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If you have sold or transferred all your shares in Hengxing Gold Holding Company Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Hengxing Gold Holding Company Limited
恒興黃金控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2303)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Hengxing Gold Holding Company Limited to be held at, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 28 June 2019 at 10:00 a.m. is set out on pages 15 to 20 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, 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 meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjournment thereof if they so wish.

29 May 2019

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 28 June 2019 at 10:00 a.m. or any adjournment thereof, the notice of which is set out on pages 15 to 20 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Cayman Company Law”	the Company Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Hengxing Gold Holding Company Limited (恒興黃金控股有限公司), an exempted company incorporated under the laws of the Cayman Islands on 10 April 2012 with limited liability, whose Shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20 per cent of the total number of shares of the Company in issue as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	23 May 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Date”	29 May 2014, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan)
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the total number of shares of the Company in issue as at the date of passing of the relevant resolution granting the Repurchase Mandate
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)” or “Member(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“Xiamen Hengxing”	Xiamen Hengxing Group Co., Ltd. (廈門恒興集團有限公司), a limited liability company established in China on 14 September 1994, which is owned by Mr. Ke Xiping as to 99.34% and by Ms. Liu Haiying, Mr. Ke’s wife, as to 0.66%, and except where the context otherwise requires, includes all of its subsidiaries

LETTER FROM THE BOARD



Hengxing Gold Holding Company Limited
恒興黃金控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2303)

Executive Directors:

Mr. KE Xiping (*Chairman*)
Ms. YANG Yifang (Lydia Yang) (*President*)
Mr. CHEN, David Yu
Mr. KE Jiaqi

Non-executive Director:

Mr. Albert Fook Lau HO

Independent Non-executive Directors:

Ms. WONG, Yan Ki Angel
Dr. Tim SUN
Dr. PAN Guocheng

Registered office:

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street, P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

Principal place of business in Hong Kong:

Suite 3203, 32/F, Central Plaza
18 Harbour Road, Wanchai
Hong Kong

29 May 2019

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the grant to the Directors of General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the Extension Mandate; (ii) the re-election of the retiring Directors; and (iii) the declaration of final dividend.

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought for the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. An ordinary resolution no. 5(A) will be proposed at the Annual General Meeting to grant to the Directors the General Mandate to exercise the powers of the Company to allot, issue and deal with new shares with total number up to 20 per cent of the total number of the shares of the Company as at the date of the passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, a total of 925,000,000 Shares in issue. Subject to the passing of the above ordinary resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 185,000,000 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 5(C), the number of Shares purchased by the Company under ordinary resolution no. 5(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20 per cent limit of the General Mandate as mentioned in the ordinary resolution no. 5(A) provided that such additional amount shall not exceed 10 per cent of the total number of the shares of the Company as at the date of the passing of the General Mandate and Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to the General Mandate.

REPURCHASE MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution no. 5(B) will be proposed at the Annual General Meeting to approve the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the total number of the shares of the Company as at the date of the passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, Mr. CHEN, David Yu, Dr. Tim SUN and Ms. WONG, Yan Ki Angel shall retire by rotation, and being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

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

Procedure and Process for Nomination of Directors

The Nomination Committee will recommend to the Board for the appointment of a Director including an independent non-executive director in accordance with the following selection criteria and nomination procedures:

- (a) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, having due regard to the Company's Board Diversity Policy, the requirements in the Company's constitution, the Listing Rules and applicable laws and regulations, and the relevant candidates' contributions to the Board in terms of qualifications, skills, experiences, independence and gender diversity;
- (b) assess the independence of independent non-executive Director to determine their eligibility with reference to the factors set out in Rule 3.13 of the Listing Rules and any other factors deemed appropriate by the Nomination Committee or the Board. If a proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, to assess his/her ability to devote sufficient time to the Board matters; and
- (c) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepared a description of the role and capabilities required for a particular appointment.

Recommendation of the Nomination Committee

The Nomination Committee has considered Ms. WONG, Yan Ki Angel and Dr. Tim SUN's extensive experience in accounting and mining industry respectively, their working profiles and other experience and factors as set out in their biographical details in Appendix I to this circular. The Nomination Committee is satisfied that Ms. Wong and Dr. Sun have the required character, integrity and experience to continuously fulfil their roles as an independent non-executive director effectively. The Board believed that their re-elections as the independent non-executive directors would be in the best interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Furthermore, Ms. Wong and Dr. Sun, being independent non-executive directors eligible for re-election at the Annual General Meeting, have made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules respectively. During their appointments, they have demonstrated their abilities to provide an independent view to the Company's matters. The Nomination Committee is of the view that they are able to continue to fulfill their roles as independent non-executive Directors and thus recommends them to the Board for it to propose to Shareholders for re-election at the Annual General Meeting.

DECLARATION OF FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

As mentioned in the final results announcement of the Company for the year ended 31 December 2018 dated 29 March 2019, it was the intention of the Board to recommend a final dividend for the year ended 31 December 2018 of HK\$0.1 per Share, totaling HK\$92,500,000, which is subject to the approval of Shareholders at the Annual General Meeting and compliance with the Cayman Companies Law. An ordinary resolution numbered 2 will be proposed at the Annual General Meeting to approve the declaration of the final dividend.

Under Section 34(2) of the Cayman Companies Law, the share premium account may be applied by a company paying dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to the dividend, the Company shall be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be paid.

For determining the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Tuesday, 25 June 2019 to Friday, 28 June 2019, both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 24 June 2019.

For determining the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Tuesday, 9 July 2019 to Wednesday, 10 July 2019, both days inclusive. During the above period, no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, subject to passing of an ordinary resolution numbered 2 above at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on Monday, 8 July 2019.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 15 to 20 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider and approve (i) the grant to the Directors of General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the Extension Mandate; (ii) the re-election of the retiring Directors; and (iii) the declaration of final dividend.

FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. 10:00 a.m. on 26 June 2019) or not less than 48 hours before the time appointed for holding any adjournment thereof.

Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the Extension Mandate; the re-election of the retiring Directors and the declaration of final dividend in the interests of the Group as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Hengxing Gold Holding Company Limited
KE Xiping
Chairman

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

Save as disclosed herein, none of the following Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, save as disclosed herein, none of the following Director has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed in this circular, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

DIRECTOR CANDIDATES

Mr. CHEN, David Yu, aged 50, is an executive Director since March 2013. He was the Vice Chairman of the Board and the president of the Company from September 2013 to May 2018. Mr. Chen has been a director of Jinchuan Mining since September 2012.

Mr. Chen has over 15 years of experience in venture investment and capital raising. Mr. Chen was an independent director of Zhonglu Co., Ltd. (中路股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600818) from May 2009 to November 2014 and the non-executive Chairman of Range Resources Ltd, (dual listed ASX: RRS; AIM: RRL) from December 2014 to November 2016. He was an independent non-executive director of Sinco Pharmaceuticals Holdings Limited, a company listed on the Stock Exchange (Stock Code: 6833) from January 2018 to April 2018.

Mr. Chen obtained a Bachelor of Economics degree from Monash University in Australia in April 1992.

Mr. Chen has entered into a service contract with the Company for a term of three years up to May 2022, which may be terminated by not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles of Association. Under the service contract, Mr. Chen is entitled to a director's fee of RMB833,000 per annum including salaries, allowances and benefits in-kinds, with reference to his experience and qualification.

Save as disclosed above, Mr. Chen does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years. As at the Latest Practicable Date, Mr. Chen is not interested in any Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Ms. WONG, Yan Ki Angel, aged 47, is an independent non-executive Director since March 2013. Ms. Wong obtained a Bachelor of Arts degree, majoring in international accounting, from Xiamen University in July 1994, a post-graduate certificate in professional accounting from the City University of Hong Kong in November 2000 and a master degree of business administration from Cheung Kong Graduate School of Business (長江商學院) in PRC in October 2009. Ms. Wong has been admitted as fellow member of the Institute of Financial Accountants in the United Kingdom since October 2003, full member of the Society of Registered Financial Planners in Hong Kong since November 2003, full member of the Singapore Institute of Directors since October 2009, member of the Hong Kong Institute of Directors since November 2014, fellow member (FIPA, Australia) of the Institute of Public Accountants since April 2015, founding member of the Hong Kong Independent Non-Executive Director Association since October 2015 and fellow member of CPA Australia since May 2017. Ms. Wong has been the president and executive director of Advanced Capital Limited (匯財資本有限公司), where she provides consultancy services for both listed companies and companies preparing for listing.

Ms. Wong was appointed as an independent non-executive Director of China Best Group Holding Limited (Stock Code: 370) since June 2011 to September 2014, China Public Procurement Limited (Stock Code: 1094) since December 2015 to July 2018, Miko International Holdings Limited (Stock Code: 1247) since July 2017 to July 2018, Yuhua Energy Holdings Limited (Stock Code: 2728) since November 2016 to December 2018. She was also appointed as an independent non-executive Director of China Shengda Packaging Group Inc. (NASDAQ:CPGI) since August 2014 to September 2015. Since November 2015, Ms. Wong has been an independent non-executive director of 500.com Limited (NYSE: WBAI).

Ms. Wong has entered into a letter of appointment with the Company for a term of three years up to March 2022, which may be terminated by not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles of Association. Under the letter of appointment, Ms. Wong is entitled to a director's fee of HK\$150,000 per annum including salaries, allowances and benefits in-kinds, with reference to her experience and qualification.

Save as disclosed above, Ms. Wong does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years. As at the Latest Practicable Date, Ms. Wong is not interested in any Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Dr. Tim SUN, aged 57, is an independent non-executive Director since April 2014. Dr. Sun obtained a Bachelor in Mineral Processing Engineering degree from Northeast University (東北大學) in June 1982. He obtained a Master in Mineral Processing Engineering degree from Beijing General Research Institute of Mining and Metallurgy (北京礦冶研究總院) in 1985 and a Ph.D. degree from Queen's University, Canada, in October 1993.

Dr. Sun was a director of Norton Gold Fields Limited, an Australian gold mining company listed on the Australian Stock Exchange (Stock Code: NGF), from March 2010 to May 2011 and the chief strategic consultant of Munsun Capital Group Limited, a gold mining company listed on the Stock Exchange (Stock Code: 1194), from January 2010 to 2011. Dr. Sun was appointed as a director and chairman of FeOre Ltd, an iron ore mining company in Mongolia listed on the Australian Stock Exchange (Stock Code: FEO), from 2011 to July 2014. He is also a director of Minco Silver Corporation, a silver mining company listed on the Toronto Stock Exchange (Stock Code: MSV), since July 2011.

Dr. Sun has entered into a letter of appointment with the Company for a term of three years up to April 2020, which may be terminated by not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles of Association. Under the letter of appointment, Dr. Sun is entitled to a director's fee of HK\$150,000 per annum including salaries, allowances and benefits in-kinds, with reference to his experience and qualification.

Save as disclosed above, Dr. Sun does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years. As at the Latest Practicable Date, Dr. Sun is not interested in any Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 925,000,000 Shares of nominal value of HK\$0.01 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 92,500,000 Shares which represent 10 per cent of the total number of issued share of the Company during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by Cayman Company Law or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting prior to the next annual general meeting of the Company.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Cayman Company Law and the Listing Rules. The Cayman Company Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Company Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Cayman Company Law.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and/or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2018, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, 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. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the proposed Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Gold Virtue Limited, which is wholly owned by Mr. KE Kiping, an executive Director, was interested in approximately 60 per cent of the existing issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Gold Virtue Limited in the Company will be increased to approximately 66.67 per cent of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase would not give rise to any obligation to make a mandatory offer under the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during the period from the Listing Date to the Latest Practicable Date were as follows:

Month	Highest	Lowest
	traded prices	traded prices
	<i>HK\$</i>	<i>HK\$</i>
2018		
April	9.29	8.01
May	10.20	8.82
June	10.00	7.81
July	8.02	6.56
August	8.20	5.38
September	8.60	5.90
October	8.80	7.38
November	7.60	5.85
December	6.84	5.50
2019		
January	8.00	6.63
February	8.20	6.83
March	8.49	7.35
April	8.31	7.02
May (up to the Latest Practicable Date)	8.39	7.21

NOTICE OF ANNUAL GENERAL MEETING



Hengxing Gold Holding Company Limited
恒興黃金控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2303)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2019 annual general meeting of Hengxing Gold Holding Company Limited (the “Company”) will be held at, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 28 June 2019 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2018.
2. To declare a final dividend of HK\$0.1 per share for the year ended 31 December 2018.
3. a. To consider and re-elect the following retiring directors of the Company:
 - i. Mr. CHEN, David Yu, as an executive director.
 - ii. Ms. WONG, Yan Ki Angel, as an independent non-executive director.
 - iii. Dr. Tim SUN, as an independent non-executive director.
- b. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint PricewaterhouseCoopers as auditor of the Company until the conclusion of the next annual general meeting and authorise the board of directors of the Company to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

(A) **“THAT:**

- (i) subject to paragraph (iii) below, 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 or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent of the aggregate number of the shares of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly;

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(iv) for the purpose of this resolution:

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

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“THAT:**

- (i) subject to paragraph (ii) below, 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 of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), be and is hereby generally and unconditionally approved;

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- (ii) the aggregate number of the shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the aggregate number of the shares of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is 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 any applicable law or the articles of association of the Company to be held; or
 - (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “That conditional upon the resolutions numbered 5(A) and 5(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 5(A) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate number of the shares of the Company which may be allotted by the directors of the Company pursuant to such general mandate an amount representing the aggregate number of the shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 5(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the aggregate number of the shares of the Company in issue at the date of passing of the said resolutions.”

By order of the board of the directors
Hengxing Gold Holding Company Limited
KE Xiping
Chairman

Hong Kong, 29 May 2019

NOTICE OF ANNUAL GENERAL MEETING

Registered office:
Estera Trust (Cayman) Limited
Clifton House
75 Fort Street, P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

Principal place of business in Hong Kong:
Suite 3203, 32/F
Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Notes:

- (i) Resolution numbered 5(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 5(A) and 5(B) are passed by the shareholders of the Company.
- (ii) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/ her/ its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. 10:00 a.m. on 26 June 2019) or not less than 48 hours before the time appointed for holding any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members will be closed from Tuesday, 25 June 2019 to Friday, 28 June 2019, both days inclusive to determine the entitlement of the shareholders to attend the Annual General Meeting, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 24 June 2019.
- (vi) For determining the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Tuesday, 9 July 2019 to Wednesday, 10 July 2019, both days inclusive. During the above period, no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, subject to passing of an ordinary resolution numbered 2 above at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 8 July 2019.
- (vii) In respect of ordinary resolution numbered 3 above, Mr. CHEN, David Yu, Ms. WONG, Yan Ki Angel and Dr. Tim SUN shall retire and being eligible, offered themselves for re-election at the above meeting. Details of the above directors are set out in Appendix I to the accompanied circular dated 29 May 2019.
- (viii) In respect of the ordinary resolution numbered 5(A) above, the directors of the Company wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.

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- (ix) In respect of ordinary resolution numbered 5(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interest of the Company. The Explanatory Statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase shares of the Company, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 29 May 2019.