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HL Technology Group Limited

泓淋科技集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1087)

PROPOSED CHANGE OF AUDITORS, AND RETIREMENT OF DIRECTOR, WITHDRAWAL OF RESOLUTION IN NOTICE OF ANNUAL GENERAL MEETING AND PROPOSED APPOINTMENT OF DIRECTORS

PROPOSED CHANGE OF AUDITORS

The Board announces that Deloitte Touche Tohmatsu (“Deloitte”) will retire as auditors of the Company upon expiration of its current term of office from the conclusion of the AGM. Deloitte has confirmed that there are no matters in connection with its retirement that need to be brought to the attention of the Shareholders.

The Board, with the recommendation of the Audit Committee, resolved to propose the appointment of Ernst & Young as new auditors of the Company with effect following the conclusion of the EGM, subject to the approval of the Shareholders at the EGM.

RETIREMENT OF DIRECTOR, WITHDRAWAL OF RESOLUTION IN NOTICE OF AGM AND PROPOSED APPOINTMENT OF DIRECTORS

The Board announces that Mr. Shu Wa Tung, Laurence (舒華東) has given notice of his intention to retire as an independent non-executive Director with effect following the conclusion of the AGM. Mr. Shu will also cease to be the chairman of the Audit Committee, and a member of each of the Nomination Committee and the C&B Committee with effect following the conclusion of the AGM. Mr. Shu has confirmed that he has no disagreement with the Board and there are no matters in relation to his retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

In view of Mr. Shu’s retirement, no poll will be counted on the ordinary resolution in relation to Mr. Shu’s re-election (as set out in resolution numbered 2(c) in the notice of AGM) at the AGM.

* for identification purpose only

The Board further resolved that, Mr. Lu Chengye (路成業) will be proposed as an executive Director and each of Mr. Pao Ping Wing (浦炳榮) and Mr. Thomas Tam (formerly known as Tam Kwok Hing (談國慶)) will be proposed as an independent non-executive Director, with effect following the conclusion of the EGM, subject to the approval of the Shareholders at the EGM.

EGM

Ordinary resolutions for the Shareholders to consider and, if thought fit, approve the proposed appointment of Ernst & Young as auditors of the Company and the proposed appointment of new Directors will be proposed at the EGM to be held at the 3rd Floor Conference Room, 9–10 Pudong Road, The First Industrial Park, Economic and Technological Development Zone, Weihai City, Shandong Province, the PRC on 29 May 2013 (Wednesday) at 4:00 p.m.. A circular containing, among other things, details of the proposed appointment of new auditors of the Company and the proposed appointment of new Directors and a notice of the EGM will be despatched to the Shareholders in due course.

PROPOSED CHANGE OF AUDITORS

The board (the “Board”) of directors (the “Directors”) of HL Technology Group Limited (the “Company”) announces that Deloitte Touche Tohmatsu (“Deloitte”), the Company’s auditors for the financial year ended 31 December 2012, will retire as auditors of the Company upon expiration of its current term of office from the conclusion of the forthcoming annual general meeting of the Company to be held on 29 May 2013 (Wednesday) (the “AGM”).

Deloitte has confirmed that there are no matters in connection with its retirement that need to be brought to the attention of the shareholders of the Company (the “Shareholders”). The Board and the audit committee of the Company (the “Audit Committee”) confirm that there is no disagreement between Deloitte and the Company, and there are no circumstances in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

The Board, with the recommendation of the Audit Committee, resolved to propose the appointment of Ernst & Young as new auditors of the Company for the financial year ending 31 December 2013 with effect following the conclusion of the extraordinary general meeting of the Company to be held on 29 May 2013 (the “EGM”), subject to approval of the Shareholders at the EGM.

In the annual review of the appointment of auditors of the Company, the Board and the Audit Committee have requested for proposals from selected groups of international accounting firm (including Deloitte and Ernst & Young). In reaching the proposal for the change of auditors, the Board and the Audit Committee have taken into account, among other things, the relevant accounting firm’s understanding of the business of the Company and its subsidiaries (collectively, the “Group”), the proposed scope of work covered, and the proposed fee.

The Board would like to take this opportunity to express its gratitude to Deloitte for its professional services and support rendered to the Group for the past years.

RETIREMENT OF DIRECTOR, WITHDRAWAL OF RESOLUTION IN NOTICE OF AGM AND PROPOSED APPOINTMENT OF DIRECTORS

The Board announces that as Mr. Shu Wa Tung, Laurence (舒華東) (“Mr. Shu”) would like to devote more time to pursue other career interests, Mr. Shu has given notice of his intention to retire as an independent non-executive Director with effect following the conclusion of the AGM. Mr. Shu will also cease to be the chairman of the Audit Committee, and a member of each of the nomination committee (the “Nomination Committee”) and the compensation and benefits committee (the “C&B Committee”) of the Company with effect following the conclusion of the AGM.

Mr. Shu has confirmed that he has no disagreement with the Board and there are no matters in relation to his retirement that need to be brought to the attention of the Shareholders or The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Board would like to take this opportunity to express its gratitude to Mr. Shu for his valuable contribution to the Company during his term of office.

In view of Mr. Shu’s retirement, no poll will be counted on the ordinary resolution in relation to Mr. Shu’s re-election (as set out in resolution numbered 2(c) in the notice of AGM dated 19 April 2013) at the AGM. The form of proxy for the use at the AGM shall remain valid in all respects except that no poll will be counted for resolution numbered 2(c) in relation to the re-election of Mr. Shu.

The Board further resolved that, Mr. Lu Chengye (路成業) will be proposed as an executive Director and each of Mr. Pao Ping Wing (浦炳榮) and Mr. Thomas Tam (formerly known as Tam Kwok Hing (談國慶)) will be proposed as an independent non-executive Director with effect following the conclusion of the EGM, subject to the approval of the Shareholders at the EGM. In addition, Mr. Lu will be proposed as a member of the C&B Committee, Mr. Pao will be proposed as a member of each of the Audit Committee and the Nomination Committee and Mr. Tam will be proposed as the chairman of the Audit Committee, and a member of each of the Nomination Committee and the C&B Committee, upon approval of their respective appointment as Director by the Shareholders at the EGM.

Set out below are the biographical details of the new Directors proposed to be appointed:

Proposed Executive Director — Mr. Lu Chengye

Mr. Lu Chengye (路成業) (“Mr. Lu”), aged 35, is proposed to be appointed as an executive Director with effect from 29 May 2013 subject to the Shareholders’ approval at the EGM.

Mr. Lu joined 沈陽新郵通信設備有限公司 (Shenyang New Postcom Co., Ltd.*, “Shenyang New Postcom”) as a general manager in May 2012. He assumes full responsibility for the overall strategic planning, business planning, policy execution and all material matters of Shenyang New Postcom, an indirect wholly-owned subsidiary of the Group following the completion of the acquisition by the Group on 31 January 2013.

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Mr. Lu has over 12 years of experience in the communication industry gained in the Group and in his previous employment. Before joining the Group, Mr. Lu worked as a director of the science and research department of base station software development in a renowned mobile communication equipment company in the People's Republic of China (the "PRC") from April 2002 to August 2008, mainly responsible for the design, development and implementation of solution of communication base station software. From August 2009 to May 2012, Mr. Lu had served as the general manager of TD-SCDMA/TD-LTE production line of another prestigious communication equipment and technology firm, mainly in charge of the establishment and research and development works for projects of wireless base station and communication base station equipments. Mr. Lu obtained his master degree of engineering from Xidian University (西安電子科技大學) majoring in information and communication engineering in March 2002. As an expert from TD-LTE workgroup of the Ministry of Industry and Information Technology of the People's Republic of China (中華人民共和國工業和信息化部), Mr. Lu is the inventor of 7 patented technologies in the communication sector over the last 12 years, and has published several research papers on communication topics in various journals.

If appointed as an executive Director at the EGM, Mr. Lu will enter into a service contract with the Company for a proposed term of three years commencing from 29 May 2013. The contract may be terminated by, amongst others, serving not less than three months' prior notice in writing by either party to the other. Mr. Lu will be entitled to a Director's emolument (RMB60,000 per annum, which is payable on a monthly basis from 29 May 2013) which was determined upon negotiation between Mr. Lu and the Company at arm's length by reference to his previous experience, professional qualifications, responsibilities to be taken in the Company and the amount of time devoted to the Company's business as well as the current financial position of the Company and the prevailing market condition. In addition, Mr. Lu will also be entitled to a discretionary bonus in respect of each financial year of the Company in an amount to be determined by the Board and approved by the C&B Committee, provided that the total amount of bonuses payable to all the executive Directors for the time being shall not exceed 5% of the combined audited net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary items) for that financial year.

Mr. Lu is also proposed to act as a member of the C&B Committee if appointed.

Save as disclosed above, (i) Mr. Lu has not held any directorships in other listed public companies in Hong Kong or overseas in the past three years; (ii) he has not held any interests in the Group within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"); and (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no information in relation to Mr. Lu's appointment that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and there is no other matter that needs to be brought to the attention of the Shareholders.

Proposed Independent Non-executive Director — Mr. Pao Ping Wing

Mr. Pao Ping Wing (浦炳榮) (“Mr. Pao”), aged 65, is proposed to be appointed as an independent non-executive Director with effect from 29 May 2013 subject to Shareholders’ approval at the EGM.

Mr. Pao obtained a master of science degree in human settlements planning and development from Asian Institute of Technology in April 1980. He had been actively serving on government committees and statutory bodies, including those relating to town planning, urban renewal, public housing and environment matters over 20 years. He was elected as one of the Ten Outstanding Young Persons of Hong Kong in 1982 and one of the Ten Outstanding Young Persons of the World in 1983. He has been appointed as a Non-official Justice of the Peace for Hong Kong in 1987.

From 1987, Mr. Pao has been appointed as independent non-executive director of various companies listed on the Stock Exchange and has extensive experiences in corporate governance. In particular, Mr. Pao has also been an independent non-executive director of Oriental Press Group Limited (Stock code: 18) since July 1987, UDL Holdings Limited (Stock code: 620) since August 1997, Sing Lee Software (Group) Limited (Stock code: 8076) since December 2003, Zhuzhou CSR Times Electric Co., Ltd. (Stock code: 3898) since September 2005, New Environmental Energy Holdings Limited (Stock code: 3989) since June 2006, Maoye International Holdings Limited (Stock code: 848) since August 2007 and Soundwill Holdings Limited (Stock code: 878) since November 2009, all of which are listed on the Stock Exchange.

If appointed as an independent non-executive Director at the EGM, Mr. Pao will enter into a service contract with the Company for a proposed term of three years commencing from 29 May 2013. The contract may be terminated by, amongst others, serving not less than three months’ prior notice in writing by either party to the other. Mr. Pao will be entitled to a Director’s emolument (HKD200,000 per annum, which is payable on a monthly basis from 29 May 2013) which was determined upon negotiation between Mr. Pao and the Company at arm’s length by reference to his previous experience, professional qualifications, responsibilities to be taken in the Company and the amount of time devoted to the Company’s business as well as the current financial position of the Company and the prevailing market condition.

Mr. Pao is also proposed to act as a member of each of the Audit Committee and the Nomination Committee if appointed.

Save as disclosed above, (i) Mr. Pao has not held any directorships in other listed public companies in Hong Kong or overseas in the past three years; (ii) he has not held any interests in the Group within the meaning of Part XV of the SFO; and (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no information in relation to Mr. Pao’s appointment that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Proposed Independent Non-executive Director — Mr. Thomas Tam

Mr. Thomas Tam (“Mr. Tam”) (formerly known as Tam Kwok Hing (談國慶)), aged 65, is proposed to be appointed as an independent non-executive Director on 29 May 2013 subject to Shareholders’ approval at the EGM. He is as a fellow member of the Hong Kong Institute of Certified Public Accountants (then known as the Hong Kong Society of Accountants) and was admitted in 1995.

Mr. Tam was founder of Tam Kwok Hing & Co., Certified Accountants (now under the name Wongs & Tam, Certified Public Accountants), a certified public accountants firm in Hong Kong set up in 1972 and he is now a consultant of Wongs & Tam. Mr. Tam was admitted as an associate of the Chartered Association of Certified Accountants in 1972 and a fellow member in 1980. He was also enrolled to practice before the Internal Revenue Service of the United States of America since 1994. Mr. Tam is currently an independent non-executive director of Sing Lee Software (Group) Limited, a company listed on the Stock Exchange (Stock code: 8076).

If appointed as an independent non-executive Director at the EGM, Mr. Tam will enter into a service contract with the Company for a proposed term of three years commencing from 29 May 2013. The contract may be terminated by, amongst others, serving not less than three months’ prior notice in writing by either party to the other. Mr. Tam will be entitled to a Director’s emolument (HKD200,000 per annum, which is payable on a monthly basis from 29 May 2013) which was determined upon negotiation between Mr. Tam and the Company at arm’s length by reference to his previous experience, professional qualifications, responsibilities to be taken in the Company and the amount of time devoted to the Company’s business as well as the current financial position of the Company and the prevailing market condition.

Mr. Tam is also proposed to act as the chairman of the Audit Committee, and a member of each of the Nomination Committee and the C&B Committee if appointed.

Save as disclosed above, (i) Mr. Tam has not held any directorships in other listed public companies in Hong Kong or overseas in the past three years; (ii) he has not held any interests in the Group within the meaning of Part XV of the SFO; and (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no information in relation to Mr. Tam’s appointment that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

EGM

Ordinary resolutions for the Shareholders to consider and, if thought fit, approve the proposed appointment of Ernst & Young as auditors of the Company and the proposed appointment of new Directors will be proposed at the EGM to be held at the 3rd Floor Conference Room, 9–10 Pudong Road, The First Industrial Park, Economic and Technological Development Zone, Weihai City, Shandong Province, the PRC on 29 May 2013 (Wednesday) at 4:00 p.m.. A circular containing, among other things, details of the

proposed appointment of new auditors of the Company and the proposed appointment of new Directors and a notice of the EGM will be despatched to the Shareholders in due course.

By order of the Board
HL Technology Group Limited
Chi Shaolin
Chairman and CEO

Hong Kong, 7 May 2013

As at the date of this announcement, the executive Directors are Mr. Chi Shaolin, Mr. Jiang Taike and Mr. Li Jianming, the non-executive Director is Ms. Xu Yiming and the independent non-executive Directors are Mr. Shu Wa Tung, Laurence, Mr. Song Lizhong and Ms. Zheng Lin.