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HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3389)

(1) GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME (2) CONNECTED TRANSACTION INVOLVING GRANT OF AWARDED SHARES TO CONNECTED PERSONS

On 24 April 2019, the Board resolved to grant 30,000,000 Awarded Shares to seven Selected Participants pursuant to the Share Award Scheme adopted by the Company on 25 March 2015, of which (i) 10,000,000 Awarded Shares are to be granted to four employees of the Company, who are Independent Third Parties; and (ii) 20,000,000 Awarded Shares are to be granted to three executive Directors, namely Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan, who are connected persons of the Company.

LISTING RULES IMPLICATIONS

Since each of Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan is an executive director of the Company and therefore a connected person of the Company, the grant of Awarded Shares to them constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As any of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, such grant of Awarded Shares to executive Directors is subject to reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

Reference is made to the announcement of Hengdeli Holdings Limited (the “**Company**”) dated 25 March 2015 (the “**Announcement**”) relating to the adoption of the share award scheme (the “**Share Award Scheme**”) by the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcement.

GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME AND CONNECTED TRANSACTION INVOLVING GRANT OF AWARDED SHARES TO CONNECTED PERSONS

On 24 April 2019, the Board resolved to grant 30,000,000 Awarded Shares to seven Selected Participants (the “**Awardees**”) pursuant to the Share Award Scheme adopted by the Company on 25 March 2015, of which (i) 10,000,000 Awarded Shares are to be granted to four employees of the Company, who are Independent Third Parties; and (ii) 20,000,000 Awarded Shares are to be granted to three executive Directors, namely Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan, who are connected persons of the Company. Further details of the Awardees are set out below:

Independent Third Parties	Number of Awarded Shares
Four employees of the Company, who to the best of the Directors’ knowledge, information and belief having made all reasonable inquiry, are independent of and not connected with any connected persons of the Company (the “ Independent Third Parties ”)	10,000,000
Connected persons	
– Mr. Zhang Yuping	12,000,000
– Mr. Huang Yonghua	4,000,000
– Mr. Lee Shu Chung Stan	4,000,000
Total	30,000,000

The closing price of the Shares on the Reference Date was HK\$0.405. The Awarded Shares were granted to the Awardees at nil consideration. The Awarded Shares have been purchased and are currently held by the Trustee in accordance with the Share Award Scheme and subject to the terms of the Trust Deed. Subject to the Share Award Scheme and save for a lapse or a partial lapse (as detailed in the Announcement) and unless otherwise determined by the Board, the Awarded Shares shall be vested on 26 April 2019.

REASONS FOR THE AWARD OF THE AWARDED SHARES

The Company is an investment holding company and its subsidiaries are the retailers of internationally renowned watch brands and manufacturers of watch accessories.

The specific objectives of the Share Award Scheme are to recognise the contributions by certain Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for the growth and further development of the Group. The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the grant of Awarded Shares are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan, who have material interests in the grant of Awarded Shares, have abstained from voting on the resolution approving the grant of Awarded Shares to them.

LISTING RULES IMPLICATIONS

The grant of Awarded Shares to each of Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan does not form part of their respective remuneration package. Since each of Mr. Zhang Yuping, Mr. Huang Yonghua and Mr. Lee Shu Chung Stan is an executive director of the Company and therefore a connected person of the Company, the grant of Awarded Shares to them constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As any of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, such grant of Awarded Shares to executive Directors is subject to reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

By order of the Board
Hengdeli Holdings Limited
Zhang Yuping
Chairman

Hong Kong, 24 April 2019

As at the date of this announcement, the executive Directors are Mr. Zhang Yuping (chairman), Mr. Huang Yonghua and Mr. Lee Shu Chung, Stan; the non-executive Director is Mr. Shi Zhongyang; and the independent non-executive Directors are Mr. Cai Jianmin, Mr. Wong Kam Fai, William and Mr. Liu Xueling.