Limited (stock code: 861) and China Oriental Group Company Limited (stock code: 581). During the period from June 2016 to August 2018, he served as an independent non-executive director of Kunming Dianchi Water Treatment Co., Ltd (stock code: 3768).

If appointed, Mr. Wong will enter into a director's service agreement with the Company. The term of office of Mr. Wong will commence from the date of approval by CBIRC and end on the expiry of the first session of the Board. Mr. Wong may be re-elected upon expiration of his term of office. According to the service agreement, Mr. Wong will be entitled to receive an annual director's remuneration of HK\$330,000. Mr. Wong's remuneration is determined with reference to his experience, qualification and duties.

Save as disclosed in this circular, Mr. Wong did not hold any directorships in other public companies the securities of which are listed on any securities market in 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, nor does he hold other positions in the Company or major appointments and professional qualifications.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Wong did not hold any interests or short positions in the Shares or the underlying shares of the Company or its associated corporation which are discloseable under Part XV of the SFO.

The Board, taking into consideration the qualification, skills, knowledge, and experiences, and having regards to the relevant requirements of the Listing Rules and the Board diversity policy of the Company, believes that Mr. Wong is a suitable candidate as the Director.

The Board has reviewed and assessed the independence of Mr. Wong with respect to his confirmation of independence in accordance with Rule 3.13 of the Listing Rules, and is of opinion that Mr. Wong satisfies the independence requirements.

The Board believes that Mr. Wong's education background, professional qualifications, and diverse experiences enable him to provide balanced, objective, valuable and diverse views, as well as relevant insights to the Board and contribute to the diversity of the Board.

Notwithstanding Mr. Wong currently serves as an independent non-executive Director of nine listed companies, Mr. Wong believes that he continues to have sufficient time to discharge his duties as a director, based on the following factors: (1) Mr. Wong does not hold any executive role in Union Alpha C.P.A. Limited and Union Alpha CAAP Certified Public Accountants Limited and is not involved in their daily operation; (2) as for Mr. Wong's independent non-executive directors positions in other listed companies, based on the review of the publicly available information from January 2013 and up to September 2019, his attendance at the annual general meetings, extraordinary general meetings, board meetings and board committee meetings reached over 90%; (3) Mr. Wong did not hold any senior management role in the other listed companies. His involvement in other listed companies as an independent non-executive director does not require him to participate in the day-to-day management of these companies and does not require him to devote substantial time and attention as is required from senior management members of listed companies; (4) Mr. Wong's experience as an independent non-executive director of listed companies in Hong Kong would facilitate his understanding of corporate governance and his proper discharge of responsibilities as a director; and (5) Mr. Wong has undertaken to devote sufficient time to attend to the management of the Company.

Taking into the above reasons, the Board believes that Mr. Wong will be able to devote sufficient time to the Company and will be able to discharge his duties as an independent non-executive Director.

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. Wong 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.

LETTER FROM THE BOARD

An ordinary resolution regarding the proposed election of Mr. Wong as an independent non-executive Director will be proposed at the 2019 Fourth EGM for consideration and approval.

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 2019 Fourth EGM, the Company's H shares register of members will be closed from Saturday, 30 November 2019 to Tuesday, 31 December 2019 (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 2019 Fourth 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 Friday, 29 November 2019.

4. REPLY SLIP AND PROXY ARRANGEMENT

The proxy form and the reply slip of the 2019 Fourth EGM are enclosed.

If you intend to appoint a proxy to attend the 2019 Fourth EGM, you are required to complete and return the enclosed proxy form in accordance with the instructions printed thereon, 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 holding the 2019 Fourth EGM or any adjourned meeting 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 2019 Fourth EGM or at any other adjourned meeting should you so wish.

If you intend to attend the 2019 Fourth EGM in person or by proxy, you are required to complete and return the enclosed reply slip to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholder) or to the Company's registered office (for Domestic Shareholder and Unlisted Foreign Shareholder) on or before Wednesday, 11 December 2019.

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 resolution proposed at the 2019 Fourth 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.dongzhengafcc.com upon the conclusion of the 2019 Fourth EGM.

LETTER FROM THE BOARD

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

6. RECOMMENDATION

The Board considers that the proposed election of Mr. Wong as an independent non-executive Director is in the interests of the Company and its Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favor of the proposed resolution at the 2019 Fourth EGM.

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 THE 2019 FOURTH EXTRAORDINARY
GENERAL MEETING**

Notice is hereby given that the fourth extraordinary general meeting of 2019 (the “**2019 Fourth EGM**”) of Shanghai Dongzheng Automotive Finance Co., Ltd.* (the “**Company**”) will be held at Unit ABC, 30/F, Mirae Asset Tower, No. 166, Lu Jia Zui Ring Road, Shanghai, the PRC at 11:00 a.m. on Tuesday, 31 December 2019, to consider and, if thought fit, pass the following resolution. Unless otherwise defined, capitalised terms used herein have the same meanings as those defined in the circular dated 15 November 2019 of the Company.

ORDINARY RESOLUTION

1. To consider and approve the proposed election of Mr. WONG Man Chung Francis as an independent non-executive Director and authorise the Board to determine his remuneration.

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

Shanghai, PRC, 15 November 2019

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. Lau Wai Leung Anders, Mr. Lin Zheyang and Ms. Liang Yanjun as independent non-executive Directors.

* *For identification purposes only*

NOTICE OF THE 2019 FOURTH EXTRAORDINARY GENERAL MEETING

Notes:

1. According to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, 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 resolution proposed at the 2019 Fourth 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.dongzhengaf.com upon the conclusion of the 2019 Fourth EGM.
2. A shareholder entitled to attend and vote at the 2019 Fourth 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.
3. The proxy form together with notarised authorisation letters of signatories or other authorisation documents (if any) shall be invalid unless they are 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 designated for holding the 2019 Fourth EGM or any adjournment thereof. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Center, 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 2019 Fourth EGM or any adjournment thereof if you so wish.
4. In order to determine the list of H Shareholders who will be entitled to attend and vote at the 2019 Fourth EGM, the Company's H shares register of members will be closed from Saturday, 30 November 2019 to Tuesday, 31 December 2019 (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 2019 Fourth 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 Friday, 29 November 2019.
5. For joint holders, only the one whose name stands first in the register shall be entitled to attend the 2019 Fourth EGM and vote in respect thereof.
6. Shareholders who intend to attend the 2019 Fourth EGM in person or by proxy shall submit the reply slip for 2019 Fourth EGM in person or by mail 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) on or before Wednesday, 11 December 2019.
7. Shareholders or their proxies shall present their identity documents when attending the 2019 Fourth 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.
8. The 2019 Fourth 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.
9. The address of Computershare Hong Kong Investor Services Limited are 17M Floor and Shops 1712–1716, 17/F, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong.
10. 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

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