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

This circular should be read in conjunction with the accompanying annual report of the Company for the year ended 31 December 2023.

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(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability)
(Stock code: 396)

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

A notice convening the Annual General Meeting to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 17 May 2024 at 10:30 a.m. or any adjournment thereof is set out on pages 15 to 19 of this circular.

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

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DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 17 May 2024 at 10:30 a.m., notice of which is set out on pages 15 to 19 of this circular;
“Board”	the board of Directors;
“Bye-Laws”	the existing bye-laws of the Company;
“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Hing Lee (HK) Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and was subsequently redomiciled and continued in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;

DEFINITIONS

“Latest Practicable Date”	9 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of fully paid up Shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share Option Scheme”	the share option scheme adopted by the Company on 17 May 2019;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the Securities and Future Commission of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



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

(Stock code: 396)

Executive Directors:

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

Mr. Cheung Kong Cheung

Independent non-executive Directors:

Mr. Kong Hing Ki

Mr. Feng Jianzhong

Ms. Leung Yuen Man

Registered office:

The Belvedere Building

69 Pitts Bay Road

Pembroke HM08

Bermuda

Principal place of business:

Unit 1101, 11th Floor

Delta House

3 On Yiu Street

Shatin

New Territories

Hong Kong

16 April 2024

To the Shareholders

Dear Sir/Madam,

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

INTRODUCTION

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

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 19 May 2023, the Shareholders passed resolutions granting the Directors general mandates to allot, issue and otherwise deal with new Shares and to repurchase Shares. Such mandates will expire and lapse at the conclusion of the Annual General Meeting. It is therefore proposed to renew the general mandates to issue, allot and otherwise deal with new Shares and to repurchase Shares at the Annual General Meeting.

Issue Mandate

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

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

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in ordinary resolutions numbered 4(2) and 4(3) in the notice of the Annual General Meeting set out on pages 15 to 19 of this circular.

Repurchase Mandate

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

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

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

LETTER FROM THE BOARD

Details of the Repurchase Mandate are set out in ordinary resolution numbered 4(1) in the notice of the Annual General Meeting set out on pages 15 to 19 of this circular.

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

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

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 84(1) of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Pursuant to bye-law 84(2) of the Bye-Laws, a retiring Director shall be eligible for re-election.

Accordingly, Mr. Cheung Kong Cheung and Mr. Feng Jianzhong shall retire from office at the Annual General Meeting, and being eligible, would offer themselves for re-election at the Annual General Meeting.

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

Pursuant to code provision B.3.4 of the Corporate Governance Code under Appendix C1 of the Listing Rules, where the board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular (among others): (i) the process used for identifying the individual and why the board believes the individual should be elected and the reasons why it considers the individual to be independent; (ii) the perspectives, skills and experience that the individual can bring to the board; and (iii) how the individual contributes to diversity of the board.

LETTER FROM THE BOARD

PROCEDURE AND PROCESS FOR NOMINATION OF DIRECTORS

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

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

RECOMMENDATION OF THE NOMINATION COMMITTEE

The Nomination Committee evaluated the performance of Mr. Cheung Kong Cheung, an executive Director, and Mr. Feng Jianzhong, an independent non-executive Director, for the year ended 31 December 2023 and found their performance satisfactory. In addition, the Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2023, and confirmed that Mr. Feng Jianzhong remains independent based on the criteria set out in Rule 3.13 of the Listing Rules. Therefore, the Nomination Committee nominated the above retiring Directors to the Board for it to propose to Shareholders for their re-election at the Annual General Meeting.

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

Accordingly, Mr. Cheung Kong Cheung and Mr. Feng Jianzhong will hold office as Directors until the Annual General Meeting and being eligible, offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

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

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 17 May 2024 at 10:30 a.m. or any adjournment thereof is set out on pages 15 to 19 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, and the re-election of retiring Directors.

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

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

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

RECOMMENDATION

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

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

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

GENERAL INFORMATION

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

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

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

LISTING RULES

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

(a) Shareholders' approval

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

(b) Source of funds

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

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

(c) Status of shares to be repurchased

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

SHARE CAPITAL

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

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

REASONS FOR SHARE REPURCHASE

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

FUNDING OF REPURCHASE

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

The Directors are not aware of any material adverse impact on the working capital or gearing level of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2023 in the event that the Repurchase Mandate is exercised in full.

SHARE PRICES

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

	Price per Share	
	Highest HK\$	Lowest HK\$
2023		
April	0.088	0.069
May	0.119	0.067
June	0.125	0.064
July	0.128	0.089
August	0.099	0.073
September	0.098	0.070
October	0.073	0.057
November	0.075	0.061
December	0.065	0.048
2024		
January	0.058	0.027
February	0.058	0.030
March	0.062	0.045
April (up to the Latest Practicable Date)	0.048	0.048

DISCLOSURE OF INTERESTS

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

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

GENERAL

The Directors will only exercise the Repurchase Mandate in accordance with the memorandum of continuance and the Bye-Laws, the Listing Rules and the applicable laws of Bermuda. Neither the explanatory statement in this Appendix I nor the proposed share repurchase has any unusual features.

EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

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

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

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

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

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

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

SHARE REPURCHASES BY THE COMPANY

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

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

Mr. Cheung Kong Cheung (張港璋先生), aged 62, is an Executive Director and one of the founders of the Group and he has over 20 years of experience in the furniture industry. Mr. Cheung was appointed as a Director on 20 April 2004. He is responsible for the administration and human resources management, as well as upholstered furniture business of the Group. Besides, he is also a director of certain subsidiaries of the Company and a member of the Nomination Committee. He has been appointed as a part-time instructor with specialisation in international trade and trading of home furniture at 南京林業大學 (Nanjing Forestry University) and 中南林業科技大學 (Central South University of Forestry and Technology) (formerly known as 中南林學院 (Central South Forestry University)) since June 2004 and November 2004 respectively.

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

As at the Latest Practicable Date, Mr. Cheung was interested in 62,040,465 Shares, of which 7,200,000 Shares were held by Mr. Cheung personally and 54,840,465 Shares were held by United Sino Limited which is a company beneficially wholly-owned by Mr. Cheung, representing approximately 7.68% of the issued share capital of the Company. Save as disclosed above, Mr. Cheung did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

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

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

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

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

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

Mr. Feng Jianzhong (馮建中先生), aged 49, was appointed as an independent non-executive Director on 10 February 2022. He is also the Chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. He has accumulated more than twenty (20) years of experience in accounting, compliance and project development. Since 2004, Mr. Feng has been the finance manager and project manager of Vitar Insulation Manufacturers Limited, a company which engages in manufacturing and trading of insulated sleeving, tubes, wires and mica sheets.

Mr. Feng has been working as an assistant to chief auditor in Shenzhen Xingyue Accounting Firm from February 1996 to May 2004. Mr. Feng is a PRC accounting professional and obtained a Certificate of Accounting Professional issued by the Ministry of Finance of the PRC in May 2004. Mr. Feng completed a course on international accounting from Shenzhen University in August 1995.

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

As at the Latest Practicable Date, Mr. Feng did not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Feng did not have interest in the Shares within the meaning of Part XV of the SFO.

Mr. Feng has entered into a letter of appointment with the Company as an independent non-executive Director for a term of two years commencing from 10 February 2024, subject to the provision of retirement and rotation of Directors under the Bye-Laws. Pursuant to the terms of the letter of appointment, Mr. Feng is entitled to receive an annual director's fee of HK\$100,000 which was determined with reference to the Company's performance and profitability, as well as the prevailing market conditions. As an independent non-executive Director, Mr. Feng will also be eligible to be granted options to subscribe for Shares under the Share Option Scheme. Save as disclosed above, Mr. Feng did not hold any position with the Company or any of its subsidiaries as at the Latest Practicable Date.

The Company has received from Mr. Feng a confirmation of independence on 10 February 2024. Mr. Feng does not hold any management position in the Group. The Board considers Mr. Feng to be independent under the Listing Rules. The Board believes that Mr. Feng will bring considerable stability to the Board and the operation of the Board will gain much constructive advices and assistance from his presence as he has over time gained valuable insight into the industry in which the Group operates. Therefore, separate resolution will be proposed at the AGM for his re-appointment.

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

NOTICE OF ANNUAL GENERAL MEETING



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

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

(Stock code: 396)

NOTICE IS HEREBY GIVEN that the annual general meeting of Hing Lee (HK) Holdings Limited (the “**Company**”) will be held at Unit 1101, 11/F, Delta House, 3 On Yiu Street, Shatin, N.T., Hong Kong on Friday, 17 May 2024 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors of the Company and the independent auditors for the year ended 31 December 2023;
2.
 - (a) To re-elect Mr. Cheung Kong Cheung as an executive Director of the Company;
 - (b) To re-elect Mr. Feng Jianzhong as an independent non-executive Director of the Company;
 - (c) To authorize the board of directors to fix the remuneration of the directors of the Company;
3. To re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration;

ORDINARY RESOLUTIONS

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

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

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

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

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

Hong Kong, 16 April 2024

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Notes:

- (a) Any member of the Company (the “**Member**”) entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote in his stead. Votes may be given either personally or by a duly authorized corporate representative or by proxy. A Member who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion provided that, if more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed. A proxy need not be a Member. In addition, a proxy or proxies representing either an individual Member or a Member which is a corporation, shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (c) The instrument appointing a proxy to vote shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.
- (d) A form of proxy for the meeting is enclosed. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority shall be deposited at the Company’s branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude of a Member from attending and voting in person at the meeting.
- (e) In order to determine the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 13 May 2024 to Friday, 17 May 2024, both days inclusive, during which period the registration of Shares will be suspended. All completed transfer forms accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 10 May 2024.
- (f) If tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal or “extreme conditions” as announced by the Hong Kong Government is in force in Hong Kong at or after 9:30 a.m. on the date of the Annual General Meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the respective websites of the Company and The Stock Exchange of Hong Kong Limited to notify shareholders of the Company of the date, time and venue of the rescheduled meeting.