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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 Hing Lee (HK) Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This circular should be read in conjunction with the accompanying annual report of the Company for the year ended 31 December 2022.

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## **Hing Lee (HK) Holdings Limited** **興利（香港）控股有限公司**

*(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability)*

(Stock code: 396)

**(1) PROPOSED GENERAL MANDATES TO ISSUE AND  
TO REPURCHASE SHARES;**  
**(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**  
**(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
ADOPTION OF THE NEW BYE-LAWS;**  
**AND**  
**(4) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 19 May 2023 at 10:30 a.m. or any adjournment thereof is set out on pages 25 to 29 of this circular.

Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

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## DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 19 May 2023 at 10:30 a.m., notice of which is set out on pages 25 to 29 of this circular;
“Board”	the board of Directors;
“Bye-Laws”	the existing bye-laws of the Company;
“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Hing Lee (HK) Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and was subsequently redomiciled and continued in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;

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## DEFINITIONS

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“Latest Practicable Date”	11 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Bye-Laws”	the new bye-laws of the Company incorporating and consolidating all the Proposed Amendments, proposed to be adopted by the Company under special resolution numbered 5 in the notice convening the AGM;
“Proposed Amendments”	the proposed amendments to the Bye-laws as set out in Appendix III to this circular;
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of fully paid up Shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share Option Scheme”	the share option scheme adopted by the Company on 17 May 2019;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the Securities and Future Commission of Hong Kong; and
“%”	per cent.

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## LETTER FROM THE BOARD

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# Hing Lee (HK) Holdings Limited 興利（香港）控股有限公司

*(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability)*

(Stock code: 396)

*Executive Directors:*

Mr. Sung Kai Hing (*Chairman and Chief Executive Officer*)

Mr. Cheung Kong Cheung

*Independent non-executive Directors:*

Mr. Kong Hing Ki

Mr. Feng Jianzhong

Ms. Leung Yuen Man

*Registered office:*

The Belvedere Building

69 Pitts Bay Road

Pembroke HM08

Bermuda

*Principal place of business:*

Unit 1101, 11th Floor

Delta House

3 On Yiu Street

Shatin

New Territories

Hong Kong

17 April 2023

*To the Shareholders*

Dear Sir/Madam,

- (1) PROPOSED GENERAL MANDATES TO ISSUE AND  
TO REPURCHASE SHARES;  
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;  
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
ADOPTION OF THE NEW BYE-LAWS;  
AND  
(4) NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting regarding (i) the approval of the general mandates to issue, allot and otherwise deal with new Shares and to repurchase the Company's fully paid up Shares; (ii) the re-election of retiring Directors; and (iii) the proposed amendments to the Bye-Laws and adoption of the New Bye-Laws.

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## LETTER FROM THE BOARD

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### GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 20 May 2022, the Shareholders passed resolutions granting the Directors general mandates to allot, issue and otherwise deal with new Shares and to repurchase Shares. Such mandates will expire and lapse at the conclusion of the Annual General Meeting. It is therefore proposed to renew the general mandates to issue, allot and otherwise deal with new Shares and to repurchase Shares at the Annual General Meeting.

#### Issue Mandate

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Issue Mandate which will enable the Directors to exercise the power of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution. In addition, an ordinary resolution will also be proposed to the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding to the aggregate number of Shares which may be allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with by the Directors pursuant to the Issue Mandate the number of Shares repurchased under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 808,096,025 Shares. Assuming that there is no change in the issued and fully paid up share capital of the Company between the period from the Latest Practicable Date and the date of passing of the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 161,619,205 Shares.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in ordinary resolutions numbered 4(2) and 4(3) in the notice of the Annual General Meeting set out on pages 25 to 29 of this circular.

#### Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the Repurchase Mandate which will enable the Directors to exercise the power of the Company to repurchase Shares up to 10% of the issued and fully paid up share capital of the Company as at the date of passing of such resolution. The Company's authority is restricted to repurchase Shares in the market in accordance with the Listing Rules.

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 808,096,025 Shares. Assuming that there is no change in the issued and fully paid up share capital of the Company between the period from the Latest Practicable Date and the date of passing of the resolution approving the Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 80,809,602 Shares.

Pursuant to the Listing Rules, an explanatory statement containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate is set out in Appendix I hereto.

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## LETTER FROM THE BOARD

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Details of the Repurchase Mandate are set out in ordinary resolution numbered 4(1) in the notice of the Annual General Meeting set out on pages 25 to 29 of this circular.

Both the Issue Mandate and the Repurchase Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law of Bermuda to be held; or
- (c) the revocation or variation of such authority by an ordinary resolution of the Shareholders in general meeting.

### RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 84(1) of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, 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. Pursuant to bye-law 84(2) of the Bye-Laws, a retiring Director shall be eligible for re-election. In addition, pursuant to bye-laws 83(2) and 84(2) of the Bye-Laws, any Director so appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election (but shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation).

Accordingly, Mr. Sung Kai Hing and Mr. Kong Hing Ki shall retire from office at the Annual General Meeting, and being eligible, would offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix II of this Circular.

Pursuant to code provision B.3.4 of the Corporate Governance Code under Appendix 14 of the Listing Rules, where the board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular (among others): (i) the process used for identifying the individual and why the board believes the individual should be elected and the reasons why it considers the individual to be independent; (ii) the perspectives, skills and experience that the individual can bring to the board; and (iii) how the individual contributes to diversity of the board.

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## LETTER FROM THE BOARD

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### PROCEDURE AND PROCESS FOR NOMINATION OF DIRECTORS

The Board, through the delegation of its authority to the Nomination Committee, shall ensure that Directors (including independent non-executive Directors) appointed (including re-elected) possess the relevant background, experience and knowledge in business and finance and management skills critical to the Group's business to enable the Board to make informed decisions. The Nomination Committee will make recommendations to the Board regarding the appointment (including re-election) of Director (including independent non-executive Director) in accordance with the following procedures and process. The Nomination Committee utilizes various methods for identifying director candidates, including recommendations from Board members and management. All director candidates, including incumbents and candidates nominated by Shareholders are evaluated on the same criteria, including character and integrity, qualifications, diversity, ability to assist management and such other factors as the Nomination Committee may deem are in the best interests of the Company and its Shareholders, through review of resume, personal interview and performance of background checks. The Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, age, gender and experiences of the collective Board rather than on the individual candidate for the purpose of diversity perspectives appropriate to the requirement of the Company's business.

Upon considering a director candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment (including re-election).

### RECOMMENDATION OF THE NOMINATION COMMITTEE

The Nomination Committee evaluated the performance of Mr. Sung Kai Hing, an executive Director, and Mr. Kong Hing Ki, an independent non-executive Director, for the year ended 31 December 2022 and found their performance satisfactory. In addition, the Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2022, and confirmed that Mr. Kong Hing Ki remains independent based on the criteria set out in Rule 3.13 of the Listing Rules. Therefore, the Nomination Committee nominated the above retiring Directors to the Board for it to propose to Shareholders for their re-election at the Annual General Meeting.

In proposing the resolutions to re-elect each of the above Directors, the Board has also considered their skills, knowledge and professional experience as described in their respective biographical information set out in Appendix I to this circular. Having regard to the Company's nomination policy and board diversity policy, the Board is of the view that each of the above Directors has extensive professional experience in affairs of corporations and management and can provide valuable and diverse views, as well as relevant insights to the Board and contribute to the diversity of the Board.

Accordingly, Mr. Sung Kai Hing and Mr. Kong Hing Ki will hold office as Directors until the Annual General Meeting and being eligible, offer themselves for re-election at the Annual General Meeting.



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## LETTER FROM THE BOARD

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Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

### **PROPOSED AMENDMENTS AND ADOPTION OF THE NEW BYE-LAWS**

In order (i) to further improve the corporate governance of the Company; (ii) to conform with the Core Shareholder Protection Standards (Appendix 3 to the Listing Rules); and (iii) to make other house-keeping amendments that are in line with the laws of Bermuda and the Listing Rules, the Board proposed to make amendments to certain provisions in the Bye-laws.

The full particulars of the Proposed Amendments are set out in Appendix III to this circular. In view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the Bye-laws by way of adoption of the New Bye-Laws. The New Bye-Laws is written in English only. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the New Bye-Laws is purely a translation only. Should there be any discrepancy, the English version shall prevail.

The Board also proposes to the Annual General Meeting to authorise the management of the Company to make relevant arrangements regarding the registration and the filing procedures in relation to the Proposed Amendments.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments conform to the applicable requirements under the Listing Rules and the legal advisers to the Company as to the laws of Bermuda have confirmed that the Proposed Amendments do not violate the applicable laws of Bermuda. The Company confirms that there is nothing unusual about the Proposed Amendments for a company listed on the Stock Exchange.

### **ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 19 May 2023 at 10:30 a.m. or any adjournment thereof is set out on pages 25 to 29 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, and the re-election of retiring Directors.

To the extent that the Company is aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting in respect of the ordinary resolutions to be proposed at the Annual General Meeting.

In accordance with Rule 13.39(4) of the Listing Rules and bye-law 66 of the Bye-Laws, all votes of the Shareholders at the Annual General Meeting must be taken by poll. As such, all resolutions set out in the notice of the Annual General Meeting shall be taken by way of poll and an announcement on the results of the poll will be published in accordance with the requirements of the Listing Rules.

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## LETTER FROM THE BOARD

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A proxy form for use at the Annual General Meeting is enclosed herein. Whether or not you intend to attend and vote at the Annual General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so wish.

### RECOMMENDATION

The Directors consider that the proposals for the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors, the re-appointment of the independent auditors, and the Proposed Amendments and adoption of the New Bye-Laws are all in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting in respect thereof.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### GENERAL INFORMATION

Your attention is also drawn to the information as set out in the Appendices to this circular.

Yours faithfully,  
For and on behalf of the Board  
**HING LEE (HK) HOLDINGS LIMITED**  
**Sung Kai Hing**  
*Chairman*

This Appendix serves as an explanatory statement required by the Listing Rules to provide the Shareholders with all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

## **LISTING RULES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

### **(a) Shareholders' approval**

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

### **(b) Source of funds**

Repurchases of shares must be made out of funds legally available for such purpose in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or established.

The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a Company may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

### **(c) Status of shares to be repurchased**

The shares proposed to be repurchased by the Company must be fully paid-up.

## **SHARE CAPITAL**

As at the Latest Practicable Date, (i) the issued share capital of the Company was HK\$8,080,960.25 comprising 808,096,025 Shares; and (ii) no share options were outstanding.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued, allotted or repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would enable the Company to repurchase up to 80,809,602 Shares during the period commencing on the date of the passing of the resolution granting the Repurchase Mandate and ending on the earliest of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law of Bermuda to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

**REASONS FOR SHARE REPURCHASE**

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders to continue to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

**FUNDING OF REPURCHASE**

It is envisaged that any repurchase of Shares will be financed out of funds which are legally available for such purpose in accordance with the memorandum of continuance and the Bye-Laws, the Listing Rules and the applicable laws of Bermuda.

The Directors are not aware of any material adverse impact on the working capital or gearing level of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2022 in the event that the Repurchase Mandate is exercised in full.

**SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2022</b>		
April	0.112	0.106
May	0.130	0.105
June	0.129	0.123
July	0.130	0.118
August	0.156	0.106
September	0.175	0.111
October	0.138	0.111
November	0.125	0.110
December	0.114	0.084
<b>2023</b>		
January	0.099	0.082
February	0.087	0.087
March	0.134	0.082
April (up to the Latest Practicable Date)	0.088	0.073

**DISCLOSURE OF INTERESTS**

As at the Latest Practicable Date, none of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates had any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no core connected person has notified the Company that he/she has a present intention to sell any Shares to the Company or has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

**UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the memorandum of continuance and the Bye-Laws, the Listing Rules and the applicable laws of Bermuda.

**EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT**

Pursuant to Rule 32 of the Takeovers Code, if as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Further, under Note 6(b) to Rule 26.1 of the Takeovers Code, when a concert group holds over 50% voting rights of the Company, no obligations normally arise from acquisitions by any member of the concert group. However, subject to considerations similar to those set out in Note 6(a) to Rule 26.1, the Executive may regard as giving rise to an obligation to make an offer the acquisition by a single member of the concert group of voting rights sufficient to increase his holding by more than 2% in any 12 month period if he already holds between 30% and 50%.

As at the Latest Practicable Date, as far as the Directors are aware, the concert group comprising Mr. Sung Kai Hing and his beneficially wholly owned company, King Right Holdings Limited ("**King Right**"), Mr. Chan Kwok Kin and his beneficially wholly owned company, Golden Sunday Limited, Mr. Cheung Kong Cheung and his beneficially wholly owned company, United Sino Limited and Mr. Huang Wei Ye and his beneficially wholly owned company, Top Right Trading Limited, were together interested in 471,614,000 Shares, representing approximately 58.36% of the issued share capital of the Company. On the other hand, King Right and Mr. Sung Kai Hing together held 288,596,777 Shares, representing approximately 35.71% of the issued share capital of the Company.

Accordingly, if the Directors exercise the Repurchase Mandate in full, the proportionate interest of King Right and Mr. Sung Kai Hing in the voting rights of the Company would increase to approximately 39.68%. It is possible that such an increase may be regarded by the Executive as giving rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code subject to considerations similar to those set out in Note 6(a) to Rule 26.1. The Directors have no present intention to exercise the Repurchase Mandate to the extent that such an obligation under the Takeovers Code would arise.

In addition, assuming that no further issue of Shares between the Latest Practicable Date and the date of a repurchase, the Directors do not consider that the exercise of the Repurchase Mandate in whole or in part will reduce the number of Shares held by the public to less than 25% of the issued share capital of the Company as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made pursuant to the Repurchase Mandate.

#### **SHARE REPURCHASES BY THE COMPANY**

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

The following are the particulars of the Directors who will retire and, being eligible, shall offer themselves for re-election at the Annual General Meeting pursuant to the Bye-Laws:

**Mr. Sung Kai Hing** (宋啟慶先生), aged 66, is an Executive Director, the Chairman and the Chief Executive Officer of the Company and one of the founders of the Group and he has over 20 years of experience in the furniture industry. Mr. Sung was appointed as a Director on 20 April 2004. He is primarily responsible for the overall strategic planning and business development of the Group as well as overseeing the daily operations of the Group. Besides, he is also a director of certain subsidiaries of the Company and a member of the Nomination Committee. Mr. Sung has been appointed as a part-time instructor with specialisation in business operation, strategic planning and supply chain management at 南京林業大學 (Nanjing Forestry University) and 中南林業科技大學 (Central South University of Forestry and Technology) (formerly known as 中南林學院 (Central South Forestry University)) since June 2004 and November 2004 respectively.

Save as disclosed above, Mr. Sung did not act as director in any other listed public company in the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Sung was interested in 288,596,777 Shares, of which 29,690,000 Shares were held by Mr. Sung personally, 258,906,777 Shares were held by King Right Holdings Limited which is a company beneficially wholly-owned by Mr. Sung, representing approximately 35.71% of the issued share capital of the Company. Save as disclosed above, Mr. Sung did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Sung has entered into a service agreement with the Company for a term of three years commencing from 22 June 2021, which will be continuous thereafter until terminated by either party giving to the other not less than three months' prior written notice.

The amount of fixed remuneration per annum for Mr. Sung is HK\$1,000,000. Such fixed remuneration is subject to annual review with such increment (if any) at such rate to be determined by the remuneration committee of the Company and approved by a majority of the members of the Board (excluding Mr. Sung in respect of his own remuneration). As at the Latest Practicable Date, no increment has been approved in any previous annual review.

Under his service agreement, Mr. Sung is entitled to a discretionary bonus of a sum to be determined and approved by the Board at its absolute discretion having regard to the operating results of the Group and the performance of the executive Director, provided that the aggregate amount of discretionary bonuses payable to all the executive Directors in respect of any financial year of the Group shall not exceed 5% of the then audited consolidated net profits of the Group before taxation but after minority interests and the taxation attributable to the minority interests for the relevant financial year.

Under his service agreement, Mr. Sung will also be eligible to be granted share options to subscribe for Shares under the Share Option Scheme. Save as disclosed above, Mr. Sung is not entitled to any variable remuneration under his service agreement.

Save as disclosed above, Mr. Sung did not hold any position with the Company or any of its subsidiaries and did not have any relationship with any other Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company as at the Latest Practicable Date and there are no other matters relating to the re-election of Mr. Sung that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

**Mr. Kong Hing Ki** (江興琪先生), aged 52, was appointed as an independent non-executive Director on 29 May 2009. He is also the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. He has over 20 years of experience in accounting, auditing and finance, gained from international accountancy and commercial firms. He is an independent non-executive Director of RENHENG Enterprise Holdings Limited (stock code: 3628), a company whose shares are listed on the Main Board. Mr. Kong holds a bachelor's degree of commerce from Australian National University and a master of business administration degree from Deakin University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

Save as aforesaid, Mr. Kong did not act as director in any other listed public company in the last three years preceding the Latest Practicable Date.

Mr. Kong does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, save as interested in 900,000 Shares (representing approximately 0.11% of the issued share capital of the Company), Mr. Kong did not have interest in the Shares within the meaning of Part XV of the SFO.

Mr. Kong has entered into a letter of appointment with the Company as an independent non-executive Director for a term of two years commencing from 22 June 2009 (being the date on which the Shares first commenced trading on the Stock Exchange), the said letter of appointment was renewed on 22 June 2022 for another two years subject to the provision of retirement and rotation of Directors under the Bye-Laws. Pursuant to the terms of the letter of appointment, Mr. Kong is entitled to receive an annual director's fee of HK\$100,000 which is determined with reference to his experience, responsibilities with the Group and general market conditions. As an independent non-executive Director, Mr. Kong will also be eligible to be granted share options to subscribe for Shares under the share option scheme from time to time adopted by the Company. Save as disclosed above, Mr. Kong did not hold any position with the Company or any of its subsidiaries as at the Latest Practicable Date.

Save as disclosed above, there are no other matters relating to the re-election of Mr. Kong that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Kong has been serving as an independent non-executive Director for more than 9 years. The Company has received from Mr. Kong a confirmation of independence pursuant to Rule 3.13 of the Listing Rules on 27 February 2023. Mr. Kong does not hold any management position in the Group. Taking into consideration of his independent scope of work in the past years, the Board considers Mr. Kong to be independent under the Listing Rules despite the fact that he has served the Company for more than 9 years. The Board believes that the continued tenure of Mr. Kong will bring considerable stability to the Board and the operation of the Board will gain much constructive advices and assistance from his presence as he has over time gained valuable insight into the industry in which the Group operates. Therefore, separate resolution will be proposed at the AGM for his re-appointment.



This appendix sets out the proposed amendments, as marked up for ease of reference, to the Bye-laws.

Bye-law Number	Proposed Amendments
1.	<p><del>“associate”</del> the meaning attributed to it in the rules of the Designated Stock Exchange.</p> <p><del>“business day”</del> shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.</p> <p><del>“clear days” or “clear business days”</del> in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.</p> <p><u>“close associate”</u> in relation to any Director, shall have the same meaning as defined in <u>the rules of the Designated Stock Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Bye-law 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u></p>
2.	<p>(h) 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 authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice, specifying <del>(without prejudice to the power contained in these Bye-Laws to amend the same)</del> the intention to propose the resolution as a special resolution, has been duly given in accordance with Bye-law 59;</p> <p><u>(k) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds 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 authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;</u></p> <p><del>(l)</del> 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>

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Number****Proposed Amendments**

9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of continuance, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~
10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:
- (a) the necessary quorum (~~including other than~~ at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class ~~and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and~~
- (b) every holder of shares of the class shall be entitled to one vote for every such share held by him;
44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon ~~during every~~ business hour~~day~~ by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

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Number****Proposed Amendments**

56. Subject to the Act, an annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened at such time (within a period of not more than fifteen annual general meeting must be held within six (6) months after the end of the Company's financial year (last preceding annual general meeting) unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. A 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.
58. The Board may whenever it thinks fit call special general meetings, and 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, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; 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 requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.
59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days. All other special general meetings (including a special general meeting) must may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (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 representing ~~holding~~ not less than ninety-five per cent. (95%) of the total voting rights at the meeting in nominal value of all the Members issued shares giving that right.
- (2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. 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 Bye-laws 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.

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61. (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.
64. ~~Prior to the holding of a general meeting, the Board may postpone, and at a general meeting, the chairman may, (without the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) or shall at the direction of the meeting, adjourn the meeting from time to time (or indefinitely) and from place to place 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 or the postponement not taken place. Notice~~ Any question of a postponement must be given to all Members by any means as the Board may determine ~~adjournment shall be decided at the meeting and without adjournment. 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. 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 to the same day in the next week at the same time and place without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning, "extreme conditions caused by a super typhoon" announced by the Government of Hong Kong or other event as specified in the Notice is/are in force at any time on the day of and prior to the meeting.~~
66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman directs.

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- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.

67. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.
68. On a poll votes may be given either personally or by proxy.
69. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
70. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the Act. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
73. (2) All Members shall 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.

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- (32) 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.
81. (2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.
83. (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following first annual general meeting of the Company after his appointment and shall then be eligible for re-election.
85. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on such Notices must be lodged with the Company within the seven-day period commencing on and including the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting (or, subject to the Listing Rules, such other period as may be determined by the Directors from time to time).

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86. The office of a Director shall be vacated if the Director:
- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
  - (2) becomes of unsound mind or dies;
  - (3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;
  - (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
  - (5) is prohibited by law from being a Director; or
  - (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye laws.

No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Directors, by reason only of his having attained any particular age.

100. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) ~~any contract or arrangement for the giving of any security or indemnity either:-~~
    - (a) to ~~thesuch~~ Director or his close associate(s) ~~any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or~~
    - (b) ~~any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
  - (iii) ~~any proposaleontract or arrangement~~ concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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- (iv) ~~any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
- (v) ~~any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five per cent. (5%) or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or~~
- (viii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or a share option scheme; under which the Director or his close associate(s) may benefit; or
- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Directors, or his close associate(s) and employee(s) to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally accorded to the class of persons to which such scheme or fund relates;
- (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (2) ~~A company shall be deemed to be a company in which a Director and/or his associate(s) owns five per cent. (5%) or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five per cent. (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.~~



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- ~~(3) Where a company in which a Director and/or his associate(s) holds five per cent. (5%) or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.~~
- (24) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.
112. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required so to do by any Director. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or ~~by telephone or~~ in such other manner as the Board may from time to time determine ~~whenever he shall be required so to do by any Director~~.
128. (3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon during on every business hoursday.
152. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. 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.
- (2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by extraordinaryspecial 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.

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154. The remuneration of the Auditor shall be fixed by ordinary resolution by the Company in general meeting or in such manner as the Members may determine.
155. ~~If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.~~ The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 152(3), an Auditor appointed under this Bye-law shall hold office until the first annual general meeting of the Company after his appointment and shall then be subject to appointment by the Members under Bye-law 152(1) at such remuneration to be determined by the Members under Bye-law 154.
158. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the Notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws and rules of the Designated Stock Exchange, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the Notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share all Notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
162. (1) Subject to Bye-law 162(2), the Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

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## NOTICE OF ANNUAL GENERAL MEETING

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# Hing Lee (HK) Holdings Limited 興利（香港）控股有限公司

*(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability)*

(Stock code: 396)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Hing Lee (HK) Holdings Limited (the “**Company**”) will be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 19 May 2023 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors of the Company and the independent auditors for the year ended 31 December 2022;
2.
  - (a) To re-elect Mr. Sung Kai Hing as an executive Director of the Company;
  - (b) To re-elect Mr. Kong Hing Ki as an independent non-executive Director who has served the Company for more than nine years as an independent non-executive Director;
  - (c) To authorize the board of directors to fix the remuneration of the directors of the Company;
3. To re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration;

### ORDINARY RESOLUTIONS

4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:
  - (1) “**THAT:**
    - (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares issued by the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Stock Exchange or other applicable rules and regulations as amended from time to time, be and is hereby generally and unconditionally approved;

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- (b) the aggregate nominal amount of the share capital of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company on the Stock Exchange or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said approval shall be limited accordingly;
  - (c) subject to the passing of this resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) above which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
  - (d) for the purposes of this resolution, “**Relevant Period**” means the period from the date of passing 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 its Bye-Laws or any applicable laws of Bermuda to be held; and
    - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.”
- (2) “**THAT:**
- (a) subject to paragraphs (b) and (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements, options or other securities which carry rights to subscribe for or are convertible into shares of the Company which might require the exercise of such powers be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options or other securities which carry rights to subscribe for or are convertible into shares of the Company which might require the exercise of such power after the end of the Relevant Period;

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase, or which are convertible into shares of the Company; or (iii) any grant or exercise of any rights under any Share Option Scheme (as hereinafter defined) of the Company; or (iv) any scrip dividend or other similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws of the Company; or (v) a specific authority granted by the shareholder of the Company in general meeting, shall not exceed the maximum of 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said approval shall be limited accordingly;
- (d) subject to the passing of this resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) above which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (e) for the purposes of this resolution,
  - (i) **“Relevant Period”** means the period from the date of passing this resolution until whichever is the earliest of:
    - (aa) the conclusion of the next annual general meeting of the Company;
    - (bb) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-Laws or any applicable laws of Bermuda to be held; and
    - (cc) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting;

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- (ii) **“Rights Issue”** means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or where appropriate, such other securities) (subject to such exclusions or other arrangements as the directors of the Company 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); and
  - (iii) **“Share Option Scheme”** means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue of rights to acquire shares of the Company to directors and employees of the Company and its subsidiaries and any other persons who, in the sole discretion of the board of directors of the Company, are eligible to participate in any such scheme or arrangement.”
- (3) **“THAT** conditional upon the passing of resolutions numbered 4(1) and 4(2) above, the exercise by the directors of the Company of all the powers of the Company to allot, issue and otherwise deal with additional shares in the capital of the Company in accordance with the general mandate granted pursuant to resolution numbered 4(2) above be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 4(1) above provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the said resolution numbered 4(1).”

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## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL RESOLUTION

5. To consider and, if thought fit, pass with or without amendments, the following resolution as special resolution:

**“THAT:**

- (a) the proposed amendments to the existing bye-laws of the Company as set forth in Appendix III to the circular of the Company dated 17 April 2023 be and are hereby approved;
- (b) the new bye-laws of the Company in the form produced to the meeting and signed by the chairman of the meeting for identification purposes be and are hereby adopted in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect; and
- (c) any one Director or officer of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the aforesaid paragraphs (a) and (b).”

By Order of the Board  
**HING LEE (HK) HOLDINGS LIMITED**  
**Wong Kit Wai**  
*Company Secretary*

Hong Kong, 17 April 2023

*Notes:*

- (a) Any member of the Company (the “**Member**”) entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote in his stead. Votes may be given either personally or by a duly authorized corporate representative or by proxy. A Member who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion provided that, if more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed. A proxy need not be a Member. In addition, a proxy or proxies representing either an individual Member or a Member which is a corporation, shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise. In light of the epidemic situation of COVID-19, shareholders may consider appointing the chairman of the above meeting as his/her proxy to vote on the resolutions, instead of attending the above meeting in person.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (c) The instrument appointing a proxy to vote shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.
- (d) A form of proxy for the meeting is enclosed. The instrument appointing a proxy and 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 deposited at the Company’s branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude of a Member from attending and voting in person at the meeting.
- (e) In order to determine the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 15 May 2023 to Friday, 19 May 2023, both days inclusive, during which period the registration of Shares will be suspended. All completed transfer forms accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 12 May 2023.