
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zheng Li Holdings Limited (the “Company”), 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, registered dealer in securities or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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Zheng Li Holdings Limited **正力控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8283)

(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES; (2) PROPOSED RE-ELECTION OF DIRECTORS; AND (3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company (“AGM”) to be held at Room 1706, T7 Building, Yicheng Times Plaza, Jing Hai Si Road, Daxing District, Beijing City, the PRC on Friday, 24 June 2022 at 10:00 a.m. is set out on pages 19 to 23 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are advised to read this circular and to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to page 1 of this circular for the measures to be implemented at the AGM by the Company against the epidemic to protect the attendees from the risk of infection of the Novel Coronavirus (“COVID-19”), including:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no distribution of corporate gifts and no serving of refreshments

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company wishes to advise Shareholders that you may appoint the Chairman of the AGM as your proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

This circular, together with a form of proxy, will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the Company’s website at www.zhengliholdings.com.

31 May 2022

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing COVID-19 pandemic, the Company will implement necessary preventive measures at the AGM to protect attending Shareholders, proxy and other attendees from the risk of infection, including:

- (i) compulsory body temperature check will be conducted on every attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.2 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) each attendee is required to prepare his/her own surgical face masks and wear the same inside the AGM venue at all times, and to maintain a safe distance between seats.
- (iii) no corporate gifts will be distributed and no refreshments will be served.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

In the interest of all attendees' health and safety, the Company wishes to advise all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions duly completed, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

The form of proxy for use at the AGM is enclosed with this circular and can also be downloaded from the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.zhengliholdings.com). In order to be valid, the signed and completed form of proxy must be deposited at the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. If you are not a registered Shareholder (i.e., if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Room 1706, T7 Building, Yicheng Times Plaza, Jing Hai Si Road, Daxing District, Beijing City, the PRC on Friday, 24 June 2022 at 10:00 a.m. for the purpose of considering and if thought fit, approving, <i>inter alia</i> , the resolutions proposed in this circular
“Articles”	the articles of association of the Company as amended, supplemented or modified from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or modified from time to time
“close associate(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Company”	Zheng Li Holdings Limited (正力控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the issued Shares of which are listed on GEM (Stock Code: 8283)
“controlling shareholder(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or modified from time to time
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong

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“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to allot, issue and deal with new Shares with the aggregate number not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	19 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to repurchase the Shares of the aggregate number not exceeding 10% of the total number of issued Shares of the Company as at the date of passing the relevant resolution
“Risk Management Committee”	the risk management committee of the Company
“S\$” or “SGD”	Singapore dollar(s), the lawful currency of Singapore
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.0025 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“substantial shareholder(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong as amended, supplemented or modified from time to time
“%”	per cent

LETTER FROM THE BOARD

Zheng Li Holdings Limited
正力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8283)

Executive Directors:

Mr. WANG Lei
Mr. FENG Wei
Mr. CHUA Boon Hou (CAI Wenhao)

Non-Executive Director:

Mr. WANG Bing

Independent Non-Executive Directors:

Mr. LEUNG Yiu Cho
Mr. CHEN Huichun
Mr. ZHAO Wei

Registered Office:

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Principal Place of Business in
Hong Kong:*

9/F., Wah Yuen Building
149 Queen's Road Central
Hong Kong

31 May 2022

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the AGM relating to:

- (a) the granting of the Issue Mandate to the Directors;
- (b) the granting of the Repurchase Mandate to the Directors;
- (c) the granting of the extension mandate to extend the Issue Mandate by an amount representing the aggregate number of any Shares purchased or repurchased under the Repurchase Mandate; and
- (d) the re-election of Directors.

LETTER FROM THE BOARD

A notice convening the AGM setting out the details of the ordinary resolutions to be proposed at the AGM is set out on pages 19 to 23 of this circular.

ISSUE MANDATE

The Directors have been granted a general and unconditional mandate to allot, issue and deal with Shares pursuant to the resolutions of the Shareholders passed on 16 November 2021. The issue mandate would expire: (a) at the end of the next annual general meeting of the Company; (b) at the end of the period within which the Group is required by any applicable laws or the Articles to hold its next annual general meeting of the Company; or (c) when varied or revoked by an ordinary resolution of Shareholders in a general meeting of the Company, whichever is the earliest.

As at the Latest Practicable Date, the existing general mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to allot, issue and deal with new Shares with the aggregate number not exceeding 20% of the total number of issued Shares of the Company on the date of passing the relevant resolution.

REPURCHASE MANDATE

The Directors have been granted a general and unconditional mandate to exercise the power of the Company to purchase or repurchase Shares pursuant to the resolutions of the Shareholders passed on 16 November 2021. The repurchase mandate would expire: (a) at the end of the next annual general meeting of the Company; (b) at the end of the period within which the Group is required by any applicable laws or the Articles to hold its next annual general meeting of the Company; or (c) when varied or revoked by an ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As at the Latest Practicable Date, the existing repurchase mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to exercise all the powers of the Company to purchase or repurchase Shares with the aggregate number not exceeding 10% of the total number of issued Shares of the Company on the date of passing the relevant resolution. An explanatory statement giving the particulars required under Rule 13.08 of the GEM Listing Rules in respect of the Repurchase Mandate to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution is set out in Appendix I to this circular.

LETTER FROM THE BOARD

The Company has in issue an aggregate of 2,000,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the Issue Mandate and the Repurchase Mandate and in accordance with the terms therein, the Company would be allowed to allot, issue and deal with a maximum of 400,000,000 new Shares (representing 20% of the total number of issued Shares of the Company) and to purchase or repurchase a maximum of 200,000,000 Shares (representing 10% of the total number of issued Shares of the Company) respectively, on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

EXTENSION OF ISSUE MANDATE

In addition, subject to the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to authorise the Directors to extend the Issue Mandate to allot, issue and deal with Shares by an amount of Shares representing the aggregate number of Shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the total number of issued Shares as at the date of passing the resolution for approving the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to Article 108(a) of the Articles, one-third of the Directors for the time being (or if their number is not three or multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation and, being eligible, offer themselves for re-election as Directors at the annual general meeting of the Company. Accordingly, Mr. CHEN Huichun and Mr. LEUNG Yiu Cho will retire from the Board by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Pursuant to Article 112 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Accordingly, Mr. WANG Lei, Mr. FENG Wei and Mr. WANG Bing will hold office only until the AGM and being eligible, will offer themselves for re-election at the AGM.

In assessing suitable candidates for independent non-executive Director, the Nomination Committee shall consider certain factors including (i) reputation for integrity; (ii) accomplishment, experience and reputation in the business and industry of the Company; (iii) commitment in respect of sufficient time, interest and attention to the businesses of the Group; (iv) diversity in all aspects, including but not limited to gender, age, cultural/educational and professional backgrounds, skills, knowledge and experience; (v) compliance with the criterion of independence as prescribed under Rule 5.09 of the GEM Listing Rules; and (vi) any other relevant factors as may be determined by the Nomination Committee or the Board from time to time as appropriate. The Nomination Committee also took into account the diversity aspects in respect of the re-election of Mr. CHEN Huichun and Mr. LEUNG Yiu Cho (the “**Retiring INEDs**”), with due regard for the benefits of diversity on the Board. In particular, Mr. CHEN

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Huichun is an entrepreneur with extensive management experience, which enable him to provide valuable and independent guidance to the Group's business. Mr. LEUNG Yiu Cho has tremendous expertise in professional accounting, financial advisory and corporate finance, which is of particular relevance to the supervision of the Group's strategy and performance. In addition, none of the Retiring INEDs has any financial or family relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, which could give rise to a conflict of interests situation or otherwise affect their exercise of independent judgement. Furthermore, each of the Retiring INEDs has made a confirmation of independence pursuant to the independence guidelines set out in Rule 5.09 of the GEM Listing Rules.

Taking into consideration the above, the Board is of the view that all the Retiring INEDs are independent. The Board also accepted the nomination by the Nomination Committee and recommended the Retiring INEDs to stand for re-election by the Shareholders at the AGM.

Mr. CHEN Hui Chun is a member of the Nomination Committee and has abstained from voting on the resolution in relation to his nomination for re-election as an independent non-executive Director.

Biographical details of the Directors who are standing for re-election at the AGM are set out in Appendix II to this circular.

AGM AND PROXY ARRANGEMENT

The notice convening the AGM to be held at Room 1706, T7 Building, Yicheng Times Plaza, Jing Hai Si Road, Daxing District, Beijing City, the PRC on Friday, 24 June 2022 at 10:00 a.m. is set out on pages 19 to 23 of this circular. Ordinary resolutions will be proposed at the AGM for the purpose of considering and if thought fit, approving, *inter alia*, the resolutions proposed in this circular.

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof (as the case may be) should you so wish. If the Shareholder attends and votes at the AGM, the authority of the proxy will be revoked.

VOTING AT THE AGM

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be

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voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of a poll by the Shareholders. An announcement on the poll results of the AGM will be published after the AGM, in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022 (both dates inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 20 June 2022.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the notice of AGM, including, among other things, the proposed grant of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is also drawn to the appendices to this circular.

By Order of the Board
Zheng Li Holdings Limited
WANG Lei
*Co-Chairman, Chief Executive Officer and
Executive Director*

This appendix serves as an explanatory statement, as required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules, to provide the Shareholders with the requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, a total of 2,000,000,000 Shares were in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Subject to the passing of the resolution approving the Repurchase Mandate and assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the AGM, exercise in full of the Repurchase Mandate, on the basis of 2,000,000,000 Shares in issue as at the date of the AGM, could result in up to a maximum of 200,000,000 Shares (representing 10% of the issued share capital of the Company) being repurchased by the Company.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or the 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. The number of Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. SOURCE OF FUNDS

The Company is empowered by the Articles to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles, the Cayman Companies Act, the GEM Listing Rules and/or other applicable laws, rules and regulations, as the case may be.

Any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if authorised by the Articles and subject to the Cayman Companies Act and/or other applicable laws, rules and regulations, out of capital. The premium, if any, payable on repurchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased or, if authorised by the Articles and subject to Cayman Companies Act

and/or other applicable laws, rules and regulations, out of capital. The Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

4. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

5. IMPACT ON WORKING CAPITAL OR GEARING POSITION

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 December 2021, being the date of its latest published audited consolidated financial statements. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and all applicable laws of the Cayman Islands.

7. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any of their Shares to the Company or its subsidiaries pursuant to the Repurchase Mandate.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any of his/her/its Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company, in the event that the Company is authorised to make repurchases of the Shares.

8. THE TAKEOVERS CODE

If, as a result of repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase may be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), 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 for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, the controlling shareholder to the best knowledge of the Directors, Mr. LI Jie, was beneficially interested in 586,020,000 Shares representing approximately 29.3% of the issued Shares. Mdm. HAN Mei is the spouse of Mr. LI Jie. Under the SFO, Mdm. HAN Mei is deemed to be interested in the same number of Shares in which Mr. LI Jie is interested. In the event that the Directors exercise in full the power of the Company to repurchase Shares pursuant to the Repurchase Mandate, the shareholding percentage of the controlling Shareholder in the Company would be increased to approximately 32.56% of the issued Shares. Such increase will give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors do not have any intention to exercise the Repurchase Mandate to the extent that would trigger a mandatory offer under the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such extent that will result in the number of Shares in hands of public falling below the prescribed minimum percentage of 25% of the total number of issued Shares as required under the GEM Listing Rules.

9. SHARE PRICES

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

	Price per Share	
	Highest HK\$	Lowest HK\$
May 2021	Trading suspended	
June 2021	Trading suspended	
July 2021	Trading suspended	
August 2021	Trading suspended	
September 2021	Trading suspended	
October 2021	0.280	0.120
November 2021	0.229	0.150
December 2021	0.205	0.137
January 2022	0.175	0.140
February 2022	0.162	0.139
March 2022	0.152	0.091
April 2022	0.146	0.102
May 2022 (up to the Latest Practicable Date)	0.140	0.108

Note: Trading in the shares on the Stock Exchange had been suspended at 9:00 a.m. on 16 November 2020 and was resumed at 9:00 a.m. on 21 October 2021.

10. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares had been made by the Company during the 6 months immediately preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are details of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHEN Huichun (陳回春) (“Mr. Chen”), aged 49, was appointed as an independent non-executive Director of the Company on 11 September 2019. He is also a member of the Nomination Committee and the Audit Committee.

Mr. Chen is an entrepreneur with extensive experience in the real estate industry in mainland China. In July 2018, Mr. Chen completed a business administration programme and obtained a Bachelor’s degree in Management from 西北民族師範學院 (Northwest Minzu Normal University*). In the past over ten years, he has established a number of real estate companies, such as 鞍山市共榮房地產開發有限責任公司 (Anshan City Gongrong Real Estate Development Co., Ltd.*), 鞍山市共成房地產開發有限公司 (Anshan City Gongcheng Real Estate Development Co., Ltd.*) and 鞍山市共富房地產開發有限公司 (Anshan City Gongfu Real Estate Development Co., Ltd.*), in which he played a leading role. Mr. Chen has extensive management experience in the real estate field and a continuing and firm vision for investment. Coupled with his excellent management capability, he is an outstanding and successful entrepreneur. Mr. Chen is currently involved in the field of new energy vehicles and is committed to contributing to the economic development and the construction of green homes of Anshan City.

Mr. Chen has entered into an appointment letter with the Company for a term of three years commencing from 11 September 2019 and shall retire and be subject to re-election at the annual general meeting of the Company in accordance with the Articles. He is entitled to receive an annual Director’s fee of HKD120,000, which was determined by the Board on recommendation of the Remuneration Committee in accordance with his background, experience, qualifications, duties and responsibilities within the Group and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chen has beneficial interests in 700,000 shares, representing 0.035% of the number of issued shares of the Company within the meaning of Part XV of the SFO.

Mr. LEUNG Yiu Cho (梁耀祖) (“Mr. Leung”), aged 42, is an independent non-executive Director. He was appointed to the Board on 21 October 2016 and does not hold any position with other members of the Group. Mr. Leung has over 13 years of experience in financial management and corporate finance. He is also the chairman of each of the Audit Committee and the Remuneration Committee.

Mr. Leung has been an independent non-executive director at Wuxi Sunlit Science and Technology Company Limited (Stock Code: 1289) (a company listed on the main board of the Stock Exchange (“**Main Board**”)) since June 2021 and CAA Resources Limited (Stock Code: 2112) (a company listed on the Main Board) since March 2022. He was appointed as (i) Company Secretary; and (ii) Authorised Representative for the purpose of Rule 3.05 of the Rules

Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange (the “**Authorised Representative**”) at Universal Star (Holdings) Limited (Stock Code: 2346) (a company listed on the Main Board) and China Dredging Environment Protection Holdings Limited (Stock Code: 871) (a company listed on the Main Board) on 13 July 2021 and 29 December 2021 respectively. Mr. Leung was appointed as (i) Company Secretary; (ii) Chief Financial Officer; (iii) Authorised Representative; and (iv) Authorised Representative pursuant to Part 16 of the Companies Ordinance for accepting service of process and notices on behalf of the Company in Hong Kong under Rule 19.05(2) of the Listing Rules (the “**Process Agent**”) at Xinhua News Media Holdings Limited (Stock Code: 309) (a company listed on the Main Board) on 2 July 2021 until his resignation on 5 August 2021. Mr. Leung was appointed as an independent non-executive director at CAA Resources Limited (Stock Code: 2112) (a company listed on the Main Board) from August 2017 until his resignation in October 2020. He joined Artini Holdings Limited (formerly known as Primeview Holdings Ltd.) (Stock Code: 0789) (a company listed on the Main Board), as its chief financial officer in December 2013 and has been its investment principal since October 2015 and an executive director in December 2016 until his resignation in September 2019. Mr. Leung was responsible for monitoring corporate finance transactions and investors relationship. Prior to that, Mr. Leung started his employment with Deloitte Touche Tohmatsu in June 2005 as a semi-senior accountant before leaving as a senior accountant in July 2006. Between July 2006 and August 2007, he was the assistant financial controller of Ta Yang Group Holdings Limited (大洋集團控股有限公司) (Stock Code: 1991) (a company listed on the Main Board). From August 2007 to September 2008, Mr. Leung joined CSC Securities (HK) Limited (群益證券(香港)有限公司) as an executive in the investment banking department. Mr. Leung was the financial controller and board secretary of United Technology Holdings Company Limited (聯合科技控股有限公司) in 2011. From March 2012 to August 2013, he joined Highland Asset Management Corporation (漢鎰資產管理股份有限公司) as its senior deputy finance manager and board secretary.

Mr. Leung has entered into an appointment letter with the Company for a term of three years commencing from 1 January 2020 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. He is entitled to HKD120,000 as annual remuneration, which was determined by the Board on recommendation of the Remuneration Committee in accordance with his background, experience, qualifications, duties and responsibilities within the Group and the prevailing market conditions.

Mr. Leung does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

EXECUTIVE DIRECTORS

Mr. WANG Lei (王雷) (“Mr. Wang”), aged 34, was appointed as the co-chairman of the Board, the chief executive officer and executive Director as recommended by the Nomination Committee and approved by the Board on 9 February 2022. He is a member of each of the Remuneration Committee, Nomination Committee and the Risk Management Committee.

Mr. Wang has more than seven years of management in companies engaged with online and technology businesses. From 2014 to 2015, he was the chief executive officer of Beijing Qiuyouquan Technology Company Limited* (北京球友圈網路科技有限責任公司), mainly responsible for promoting online booking systems with respect to different sports activities. Since 2017, Mr. Wang has become the general manager of Beijing Zhicai Technology Company Limited* (北京智裁科技有限公司) and was responsible for the company's overall management and researches on products (including but not limited to pre-packaged food and smart electrical appliances).

Mr. Wang has entered into a director service agreement with the Company for an initial term of three years commencing from 9 February 2022 and subject to retirement by rotation and re-election at the annual general meeting of the Company. The annual remuneration of Mr. Wang as a Director is RMB240,000, which was determined by the Board on recommendation of the Remuneration Committee in accordance with his background, experience, qualifications, duties and responsibilities with the Company and the prevailing market conditions.

Mr. Wang does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. FENG Wei (馮為) (“**Mr. Feng**”), aged 32, was appointed as the co-chairman of the Board and executive Director as recommended by the Nomination Committee and approved by the Board on 30 December 2021.

Mr. Feng has 8 years of experience in financial service industry. From 2013 to 2014, he was independent financial director in Convoy Global Holdings Limited (康宏環球控股有限公司), mainly responsible for promoting financial investment by mining high net worth customers. During the period from 2014 to 2016, Mr. Feng was a fund manager in Innoway Wealth Asset Management Co., Ltd. (英諾威財富資產管理有限公司) and was responsible for project valuation due diligence, leading fund company establishment, fund product design and filing, drafting of related fund-raising materials, and assisting in the development of contract work. He then worked in Shenzhen Honghai Global Holdings (Group) Co., Ltd. (深圳市鴻海環球控股集團有限公司) as senior investment manager from 2016 to 2019 and was responsible for strategic deployment and investment in areas such as smart parks, logistics and warehousing technology, and supply chains. Mr. Feng was the chief investment officer in Shenzhen Jasons Consulting Co., Ltd. (深圳杰晟思顧問有限公司), mainly responsible for contracting and implementation of various consulting projects, involving the establishment of corporate structures, incentive planning, corporate investment and financing management, and fiscal and taxation law consulting, etc. from 2019 to 2020, and then he has been deputy general manager since 2020, mainly responsible for the layout of the financial technology field, leading the development of consulting services for mainland companies in Hong Kong IPOs and mergers and acquisitions and the establishment of offshore investment funds.

Mr. Feng graduated from The Australian National University and obtained a degree of bachelor of engineering with honours and a degree of master of financial management in 2012 and 2013 respectively. He has been a Financial Risk Manager of Global Association of Risk Professionals since 2021.

Mr. Feng has entered into a director service agreement with the Company for an initial term of three years commencing from 30 December 2021 and subject to retirement by rotation and re-election at the annual general meeting of the Company. The annual remuneration of Mr. Feng as a Director is HK\$120,000.00, which was determined by the Board on recommendation of the Remuneration Committee in accordance with his background, experience, qualifications, duties and responsibilities with the Company and the prevailing market conditions.

Mr. Feng does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

NON-EXECUTIVE DIRECTOR

Mr. WANG Bing (王兵) (“Mr. Wang”), aged 55, was appointed as non-executive Director as recommended by the Nomination Committee and approved by the Board on 30 December 2021.

Mr. Wang has over 30 years of experience in scientific research and chemical industry. From 1990 to 1994, he was an engineer in Shenyang Research Institute of Chemical Industry* (瀋陽化工研究院). From 1997 to 2001, Mr. Wang worked as a researcher in Soken Chemical & Engineering Co., Ltd. (綜研化學株式會社) (stock code: 4972), a company listed on JASDAQ. He later worked in FS Division of Shiseido Company, Limited (株式會社資生堂) (stock code: 49110), a company listed on JASDAQ, as researcher from 2001 to 2003. Mr. Wang served as general manager in Beijing Taikemei Technology Co., Ltd.* (北京泰克美高新技術有限公司) from 2002 to 2009 and then has been the chairman since 2009. During the period from 2010 to 2014 he was a special advisor of Shiseido Company, Limited (株式會社資生堂).

Mr. Wang graduated from Gunma University in Japan and obtained a degree of master of biochemical engineering in 1997. He was granted 13 patents on inventions, new models and appearance.

Mr. Wang has entered into a letter of appointment (the “**Letter of Appointment**”) with the Company for an initial term of three years commencing from 30 December 2021 and subject to retirement by rotation and re-election at the annual general meeting of the Company. As set out in the Letter of Appointment, the annual remuneration of Mr. Wang as a Director is HK\$120,000.00, which was determined by the Board on recommendation of the Remuneration Committee in accordance with his background, experience, qualifications, duties and responsibilities with the Company and the prevailing market conditions.

Mr. Wang does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

* English translation, for identification purpose only

GENERAL

Save as disclosed above, none of the above Directors:

- (i) held any other positions in any members of the Group as at the Latest Practicable Date;
- (ii) had any other relationship with any Directors, senior management or substantial shareholders or controlling shareholder of the Company as at the Latest Practicable Date;
- (iii) held any other directorships in listed public companies or any other major appointments and professional qualifications in the three years prior to the Latest Practicable Date; and
- (iv) had any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information in relation to the above Directors that needs to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules.

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Zheng Li Holdings Limited 正力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8283)

NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to page 1 of the circular of the Company dated 31 May 2022 for the measures to be implemented at the Annual General Meeting by the Company against the epidemic to protect the attendees from the risk of infection of the Novel Coronavirus (“COVID-19”), including:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no distribution of corporate gifts and no serving of refreshments

Any person who does not comply with the precautionary measures may be denied entry into the Annual General Meeting venue. The Company wishes to advise Shareholders that you may appoint the Chairman of the Annual General Meeting as your proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of Zheng Li Holdings Limited (the “**Company**”) will be held at Room 1706, T7 Building, Yicheng Times Plaza, Jing Hai Si Road, Daxing District, Beijing City, the PRC on Friday, 24 June 2022 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and the independent auditors of the Company for the year ended 31 December 2021;
2. To re-elect Mr. CHEN Huichun as an independent non-executive Director;
3. To re-elect Mr. LEUNG Yiu Cho as an independent non-executive Director;
4. To re-elect Mr. WANG Lei as an executive Director;
5. To re-elect Mr. FENG Wei as an executive Director;

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6. To re-elect Mr. WANG Bing as a non-executive Director;
7. To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
8. To re-appoint CCTH CPA Limited as the auditors of the Company and authorise the Board to fix the auditors’ remuneration; and

as special business, to consider and, if thought fit, pass the following resolutions (with or without amendments) as ordinary resolutions:

9. “**THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with new shares in the capital of the Company and to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as amended from time to time) (the “**GEM Listing Rules**”), be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the end of the Relevant Period (as defined in paragraph (d) below);
 - (c) the aggregate number of share capital allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); (ii) the exercise of the rights of subscription or conversion under the terms of any warrants which may be issued by the Company or any securities which are convertible into shares; (iii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company for the grant or issue to the employees, officers, Directors and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company; and (iv) any scrip dividend scheme or similar arrangement providing for allotment and issue of shares in lieu of the whole or part of a dividend on the shares of the Company in accordance with the

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articles of association of the Company from time to time, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying such mandate.

“**Rights Issue**” means an offer of shares of the Company or offer or issue of warrants or options or other securities giving rights to subscribe for the shares of the Company open for a period fixed by the Directors to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holding of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange, in any territory outside Hong Kong, applicable to the Company).”

10. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase or repurchase shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company on the Stock Exchange or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised 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 the requirements of the Securities and Futures Commission, the Companies Act of the Cayman Islands, the GEM Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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(b) the aggregate number of the shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company which may be purchased or repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying such mandate.”

11. “**THAT** conditional upon resolutions no. 9 and no. 10 above being passed (with or without amendments), the general and unconditional mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to the resolution set out in resolution no. 9 above be and is hereby extended by the addition thereto an amount of shares representing the aggregate number of shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under resolution no. 10 above, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution.”

By Order of the Board
Zheng Li Holdings Limited
WANG Lei
*Co-Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 31 May 2022

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting shall be entitled to appoint one or if he is a holder of two or more shares of the Company, more than one proxies to attend and vote in his stead. A proxy need not be a member of the Company but must be present in person in the Annual General Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the

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number of shares in respect of which such proxy is so appointed. Completion and return of the form of proxy will not preclude a member of the Company from attending the Annual General Meeting and voting in person should he so wish. In such event, his form of proxy will be deemed to have been revoked.

2. Where there are joint registered holders of any share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the Annual General Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. A form of proxy for the Annual General Meeting is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof.
4. To ascertain the members' entitlement to attend and vote at the Annual General Meeting, the register of members will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both days inclusive, during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 20 June 2022.
5. In compliance with Rule 17.47(4) of the GEM Listing Rules, voting on all proposed resolutions set out in this notice will be decided by way of a poll.
6. An explanatory statement containing information regarding the ordinary resolution in item 10 of this notice is set out in Appendix I to the circular of the Company dated 31 May 2022 (the "**Circular**").
7. Details of the Directors who are standing for re-election at the Annual General Meeting are set out in Appendix II to the Circular.
8. Members of the Company or their proxies shall produce documents of their proof of identity when attending the Annual General Meeting.

As at the date of this notice, the executive Directors are Mr. WANG Lei, Mr. FENG Wei and Mr. CHUA Boon Hou (CAI Wenhao); the non-executive Director is Mr. WANG Bing; and the independent non-executive Directors are Mr. LEUNG Yiu Cho, Mr. CHEN Huichun and Mr. ZHAO Wei.