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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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hengdeli Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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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HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

- (1) GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES;**
- (2) RE-ELECTION OF RETIRING DIRECTORS;**
- (3) PROPOSED ADOPTION OF AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION;**
- AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Lotus Room, 6/F, Marco Polo Hongkong Hotel, No. 3 Canton Road, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 12 May 2023 at 11:00 a.m. is set out on pages 27 to 30 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. before Wednesday, 10 May 2023 at 11:00 a.m. (Hong Kong time)). Completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person.

3 April 2023

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Lotus Room, 6/F, Marco Polo Hongkong Hotel, No. 3 Canton Road, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 12 May 2023 at 11:00 a.m., the notice of which is set out on pages 27 to 30 of this circular
“Articles of Association”	the existing articles of association of the Company
“Board”	the board of Directors
“Close Associate(s)”	has the meanings ascribed to it under the Listing Rules
“Company”	Hengdeli Holdings Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange
“Core Connected Person(s)”	has the meanings ascribed to it under the Listing Rules
“Corporate Governance Code”	The Corporate Governance Code set out in Appendix 14 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors to allot, issue and deal with the aggregate number of Shares not exceeding the aggregate of 20% of the total number of issued Shares as at the date of the passing of Resolution No. 4A
“Latest Practicable Date”	27 March 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notice”	the notice convening the Annual General Meeting which is set out on pages 27 to 30 of this circular
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the existing memorandum and articles of association of the Company, details of which are set out in Appendix III to this circular
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares up to a maximum number of 10% of the total number of issued Shares as at the date of the passing of Resolution No. 4B
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of par value of HK\$0.005 each in the capital of the Company
“Shareholder(s)”	Holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent

LETTER FROM THE BOARD



HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

Executive Directors:

Mr. ZHANG Yuping (*Chairman*)

Mr. HUANG Yonghua

Mr. LEE Shu Chung, Stan

Non-executive Director:

Mr. SHI Zhongyang

Independent Non-executive Directors:

Mr. CAI Jianmin

Mr. WONG Kam Fai, William

Mr. LIU Xueling

Ms. QIAN Weiqing

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Head Office and Principal Place of

Business in Hong Kong:

Room 301, 3/F, Lippo Sun Plaza

28 Canton Road

Tsim Sha Tsui, Kowloon

Hong Kong

3 April 2023

To Shareholders

Dear Sir or Madam,

- (1) GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES;**
(2) RE-ELECTION OF RETIRING DIRECTORS;
**(3) PROPOSED ADOPTION OF AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION;**
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting, including resolutions for: (i) granting the Directors general mandate to issue new Shares; (ii) granting the Directors general mandate to repurchase Shares; (iii) extension of general mandate to issue Shares; (iv) re-election of retiring Directors; and (v) the adoption of the Amended and Restated Memorandum and Articles of Association, and to give you the notice of the AGM.

LETTER FROM THE BOARD

1. General Mandate To Issue Shares

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 4A, will be proposed for the Shareholders to consider and if, thought fit, to grant the Issue Mandate to the Directors to allot, issue and deal with the aggregate number of Shares not exceeding the aggregate of 20% of the total number of issued Shares as at the date of the passing of such resolution, that is 880,803,791 Shares, assuming there is no further issue or repurchase of Shares from the Latest Practicable Date to the date of the Annual General Meeting. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Issue Mandate is set out in Resolution No. 4A in the Notice.

The Issue Mandate to issue Shares will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and (iii) the revocation or variation of the authority given under Resolution No.4A by an ordinary resolution of the Shareholders in general meeting.

2. General Mandate To Repurchase Shares

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 4B, will be proposed for the Shareholders to consider and if, thought fit, to grant the Repurchase Mandate to enable the Directors to exercise all powers of the Company to repurchase Shares subject to the criteria set out in this circular. Shareholders should note that the maximum number of Shares that may be repurchased will be 10% of the total number of issued Shares as at the date of the passing of such resolution. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate is set out in Resolution No. 4B in the Notice.

An explanatory statement containing all relevant information relating to the Repurchase Mandate and as required pursuant to the Listing Rules is set out in Appendix I to this circular. The information in the explanatory statement is 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 relating to the Repurchase Mandate.

3. Extension Of General Mandate To Issue Shares

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 5, will be proposed that the Issue Mandate, if approved, will be extended by the addition to the aggregate number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate, if approved, provided that such extended amount in aggregate will not exceed 10% of the total number of the issued Shares on the date of the resolution approving the Issue Mandate. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to extension of the Issue Mandate is set out in Resolution No. 5 in the Notice.

LETTER FROM THE BOARD

4. Re-Election Of Retiring Directors

Mr. Lee Shu Chung, Stan, Mr. Shi Zhongyang and Mr. Liu Xueling will retire by rotation in accordance with the Articles of Association and the Code Provision of the Corporate Governance Code. Mr. Lee Shu Chung, Stan, Mr. Shi Zhongyang and Mr. Liu Xueling being eligible, offer themselves for re-election at the Annual General Meeting. Under Resolution No. 2, re-election of the retiring Directors will be individually voted on by the Shareholders.

Ms. Qian Weiqing was appointed as an independent non-executive Director with effect from 21 March 2023. Being a Director appointed by the Board as an addition to the existing Board, Ms. Qian Jun shall retire in accordance with Article 86(3) of the Articles of Association and, being eligible, offers herself for re-election at the Annual General Meeting.

Pursuant to Code Provision B.2.3 of the Corporate Governance Code, if an independent non-executive director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Notwithstanding that Mr. Liu Xueling has served as an independent non-executive Director for more than nine years, (i) the Board has assessed and reviewed his annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Liu remains independent; (ii) the nomination committee of the Company has assessed and is satisfied of the independence of Mr. Liu; and (iii) the Board considers that Mr. Liu remains independent of the management and free of any relationship which could materially interfere with the exercise of his independent judgment. In view of the aforesaid factors, the Board opines that Mr. Liu still remain independent although they have served in the Company for a long time and believes that their experience and knowledge in the business sectors in which the Company operates would bring huge benefits to the Board, the Company and the Shareholders. The Board would recommend Mr. Liu for re-election at the Annual General Meeting.

Particulars of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

5. Proposed Adoption Of Amended And Restated Memorandum And Articles Of Association

Reference is made to the announcement of the Company dated 21 March 2023 in relation to (among others) the proposed amendments to the Articles.

In view of the number of the Proposed Amendments, the Board proposes to adopt the Amended and Restated Memorandum and Articles of Association (“New Articles”) in substitution and exclusion of the existing Memorandum and Articles of Association.

LETTER FROM THE BOARD

The major areas of the Proposed Amendments include:

- (1) to include certain defined terms to align with the applicable laws of the Cayman Islands and the Listing Rules including “Act”, “announcement”, “electronic communication”, “electronic meeting”, “hybrid meeting”, “Listing Rules” and “physical meeting”, and to update the relevant provisions in the New Articles in this regard;
- (2) to replace certain defined terms and to align with the relevant provisions in the New Articles including “Law” to “Act”;
- (3) to add notice for the suspension of registration of transfers of shares may be given by announcement or by electronic communication;
- (4) to provide that meeting of members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting;
- (5) to allow all general meetings of the Company (including an annual general meeting, any adjourned or postponed meeting) to be held as physical meetings in any part of the world and at one or more locations, or as hybrid meetings or electronic meetings where the members may participate virtually by means of electronic facilities;
- (6) to specify the additional details that need to be included in a notice of general meeting in light of allowing general meetings to be held at one or more meeting locations, or as hybrid meetings or electronic meetings;
- (7) to expressly allow the chairman of a general meeting to make arrangements for managing the attendance and participation in the meeting, including adjourning the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting), and imposing appropriate requirements or restrictions to ensure the security and the proper and orderly conduct of the meeting;
- (8) to provide that, where the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold a general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling for such meeting, they may change or postpone the meeting to another date, time and/or place, change the electronic facilities and/or change the form of the meeting (a physical meeting, a hybrid meeting or an electronic meeting) without approval from the members;

LETTER FROM THE BOARD

- (9) to provide that an electronic address can be provided for the receipt of any document or information relating to proxies for a general meeting;
- (10) to provide that all members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration; and
- (11) to provide that the members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove the auditor at any time before the expiration of his term of office.

Please refer to Appendix III to this circular for further particulars relating to the Proposed Amendments.

The Company has been advised by its legal adviser as to Hong Kong laws that the Proposed Amendments are not inconsistent with the requirements of the Listing Rules and has been advised by its legal adviser to Cayman Islands laws that the Proposed Amendments do not contravene or violate the applicable laws of the Cayman Islands. The Company also confirms that there is nothing unusual about the Proposed Amendments for a company listed on the Stock Exchange.

Accordingly, the Board proposes to adopt the New Articles in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association. The adoption of the New Articles is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting.

The Shareholders are advised that the Amended and Restated Memorandum and Articles of Association are available only in English and the Chinese translation of the Amended and Restated Memorandum and Articles of Association is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

6. Annual General Meeting

The Notice of the Annual General Meeting is set out on pages 27 to 30 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, and the re-election of the retiring Directors.

A form of proxy for the Annual General Meeting is enclosed with this circular. If you do not intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours

LETTER FROM THE BOARD

before the time fixed for the Annual General Meeting (i.e. before Wednesday, 10 May 2023 at 11:00 a.m. (Hong Kong time)). The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person.

7. Listing Rules Requirement

According to Rule 13.39(4) of the Listing Rules, except where the chairman of the meeting, 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, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to vote at the Annual General Meeting will be taken by way of poll.

An announcement of the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. Recommendation

The Directors believe that the proposals mentioned above, including the proposals for the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors and the proposed amendments to the Memorandum and Articles of Association of the Company are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all of these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
HENGDELI HOLDINGS LIMITED
Zhang Yuping
Chairman

The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the Annual General Meeting authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

It is proposed that up to 10% of the total number of issued Shares as at the date of the passing of the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, the total number of issued Shares was 4,404,018,959. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares would be issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 440,401,895 Shares (being 10% of the total number of Shares in issue) during the period up to (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required its Articles of Association or any applicable law to be held; or (c) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASES

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, enhance the net assets value of the Company and/or earnings per Share.

3. FUNDING OF REPURCHASES

The Company is empowered by its memorandum and articles of association and the applicable laws of the Cayman Islands to repurchase its Shares. The Cayman Islands laws provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the fund of the Company that would otherwise be legally available for dividend or distribution or out of the share premium account of the Company for such purpose under the laws of the Cayman Islands. Under the Cayman Islands law, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced so that the Shares may be subsequently re-issued.

As compared with the financial position of the Company as at 31 December 2022 (being the date of its latest published audited accounts), the Directors consider that there would be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. The Directors confirm that no repurchase would be made to such extent as would have a material adverse impact on the working capital or gearing position of the Company.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

To the best of the knowledge and belief of the Directors having made all reasonable enquiries, none of the Directors nor any of the Close Associates of any Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares held by him/her/it to the Company.

As at the Latest Practicable Date, no Core Connected Person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the Articles of Association.

6. EFFECT OF TAKEOVERS CODE

If as a result of a share repurchase exercised pursuant to the Repurchase Mandate, 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 the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Best Growth International Limited, held 1,505,832,901 Shares (representing approximately 34.19% of the total number of issued Shares) and Mr. Zhang Yuping, the Director and chairman of the Company, was interested or deemed to be interested in the said 1,505,832,901 Shares (representing approximately 34.19% of the total number of issued Shares). Meanwhile, Mr. Zhang Yuping personally held 91,723,600 Shares (representing approximately 2.08% of the total number of issued Shares). Therefore, Mr. Zhang Yuping is interested in 1,597,556,501 Shares (representing approximately 36.27% of the total number of issued Shares) in total. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of Resolution No. 4B to be proposed at the Annual General Meeting, then (if the present shareholdings otherwise remained the same) the respective shareholding of Best Growth International Limited and Mr. Zhang Yuping in the Company would be increased to approximately 37.99% and 40.30% of the total number of issued Shares and accordingly Best Growth International Limited and Mr. Zhang Yuping will be obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in takeover obligations. The Directors also have no intention to repurchase Shares which would result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARE PURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest prices at which the Shares had traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date were as follows:–

	Shares	
	Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
2022		
April	0.270	0.255
May	0.320	0.230
June	0.300	0.260
July	0.285	0.260
August	0.275	0.238
September	0.255	0.240
October	0.250	0.239
November	0.260	0.160
December	0.249	0.162
2023		
January	0.280	0.192
February	0.194	0.113
March	0.147	0.125

1. PARTICULARS OF THE DIRECTORS

The following are the particulars of the Directors to be retired and proposed to be re-elected at the Annual General Meeting:

Mr. Lee Shu Chung, Stan (李樹忠) (“Mr. Lee”)

Mr. Lee Shu Chung, Stan (李樹忠), aged 63, is an executive Director. He joined the Group in 2007 and is responsible for overall coordination and management of the Group’s retail business and brand wholesale business. Mr. Lee has nearly 30 years of experience in watch manufacturing, retail and distribution.

Pursuant to terms of a service contract entered into between the Company and Mr. Lee, Mr. Lee will serve as an executive Director for 3 years commencing from 15 May 2022. The service contract may be terminated by not less than three months’ prior notice in writing served by each party on the other in accordance with the Articles of Association. The Director’s fee payable to him will be determined by the Directors pursuant to the authority granted by the Shareholders at the Annual General Meeting and by reference to his duties and responsibilities with the Company, the Company’s current standards for emolument and the market condition. Mr. Lee’s current annual remuneration, including any bonus payments, is HK\$180,000 pursuant to terms of the service contract. As at the Latest Practicable Date, to the best knowledge and belief of the Company, Mr. Lee was interested or deemed to be interested in 5,920,000 Shares (representing approximately 0.13% of the total number of issued Shares) within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Lee has no relationship with any Directors or the senior management of the Company, or with any substantial Shareholders or controlling Shareholders. Mr. Lee has not held any directorship in any other listed company in the last 3 years. Save as disclosed in this circular, Mr. Lee has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election, nor is there any information required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

Mr. Shi Zhongyang (史仲陽) (“Mr. Shi”)

Mr. Shi Zhongyang (史仲陽), aged 48, is a non-executive Director. Mr. Shi graduated from Nanjing University in the PRC and University of Goetting in Germany with a Master’s Degree in Law. Mr. Shi joined The Swatch Group Limited in 2000 and joined the Group in 2006. He is currently a legal counsel of the legal department of The Swatch Group Limited.

Pursuant to terms of a service contract entered into between the Company and Mr. Shi, Mr. Shi serves as a non-executive Director for 3 years commencing from 15 February 2021. The service contract may be terminated by not less than three months’ prior notice in writing served by each party on the other in accordance with the Articles of Association. The Director’s fee payable to him will be determined by the Directors pursuant to the authority granted by the Shareholders at the Annual General Meeting and by reference to his duties and responsibilities with the Company, the Company’s current standards for emolument and the market condition. Mr. Shi’s current annual director fee, including any bonus payments, is HK\$100,000. As at the Latest Practicable Date, to the best knowledge and belief of the Company, Mr. Shi does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Shi has no relationship with any Directors or the senior management of the Company, or with any management Shareholders, substantial Shareholders or controlling Shareholders. Mr. Shi has not held any directorship in any other listed company in the last 3 years. Save as disclosed in this circular, Mr. Shi has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election, nor is there any information required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

Mr. Liu Xueling (劉學靈) (“Mr. Liu”)

Mr. Liu Xueling (劉學靈), aged 65, is an independent non-executive Director. He graduated from East China Normal University in Shanghai with a Doctorate Degree in History. At present, he is a senior lawyer in Shanghai Tongyan Law Firm (上海市通研律師事務所). He joined the Group in 2007 and served as an independent director of Shanghai Qiangsheng Holding Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600662), and has retired from the position in 2020.

Pursuant to terms of a service contract entered into between the Company and Mr. Liu, Mr. Liu serves as an independent non-executive Director for 3 years commencing from 1 June 2022. The service contract may be terminated by not less than three months' prior notice in writing served by each party on the other in accordance with the Articles of Association. The Director's fee payable to him is determined by the Directors pursuant to the authority granted by the Shareholders at the Annual General Meeting and by reference to his duties and responsibilities with the Company, the Company's current standards for emolument and the market condition. Mr. Liu's current annual director fee, including any bonus payments, is HK\$100,000. As at the Latest Practicable Date, to the best knowledge and belief of the Company, Mr. Liu does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Liu has no relationship with any Directors or the senior management of the Company, or with any management Shareholders, substantial Shareholders or controlling Shareholders. Save as disclosed above, Mr. Liu has not held any directorship in any other listed company in the last 3 years. Save as disclosed in this circular, Mr. Liu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election, nor is there any information required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

Notwithstanding that Mr. Liu has served as an independent non-executive Director since 2007, he has provided his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. During his years of appointment, Mr. Liu has not been involved in the daily management of the Company nor in any relationships which would interfere with his independent judgment, and he has demonstrated his ability to provide an independent, balanced and objective view to the Company's affairs. The Company is of the view that Mr. Liu meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is regarded as independent in accordance with the terms of the guidelines. Notwithstanding the length of his service, the Company believes that Mr. Liu's valuable knowledge and experience in the Group's business will continue to bring diversity to the Board and benefit the Company and the Shareholders as a whole. The Directors, therefore, recommend Mr. Liu for re-election at the Annual General Meeting. Pursuant to Code Provision B.2.3 of the Corporate Governance Code, such re-election will be subject to a separate resolution to be approved by the Shareholders at the Annual General Meeting.

Ms. Qian Weiqing (錢煒青) (“Ms. Qian”)

Ms. Qian Weiqing (錢煒青), aged 50, is an independent non-executive Director. She graduated from Massey University of New Zealand with a master degree in finance management. Ms. Qian has been engaged in financial investment for a long time and has rich experience in commodity trading. She had hold positions in China International Futures Co., Ltd. and COFCO Futures Co., Ltd.. Ms. Qian has been appointed as an independent non-executive Director of the Company since 21 March 2023.

Pursuant to terms of a service contract entered into between the Company and Ms. Qian, Ms. Qian serves as an independent non-executive Director for 3 years commencing from 21 March 2023. The service contract may be terminated by not less than three months' prior notice in writing served by each party on the other in accordance with the Articles of Association. The Director's fee payable to her is determined by the Directors pursuant to the authority granted by the Shareholders at the Annual General Meeting and by reference to her duties and responsibilities with the Company, the Company's current standards for emolument and the market condition. Ms. Qian's current annual director fee, including any bonus payments, is HK\$100,000. As at the Latest Practicable Date, to the best knowledge and belief of the Company, Ms. Qian does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Ms. Qian has no relationship with any Directors or the senior management of the Company, or with any management Shareholders, substantial Shareholders or controlling Shareholders. Save as disclosed above, Ms. Qian has not held any directorship in any other listed company in the last 3 years. Save as disclosed in this circular, Ms. Qian has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with her re-election, nor is there any information required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

Unless otherwise specified clauses, paragraphs and article numbers referred to herein are clauses, paragraphs and article numbers of the amended and restated Memorandum and Articles of Association:

1. *All references to the term “Companies Law” or “Law” in the Memorandum and Articles of Association be deleted and replaced by “Companies Act” or “Act”, respectively.*
2. *All references to the term “rules of any Designated Stock Exchange” or “rules of the Designated Stock Exchange” in the Memorandum and Articles of Association be deleted and replaced by “the Listing Rules”.*
3. *As a result of the addition of the new articles 65 to 68 in the Articles of Association, the article numbers and cross-references in the Articles of Association will be adjusted accordingly, the details of which are not specifically set out in this appendix.*
4. *Other amendments to the Memorandum and Articles of Association.*

Clause No.	Amended Memorandum of Association
Immediately preceding Clause 1	THE COMPANIES LAW EXEMPTED COMPANY LIMITED BY SHARES MEMORANDUM OF ASSOCIATION OF HENGDELI HOLDINGS LIMITED 亨得利控股有限公司 (Amended pursuant to resolutions passed on 7 December, 2004 [●], 2023)
Clause 2	The Registered Office of the Company shall be at the offices of at the offices of Codan Trust Company (Cayman) Limited, Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, British West Indies. Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

Article No.	Amended Articles of Association
Immediately preceding the index	The Companies Law (Revised) Company Limited by Shares ARTICLES OF ASSOCIATION OF Hengdeli Holdings Limited 亨得利控股有限公司 (Adopted pursuant to written special resolutions passed on 27 August 2005 [●] 2023)

Article No.	Amended Articles of Association	
Article 2	<u>WORD</u>	<u>MEANING</u>
	“ <u>announcement</u> ”	an official publication of a Notice or document of the Company, including a publication, subject to and to such extent permitted by the Listing Rules, by electronic communication or by advertisement published in the newspapers or in such manner or means ascribed and permitted by the Listing Rules and applicable laws.
	“ <u>associate</u> ”	the meaning attributed to it in the rules of the Designated Stock Exchange Listing Rules.
	“ <u>electronic</u> ”	shall have the meaning given to it in the Electronic Transactions Act (As Revised) of the Cayman Islands and any amendment thereto or reenactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
	“ <u>electronic communication</u> ”	a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other electron magnetic means in any form through any medium.
	“ <u>electronic meeting</u> ”	a general meeting held and conducted wholly and exclusively by virtual attendance and participation by Members and/or proxies by means of electronic facilities.
	“ <u>Law</u> ”	The Companies Law Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.
	“ <u>Listing Rules</u> ”	The rules of the Designated Stock Exchange.
	“ <u>hybrid meeting</u> ”	a general meeting convened for the (i) physical attendance by Members and/or proxies at any place(s) may be determined by the Board in its absolute discretion and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities.

Article No.	Amended Articles of Association
	<p data-bbox="456 283 592 346">“ordinary resolution”</p> <p data-bbox="724 283 1355 591">a resolution shall be an ordinary resolution whom it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than fourteen (14) clear days² Notice has been duly given; <u>in accordance with Article 59.</u></p> <p data-bbox="456 644 691 676"><u>“physical meeting”</u></p> <p data-bbox="724 644 1355 783"><u>a general meeting held and conducted by physical attendance and participation by Members and/or proxies at any place(s) may be determined by the Board in its absolute discretion.</u></p> <p data-bbox="456 836 592 900">“special resolution”</p> <p data-bbox="724 836 1355 1676">a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one (21) clear days² Notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a special resolution, has been duly given <u>in accordance with Article 59. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twentyone (21) clear days² Notice has been given;</u></p> <p data-bbox="724 1719 1355 1857">a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.</p> <p data-bbox="456 1900 691 1964">“Subsidiary and Holding Company”</p> <p data-bbox="724 1900 1355 1964">The meaning attributed to them in the rules of the Designated Stock Exchange Listing Rules.</p>

Article No.	Amended Articles of Association
	<p>(2) In these Articles, unless there be something within the subject or context inconsistent with such construction:</p> <p>...</p> <p>(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing <u>words or figures or reproducing words or figures in a legible and non-transitory form or to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;</u></p> <p>...</p> <p>(h) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;</p> <p>(i) <u>a reference to a meeting shall mean a meeting convened and held in any manner permitted by these Articles and any Member or Director attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Articles, and "attend", "participate", "attending", "participating", "attendance" and "participation" shall be construed accordingly;</u></p> <p>(j) <u>references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Articles to be made available at the meeting, and "participate" and "participating" in the business of a general meeting shall be construed accordingly;</u></p>

Article No.	Amended Articles of Association
	<p>(k) <u>references to electronic facilities include, without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise); and</u></p> <p>(l) <u>where a Member is a corporation, any reference in these Articles to a Member shall, where the context requires, refer to a duly authorised representative of such Member.</u></p>
Article 51	<p>The registration of transfers of shares or of any class of shares may, after notice has been given by <u>announcement or by electronic communication or by advertisement in an appointed newspaper or any other newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.</u></p>
Article 57	<p>Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. General meetings may be held <u>as physical meeting in any part of the world and at one or more locations, or as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion.</u></p>
Article 58	<p>The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition or resolution specified in such requisition <u>and add resolutions to the agenda of a meeting;</u> and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner <u>convene a physical meeting at only one location,</u> and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>

Article No.	Amended Articles of Association
Article 59	<p>(1) An annual general meeting and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' Notice. All other extraordinary <u>Extraordinary</u> general meetings may be called by not less than fourteen (14) clear days' Notice but a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:</p> <p>(a) in the case of meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.</p> <p>(2) The notice shall specify <u>(a) the time and place of the meeting and, in case of special business, the general nature of the business and date of the meeting (b) other than an electronic meeting, the place of the meeting and if there is more than one meeting location, the principal meeting location ("Principal Meeting Location"), (c) if the meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) the particulars of resolutions to be considered at the meeting.</u> The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.</p>
Article 60	<i>[Only the Chinese version of this article is to be amended]</i>
Article 62	<p>If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and <u>(where applicable) same place or to such time and place (where applicable)</u> as the Board may <u>by absolute discretion</u> determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.</p>

Article No.	Amended Articles of Association
Article 63	<i>[Only the Chinese version of this article is to be amended]</i>
Article 64	<p>The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time <u>(or indefinitely)</u> and from place to place(s) and/or from one <u>format of meeting to another</u> as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.</p>
<u>Article 65</u>	<p>(1) <u>Any Member or any proxy attending and participating in such way or any Member or proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.</u></p> <p>(2) <u>Where a general meeting is held by means of telephone, electronic or other communication facilities, all persons seeking to attend and participate in such meeting shall be responsible for maintaining adequate facilities to enable them to do so. The inability of one or more Members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting.</u></p>

Article No.	Amended Articles of Association
<u>Article 66</u>	<p data-bbox="456 283 1158 310"><u>If it appears to the chairman of the general meeting that:</u></p> <p data-bbox="456 363 1353 470">(a) <u>it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or</u></p> <p data-bbox="456 523 1353 629">(b) <u>there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;</u></p> <p data-bbox="456 683 1353 906"><u>then, without prejudice to any other power which the chairman of the meeting may have under these Articles or at common law, the chairman may, at his/her absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting. All business conducted at the meeting up to the time of such adjournment shall be valid.</u></p>
<u>Article 67</u>	<p data-bbox="456 921 1353 1704"><u>If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not Notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the Notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the Members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. Where a general meeting is postponed in accordance with Article 66, the Directors, in their absolute discretion, shall determine the date, time and place for the reconvened meeting.</u></p>
<u>Article 68</u>	<p data-bbox="456 1725 1353 1949"><u>Without prejudice to other provisions in Articles 64 to 67, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.</u></p>

Article No.	Amended Articles of Association
Article 7680	<p>(1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p> <p>(2) <u>All Members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.</u></p> <p>(3) <u>Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</u></p>
Article 8084	<p>(1) <u>The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Articles) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.</u></p>

Article No.	Amended Articles of Association
	<p>(2) The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.</p>
Article 87 <u>91</u>	<p>(1) Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.</p> <p>(2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Article 86(2) or Article 86(3)<u>90(3)</u> shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.</p>

Article No.	Amended Articles of Association
Article 94 <u>95</u>	Notwithstanding Articles 96, 97, 98 and 99 <u>100</u> , 101, 102 and 103, all executive director appointed to an office under Article 90 <u>94</u> hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.
Article 94 <u>98</u>	<i>[Only the Chinese version of this article is to be amended]</i>
Article 155 <u>159</u>	<p>(1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall <u>by ordinary resolution</u> appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.</p> <p>(2) The Members may, at any general meeting convened and held in accordance with these Articles, by special<u>ordinary</u> resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>
Article 157 <u>161</u>	The remuneration of the Auditor shall be fixed by the Company <u>by ordinary resolution</u> in general meeting or in such manner as the Members may determine.

NOTICE OF ANNUAL GENERAL MEETING



HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “Annual General Meeting”) of the shareholders of Hengdeli Holdings Limited (the “Company”) will be held at Lotus Room, 6/F, Marco Polo Hongkong Hotel, No. 3 Canton Road, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 12 May 2023 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements of the Company and its subsidiaries and the report of directors and auditors of the Company for the year ended 31 December 2022.
2. To re-elect the retiring directors of the Company, each as separate resolution, and authorise the board of directors of the Company to fix their remuneration.
3. To re-appoint Zhonghui Anda CPA Limited as auditors and authorise the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, to pass the following as ordinary resolutions:

A. **“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be and is hereby generally and unconditionally approved and authorised;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or

(iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed the aggregate of 20% of the total number of issued shares of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) 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 law to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).

NOTICE OF ANNUAL GENERAL MEETING

B. **“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) 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 law to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

5. To consider and, if thought fit, to pass the following as ordinary resolution:

“THAT conditional upon resolutions nos. 4A and 4B being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 4B shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 4A above.”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, to pass the following as special resolution:

“**THAT** the existing memorandum and articles of association of the Company be amended in the manner as set out in the circular of the Company dated 3 April 2023 (the “Circular”); the amended and restated memorandum and articles of association of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the annual general meeting for the purpose of identification, which consolidates all the proposed amendments mentioned in the Circular, be approved and adopted in substitution for and to the exclusion of the existing memorandum and articles of association of the Company with immediate effect after the close of the meeting; and that any one of the Directors be and is hereby authorised to do all things necessary to implement the adoption of the amended and restated memorandum and articles of association of the Company.”

By Order of the Board
HENGDELI HOLDINGS LIMITED
Zhang Yuping
Chairman

Hong Kong, 3 April 2023

Notes:

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy needs not be a member of the Company. All proxy forms must be deposited with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the meeting (i.e. before Wednesday, 10 May 2023 at 11:00 a.m. (Hong Kong time)).
- (2) The register of members of the Company will be closed from Tuesday, 9 May 2023 to Friday, 12 May 2023 (both days inclusive). In order to be qualified for attending the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. (Hong Kong time) on Monday, 8 May 2023.
- (3) Mr. Lee Shu Chung, Stan, Mr. Shi Zhongyang, Mr. Liu Xueling and Ms. Qian Weiqing will retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.
- (4) As at the date of this circular, 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, Mr. Liu Xueling and Ms. Qian Weiqing.