
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Circular is issued by Hengxin Technology Ltd. (the “Company”). **If you are in any doubt** as to the action you should take, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your Shares in the capital of the Company, you should at once hand this Circular, the notice of the annual general meeting (the “AGM”) and attached proxy form to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

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This Circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities of the Company.



HENGXIN TECHNOLOGY LTD.
亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)

(incorporated in Republic of Singapore with limited liability)

(Stock Code: 1085)

**(I) RE-ELECTION OF RETIRING DIRECTORS,
(II) THE PROPOSED SHARE ISSUE MANDATE,
(III) THE PROPOSED SHARE PURCHASE MANDATE,
(IV) THE PROPOSED AMENDMENTS TO THE CONSTITUTION, AND
(V) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company is set out from pages 5 to 10 of this Circular.

A notice convening the AGM of the Company to be held at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 28 April 2023 (Friday) at 11:00 a.m. (or at any adjournment thereof) is set out on pages AGM-1 to AGM-6 of this Circular. To vote at the AGM, you should complete and return the proxy form accompanying this Circular in accordance with the instructions printed thereon appointing the chairman of the AGM as your proxy, to the Company’s Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or to the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Shareholders registered in Hong Kong) as soon as possible and in any event not later than forty-eight (48) hours before the time of the AGM (or at any adjournment thereof).

27 March 2023

* *For identification purpose only*

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated or the context requires otherwise:

“2022 AGM”	has the meaning ascribed to it in Section 3.1 of Letter from the Board in this Circular
“ACRA”	the Accounting and Corporate Regulatory Authority of Singapore
“AGM”	the annual general meeting of the Company to be convened at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Friday, 28 April 2023 at 11:00 a.m. (or at any adjournment thereof), the notice of which is set out on pages AGM-1 to AGM-6 of this Circular
“Annual Report”	the annual report of the Company for FY2022
“Board”	the board of Directors
“Circular”	this circular
“Companies Act”	the Companies Act 1967 of Singapore as amended, modified or supplemented from time to time
“Company”	Hengxin Technology Ltd., a company incorporated in Singapore with limited liability and the Shares of which are listed on the Main Board of the SEHK
“Constitution”	the constitution of the Company, previously known as its memorandum and articles of association which were in force immediately before the Companies (Amendment) Act 2014 which took effect in phases on 1 July 2015 and 3 January 2016 respectively, as amended, modified or supplemented from time to time
“Controlling Shareholder(s)”	has the meaning as ascribed to this term under the Hong Kong Listing Rules
“Core Connected Person(s)”	has the meaning as ascribed to this term under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“EPS”	earnings per Share
“FY2022”	the financial year ended 31 December 2022

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administration Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the SEHK, as amended, modified or supplemented from time to time
“Hong Kong Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs as approved by the Securities and Futures Commission of Hong Kong, as amended, modified or supplemented from time to time
“Jiangsu Hengxin”	Jiangsu Hengxin Technology Co., Ltd. (江蘇亨鑫科技有限公司), a limited liability company established in the People’s Republic of China and a wholly-owned subsidiary of the Company
“Latest Practicable Date”	21 March 2023, being the latest practicable date prior to the printing of this Circular
“Market Day”	a day on which the SEHK is open for trading of securities
“Market Purchase”	has the meaning ascribed to it in Section 4.1(a) of Letter from the Board in this Circular
“Maximum Price”	has the meaning ascribed to it in Section 1.3.4 of Appendix II to this Circular
“Nominating Committee”	nominating committee of the Company
“NTA”	net tangible assets
“Off-Market Purchase”	has the meaning ascribed to it in Section 4.1(b) of Letter from the Board in this Circular
“Previous Share Issue Mandate”	has the meaning ascribed to it in Section 3.1 of Letter from the Board in this Circular
“Previous Share Purchase Mandate”	has the meaning ascribed to it in Section 4.1 of Letter from the Board in this Circular
“Proposed Amendments to the Constitution”	has the meaning ascribed to it in Section 5.2 of Letter from the Board in this Circular

DEFINITIONS

“Proposed Share Issue Mandate”	has the meaning ascribed to it in Section 3.2 of Letter from the Board in this Circular
“Proposed Share Purchase Mandate”	has the meaning ascribed to it in Section 4.2 of Letter from the Board in this Circular
“Related Expenses”	has the meaning ascribed to it in Section 1.3.4 of Appendix II to this Circular
“Relevant Period”	the period commencing from the date on which the forthcoming annual general meeting of the Company is held and the resolution relating to the Proposed Share Purchase Mandate is passed, and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier, after the date the resolution relating to the Proposed Share Purchase Mandate is passed
“Remuneration Committee”	remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SEHK”	The Stock Exchange of Hong Kong Limited
“SFA”	the Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong, as amended, modified or supplemented from time to time
“SGD”	Singapore dollars, the lawful currency of Singapore
“Share(s)”	ordinary shares in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares
“Singapore Take-overs Code”	the Singapore Code on Take-overs and Mergers as administered by the Securities Industry Council (SIC)
“substantial shareholder(s)”	has the meaning as ascribed to this term under the Hong Kong Listing Rules
“%”	percentage and per centum

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Singapore Take-overs Code, the SFA, the Hong Kong Listing Rules, the Hong Kong Takeovers Code, the SFO or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Singapore Takeovers Code, the SFA, the Hong Kong Listing Rules, the Hong Kong Takeovers Code, the SFO, as amended, modified or supplemented from time to time.

Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

Any reference to a time of a day or date in this Circular is a reference to Singapore time or date.

Any discrepancy with the tables in this Circular between the listed amounts and the totals thereof is due to rounding.

LETTER FROM THE BOARD



HENGXIN TECHNOLOGY LTD. 亨鑫科技有限公司*

*(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)*
(Stock Code: 1085)

Directors:

Mr. Cui Wei (*Chairman and Non-Executive Director*)

Dr. Song Haiyan (*Executive Director*)

Mr. Peng Yinan (*Executive Director*)

Mr. Du Xiping (*redesignated as a Non-Executive
Director on 22 March 2023*)

Ms. Zhang Zhong (*Non-Executive Director*)

Mr. Tam Chi Kwan Michael

(Independent Non-Executive Director)

Dr. Li Jun (*Independent Non-Executive Director*)

Mr. Pu Hong (*Independent Non-Executive Director*)

Registered Office:

5 Tampines Central 1

#06-05 Tampines Plaza 2

Singapore 529541

*Head office and principal place of
business in Singapore:*

5 Tampines Central 1

#06-05 Tampines Plaza 2

Singapore 529541

27 March 2023

To: The Shareholders of Hengxin Technology Ltd.

Dear Sir/Madam,

**(I) RE-ELECTION OF RETIRING DIRECTORS,
(II) THE PROPOSED SHARE ISSUE MANDATE,
(III) THE PROPOSED SHARE PURCHASE MANDATE,
(IV) THE PROPOSED AMENDMENTS TO THE CONSTITUTION, AND
(V) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this Circular serves to provide you with information on the resolutions to be proposed at the AGM for (i) the re-election of the retiring Directors; (ii) the approval of the Proposed Share Issue Mandate; (iii) the Proposed Share Purchase Mandate; (iv) the Proposed Amendments to the Constitution; and (v) to give you notice for convening the AGM.

* *For identification purpose only*

LETTER FROM THE BOARD

2. RE-ELECTION OF RETIRING DIRECTORS

- 2.1 Pursuant to Article 89 of the Constitution, Mr. Cui Wei, Ms. Zhang Zhong and Dr. Li Jun shall retire at the forthcoming AGM and, being eligible, offer themselves for re-election at the forthcoming AGM.

In accordance with Article 88 of the Constitution, as Mr. Peng Yinan was appointed by the Board as an addition to the existing Board on 20 August 2022, Mr. Peng Yinan shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Thus, Mr. Peng Yinan shall retire at the forthcoming AGM and offer himself for re-election. The Nominating Committee has recommended to the Board on the re-election of Mr. Peng Yinan. The Board believes that Mr. Peng Yinan can bring in industry professional knowledge to the operations of the Group and assist on the sustainable development of the Company.

Additionally, the Nominating Committee are of the view that all of the retiring Directors have demonstrated their respective commitment to their roles and contributions to the Board, and that they would continue to make effective contributions to the Board.

The Company considers that the re-election of Mr. Cui Wei, Mr. Peng Yinan, Ms. Zhang Zhong and Dr. Li Jun as the Directors of the Company will ensure continuity in management and save the time and costs in searching for new director candidates.

As each of Mr. Cui Wei, Mr. Peng Yinan, Ms. Zhang Zhong and Dr. Li Jun does not hold more than six (6) listed company directorships, the Company believes they would be able to allocate sufficient time and attention to the Board in carrying out his/her duties as Directors of the Company.

In nominating the independent non-executive Director, Dr. Li Jun, for re-election, the Nominating Committee has taken into account, amongst other things, the perspectives, skills and experience that he could bring to the Board, and his contribution to the diversity of the Board. The Nominating Committee has also reviewed his annual written independence confirmation and assessed the independence of Dr. Li Jun based on the independence guidelines as stipulated under Rule 3.13 of the Listing Rules. Having assessed the independence of Dr. Li Jun, the Nominating Committee is of the view that he would continue to bring in objective insights and independent judgment to the Board as well as the Board committees he currently serves on.

The Board, having considered the recommendation of the Nominating Committee and the independent scope of work of Dr. Li Jun in the past years, the Board considers that Dr. Li Jun remains independent and is able to continue to fulfil his role as an independent non-executive Director and commitment for providing professional advice to the Company.

- 2.2 Details of the retiring Directors proposed to be re-elected at the AGM are set forth in Appendix I to this Circular.

LETTER FROM THE BOARD

3. THE PROPOSED SHARE ISSUE MANDATE

- 3.1 At the last annual general meeting of the Company held on 27 April 2022 (the “**2022 AGM**”), notice of which was given on 24 March 2022, the Directors were granted a share issue mandate (the “**Previous Share Issue Mandate**”).
- 3.2 As the Previous Share Issue Mandate granted pursuant to the 2022 AGM will expire at the conclusion of the forthcoming AGM or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier, the Directors would like to propose the adoption of a new share issue mandate (the “**Proposed Share Issue Mandate**”) at the forthcoming AGM.
- 3.3 The Hong Kong Listing Rules provide that the Proposed Share Issue Mandate shall be subjected to a restriction that the aggregate number of Shares allotted or agreed to be allotted under the Proposed Share Issue Mandate must not exceed twenty per centum (20%) of the existing issued share capital of the Company.
- 3.4 The Proposed Share Issue Mandate, once approved, will continue in force until the conclusion of the next AGM of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier, unless revoked or varied by the Company in a general meeting by ordinary resolution.

4. THE PROPOSED SHARE PURCHASE MANDATE

- 4.1 At the 2022 AGM, the Directors were granted a share purchase mandate to exercise all the powers of the Company to purchase or acquire Shares (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of the 2022 AGM), at the price of up to but not exceeding:
- (a) in the case of a market purchase (the “**Market Purchase**”), one hundred and five per centum (105%) of the average closing price of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of the Market Purchase by the Company; and
 - (b) in the case of an off-market purchase (the “**Off-Market Purchase**”), one hundred and twenty per centum (120%) of the average closing price of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of the Off-Market Purchase by the Company,
- (the “**Previous Share Purchase Mandate**”).

LETTER FROM THE BOARD

- 4.2 As the Previous Share Purchase Mandate granted pursuant to the 2022 AGM will expire at the conclusion of the forthcoming AGM or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier, the Directors would like to propose the adoption of a new share purchase mandate (the “**Proposed Share Purchase Mandate**”) at the forthcoming AGM.
- 4.3 The Proposed Share Purchase Mandate, once approved, will continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, unless revoked or varied by the Company in a general meeting by ordinary resolution.
- 4.4 As at the Latest Practicable Date, the number of Shares in the issued share capital of the Company was 388,000,000 Shares. Accordingly, assuming that there is no change in the issued share capital of the Company between the Latest Practicable Date and the date of the AGM, the exercise of the Proposed Share Purchase Mandate in full of up to the maximum limit of ten per centum (10%) of its issued Shares, once approved, would enable the Company to repurchase a maximum of 38,800,000 Shares. The Proposed Share Purchase Mandate will provide flexibility to the Directors to purchase or acquire Shares as and when it is in the interest of the Company to do so.
- 4.5 An explanatory statement setting out the details of the Proposed Share Purchase Mandate is attached as Appendix II to this Circular.

5. THE PROPOSED AMENDMENTS TO THE CONSTITUTION

- 5.1 With effect from 1 January 2022, the Hong Kong Listing Rules were amended by, among others, adopting a uniform set of 14 core standards for shareholder protections for issuers regardless of their place of incorporation as set out in Appendix III to the Hong Kong Listing Rules.
- 5.2 The Board proposes to make certain amendments to the Constitution for the purposes of, among others, (i) conforming to the said core standards for shareholder protections; (ii) allowing general meetings of the Company to be held as an electronic meeting or a hybrid meeting; and (iii) incorporating certain housekeeping changes (the “**Proposed Amendments to the Constitution**”).
- 5.3 The Board also proposes to adopt the new Constitution in substitution for, and to the exclusion of, the existing Constitution.
- 5.4 The proposed amendments to the Constitution shall be subject to the passing of a special resolution by the Shareholders at the AGM. The new Constitution will take effect on the date on which the proposed amendments are approved by the Shareholders at the AGM.
- 5.5 An explanatory statement setting out details of the proposed amendments to the Constitution is attached as Appendix III to this Circular.

LETTER FROM THE BOARD

IMPORTANT: Notwithstanding the adoption of the Proposed Share Issue Mandate and the Proposed Share Purchase Mandate, the Company shall and will from time to time comply with the relevant requirements under the Hong Kong Listing Rules in relation to issuance of securities, in particular Rules 7.19 and 13.36 thereof.

6. DIRECTORS' RECOMMENDATIONS

- 6.1 The Board is pleased to recommend the retiring Directors, whose details are set out in Appendix I to this Circular, for re-election at the AGM.
- 6.2 The Board considers that the re-election of the retiring Directors, the Proposed Share Issue Mandate, the Proposed Share Purchase Mandate and the Proposed Amendments to the Constitution are in the interests of the Company and the Shareholders as a whole.
- 6.3 Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions relating to the re-election of the retiring Directors, the Proposed Share Issue Mandate, the Proposed Share Purchase Mandate and the Proposed Amendments to the Constitution as set out in the notice of AGM of the Company which will be proposed for Shareholders' approval at the forthcoming AGM.

7. ANNUAL GENERAL MEETING

The AGM, the notice of which is circulated together with this Circular, will be held at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 28 April 2023 (Friday) at 11:00 a.m. (or at any adjournment thereof) for the purpose of considering and, if thought fit, passing, with or without any modifications, the resolutions in relation to the re-election of the retiring Directors, the Proposed Share Issue Mandate, the Proposed Share Purchase Mandate and the Proposed Amendments to the Constitution.

Pursuant to Article 59 of the Constitution and Rule 13.39(4) of the Hong Kong Listing Rules, all vote of the Shareholders at a general meeting of the Company must be taken by way of poll except where the chairman, 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, the resolutions to be considered and, if thought fit, approved at the forthcoming AGM will be voted by way of a poll by the Shareholders.

8. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM in person and wish to appoint a proxy/(ies) to attend and vote at the AGM on their behalf will have to complete a proxy form attached to this Circular, sign and return in accordance with the instructions printed thereon to the Company's Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Shareholders registered in Hong Kong) as soon as possible and in any event not later than forty-eight (48) hours before the time fixed for the

LETTER FROM THE BOARD

AGM (or at any adjournment thereof). Completion and return of a proxy form by a Shareholder will not preclude a Shareholder from attending and voting in person at the AGM (or at any adjournment thereof) if a Shareholder finds that he/she is able to do so. In such event, the relevant proxy form will be deemed to be revoked.

9. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular includes the particulars given in compliance with the Companies Act and the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts in relation to the re-election of the retiring Directors, the Proposed Share Issue Mandate, the Proposed Share Purchase Mandate and the Proposed Amendments to the Constitution, and the Directors are not aware of any other material facts not contained in this Circular, the omission of which would make any statement in this Circular misleading. Where information contained in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this Circular in its proper form and context.

10. GENERAL INFORMATION

Your attention is drawn to the information as set out in Appendix I to Appendix III to this Circular.

Yours faithfully,

For and on behalf of the Board

Hengxin Technology Ltd.

Cui Wei

Chairman and Non-Executive Director

Set out below are particulars of the Directors proposed to be re-elected at the AGM.

MR. CUI WEI (“MR. CUI”), CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Cui Wei, born in 1986, has been appointed as a non-executive Director and the chairman of the Company since 14 October 2014 and 31 December 2015 respectively. Mr. Cui is currently also the chairman of Jiangsu Hengxin. Mr. Cui holds a bachelor’s degree in Mechanical Engineering from Saint Louis University and a master’s degree in Engineering Management from University of Southern California. Mr. Cui has experience in direct investment, management of equity interests and debentures. Currently, Mr. Cui is also the chairman of Hengtong Optic-Electric Co., Ltd., the shares of which are listed on the Shanghai Stock Exchange (stock code: 600487).

As at the Latest Practicable Date, Mr. Cui was deemed to be interested in 108,868,662 Shares, representing approximately 28.06% of the Company’s issued share capital, through Kingever Enterprises Limited which is wholly-owned by him, by virtue of Part XV of the SFO. Please refer to paragraph 1.13 of Appendix II to this Circular for further details.

Mr. Cui entered into a letter of appointment with the Company on 14 October 2014, pursuant to which Mr. Cui agreed to act as a non-executive Director for an initial term of three (3) years commencing on 14 October 2014, subject to automatic renewal for successive terms of three years upon expiry, and may be terminated by either party giving not less than three (3) months’ prior notice in writing to the other, or in accordance with other terms thereof. Mr. Cui is subject to retirement by rotation and is eligible for reelection at the AGM in accordance with the Constitution.

Mr. Cui is entitled to an annual director’s fee of HK\$480,000 which was determined by the Board with the recommendation from the Remuneration Committee with reference to his roles and responsibilities and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. Cui (i) did not have any relationship with any Directors, senior management, substantial shareholders or Controlling Shareholder of the Company; (ii) did not hold other positions with the Company and other members of the Group; (iii) did not hold any directorship in the last three years preceding the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have any other matters that need to be brought to the attention of the Shareholders nor did he have any other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

MR. PENG YINAN (“MR. PENG”), EXECUTIVE DIRECTOR

Mr. Peng Yinan, born in 1982, has been appointed as an executive Director of the Company since 20 August 2022. Mr. Peng has served as the general manager of both Shanghai Zhangyu Information Technology Co., Ltd.* (上海掌御信息科技有限公司) (“**Shanghai Zhangyu**”) and Nanjing Zhangyu Information Technology Co., Ltd.* (南京掌御信息科技有限公司) (“**Nanjing Zhangyu**”) (collectively referred to as the “**Zhangyu Companies**”) since September 2018 and June 2020 respectively. Mr. Peng participated and played an important role in the network security work for the 2008 Beijing Olympic Games and the Expo 2010

Shanghai. From December 2013 to December 2021, Mr. Peng served as the chairman of the board and general manager of Shanghai Weiling Information Technology Co., Ltd. (上海微令信息科技有限公司). From June 2018 to June 2021, Mr. Peng served as the director of the Blockchain Security Research Centre jointly established by Telecommunication Technology labs of the China Academy of Information and Communications Technology of the Ministry of Industry and Information Technology of China, School of Cyber Science and Engineering of Shanghai Jiao Tong University, and Zhangyu Technology (掌御科技). Mr. Peng has served as a member of the Chinese Institute of Electronics Blockchain Branch and the executive director of the Hengyang Yancheng Blockchain Research Institute since November 2018 and April 2022, respectively.

Mr. Peng graduated from the Department of Computer Science and Engineering of Shanghai Jiao Tong University in 2003 with a bachelor's degree. Mr. Peng subsequently obtained a master's degree in cryptography from the School of Cyber Science and Engineering of Shanghai Jiao Tong University in 2008. Mr. Peng was the Certified Information System Security Professional (CISSP) and Certified Information System Auditor (CISA).

Upon completion of acquisition of equity interests in Zhangyu Companies by the Company in July 2022 and up to the Latest Practicable Date, Mr. Peng holds 99% equity interest in Xuzhou Jinkan Management Consulting Partnership (Limited Liability Partnership)* (徐州錦瞰管理諮詢合夥企業(有限合夥)) through Shanghai Gaolai Management Consulting Partnership (Limited Partnership)* (上海皋萊管理諮詢合夥企業(有限合夥)) in which he holds 99% equity interest and Xuzhou Jinkan Management Consulting Partnership (Limited Liability Partnership)* (徐州錦瞰管理諮詢合夥企業(有限合夥)) holds 49% equity interests in Nanjing Zhangyu and 39% equity interests in Shanghai Zhangyu.

Mr. Peng has entered into a service contract with the Company in relation to his appointment as an executive Director for an initial term of three years commencing from 20 August 2022, which is subject to automatic renewal for successive terms of three years upon expiry, and may be terminated by either party giving not less than three months' prior written notice to the other or in accordance with other terms thereof. During his employment as an executive Director, Mr. Peng will not receive any director's remuneration from the Company, but he will receive salary from Zhangyu Companies. His remuneration will be reviewed annually in accordance with the remuneration policy of the Company and his workload and responsibilities.

Save as disclosed above, as at the Latest Practicable Date, Mr. Peng (i) did not have any relationship with any Directors, senior management, substantial shareholders or Controlling Shareholder of the Company; (ii) did not hold other positions with the Company and other members of the Group; (iii) did not hold any directorship in the last three years preceding the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have any other matters that need to be brought to the attention of the Shareholders nor did he have any other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

MS. ZHANG ZHONG (“MS. ZHANG”), NON-EXECUTIVE DIRECTOR

Ms. Zhang Zhong, born in 1954, has been appointed as the non-executive Director of the Company since 23 June 2005. Ms. Zhang was one of the founders and directors of Jiangsu Hengxin since its establishment in June 2003.

Prior to that, between 1982 and 1988, she was the manager of the metals branch at Sichuan Agricultural Machinery Supply and Sales Co. Ltd (四川省農機供銷總公司) and was responsible for the market development and sales in the company. Between 1972 and 1982, she worked at Sichuan Chain Factory (四川省鏈條廠). From 1988 to 2004, she was the manager of the metals branch at Sichuan Science and Industrial Trade Agricultural Machinery Co. Ltd (四川省科工貿農機公司金屬材料分公司) and was responsible for the sales and marketing in the company. As at the Latest Practicable Date, Wellahead Holdings Limited (“Wellahead”) was the beneficial owner of 15,382,525 Shares, representing approximately 3.96% of the issued share capital of the Company. Wellahead is wholly and beneficially owned by Ms. Zhang.

Save as disclosed above, Ms. Zhang did not have, and was not deemed to have, any interests or short positions in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Ms. Zhang has entered into a letter of appointment with the Company with effect from 10 December 2010 for a term of three years commencing on 10 December 2010, subject to automatic renewal for successive terms of three years upon expiry, and may be terminated by either party giving not less than three months’ prior notice in writing to the other, or in accordance with other terms thereof. Ms. Zhang is entitled to receive an annual director fee of HK\$378,000 which has been reviewed by the Remuneration Committee and determined by the Board with reference to the prevailing market rate and her duties and responsibilities in the Company.

Save as disclosed above, as at the Latest Practicable Date, Ms. Zhang (i) did not have any relationship with any Directors, senior management, substantial shareholders or Controlling Shareholder of the Company; (ii) did not hold other positions with the Company and other members of the Group; (iii) did not hold any directorship in the last three years preceding the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have any other matters that need to be brought to the attention of the Shareholders nor did he have any other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

DR. LI JUN (“DR. LI”), INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. Li Jun, born in 1961, has been appointed as our Independent Non-Executive Director since 6 March 2015. Dr. Li obtained his doctorate degree of philosophy in political economy from Oxford University in the United Kingdom in 1994. He was a senior manager and director of a number of securities and investment companies in Hong Kong and had an extensive experience in the international financial market. Dr. Li was appointed as an independent non-executive director of Suncity Group Holdings Limited (now known as LET Group Holdings Limited) (stock code: 1383) from 31 January 2007 to 1 June 2012. He is currently an independent non-executive director of Silkwave Inc (stock code: 0471).

In assessing the independence of Dr. Li, the Board and the Nominating Committee have also considered the independent nature of his role and duties and the character and judgement demonstrated by his commitment and contribution during his years of service and other relevant factors. Dr. Li has not been involved in any management role in the Company nor in any relationships which would interfere with the exercise of his independent judgement. The Board is of the view that Dr. Li maintains an independent mindset and provides invaluable expertise, knowledge, experience, professionalism, continuity and stability to the Board. The Board is of the view that the appointment of Dr. Li as an independent non-executive Director has been beneficial to the Company and the Shareholders as a whole over the past years.

Based on the above, the Board, upon the recommendation of the Nominating Committee, considers that Dr. Li remains to be independent and should continue to contribute effectively to the Board.

As at the Latest Practicable Date, Dr. Li did not have, and was not deemed to have, any interests or short positions in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Dr. Li has entered into a letter of appointment with the Company with effect from 6 March 2015 for a term of three years commencing on 6 March 2015, subject to automatic renewal for successive terms of three years upon expiry, and may be terminated by either party giving not less than three months' prior notice in writing to the other, or in accordance with other terms thereof. Dr. Li is entitled to receive an annual director fee of HK\$300,000 which has been proposed by the Remuneration Committee and approved by the Board with reference to the prevailing market rate and his duties and responsibilities in the Company.

Save as disclosed above, as at the Latest Practicable Date, Dr. Li (i) did not have any relationship with any Directors, senior management, substantial shareholders or Controlling Shareholder of the Company; (ii) did not hold other positions with the Company and other members of the Group; (iii) did not hold any directorship in the last three years preceding the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have any other matters that need to be brought to the attention of the Shareholders nor did he have any other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

THE PROPOSED SHARE PURCHASE MANDATE**1. The Proposed Share Purchase Mandate*****1.1 Background***

At the 2022 AGM, the Shareholders had approved the adoption of the Previous Share Purchase Mandate to enable the Company to purchase or to otherwise acquire issued Shares in the capital of the Company. Unless revoked or varied by the Company in a general meeting, the authority contained in the Previous Share Purchase Mandate was expressed to continue in force until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

As the Previous Share Purchase Mandate granted at the 2022 AGM will expire at the conclusion of the forthcoming AGM, the Directors recommend the adoption of the Proposed Share Purchase Mandate at the forthcoming AGM for Shareholders' approval.

1.2 Rationale

The Companies Act allows a Singapore-incorporated company to purchase or otherwise acquire its issued shares (i.e. ordinary shares, stocks and preference shares) if it is expressly permitted to do so by the Constitution. Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by the Companies Act, the Hong Kong Listing Rules, and such other laws and regulations as may, for the time being, be applicable.

The adoption of the Proposed Share Purchase Mandate will allow the Directors to have the flexibility to purchase or acquire Shares as and when circumstances permit so during the period for which the Proposed Share Purchase Mandate is in force. Purchases or acquisitions of Shares provide the Company and its Directors with an avenue to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements, lead to an enhancement of the EPS and/or the NTA per Share, and will only be made when the Directors believe that such purchases or acquisitions of Shares will benefit the Company and the Shareholders as a whole.

Purchases or acquisitions of Shares also allow the Directors to exercise control over the Company's share capital structure with a view to enhancing the EPS and/or the NTA per Share. The Proposed Share Purchase Mandate will further give the Company the opportunity to purchase or acquire Shares when such Shares are undervalued in order to buffer short-term share price volatility and mitigate the effects of share price speculation, thereby boosting Shareholders' confidence and employees' morale.

As and when circumstances permit, the Directors will decide whether to effect the purchases or acquisitions of Shares via Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

The Directors will only make purchases or acquisitions of Shares pursuant to the Proposed Share Purchase Mandate when they consider it to be in the interests of the Company and the Shareholders as a whole, and in circumstances which they believe from time to time will not result in (a) any material adverse effect on the working capital, gearing position or financial position of the Company or the Group as compared with the positions disclosed in the audited consolidated financial statements set out in the Annual Report in the event that the Proposed Share Purchase Mandate is to be exercised in full at any time during the proposed share purchase period; or (b) the Company being delisted from the SEHK or any other securities exchange or being insolvent. It should be noted that the purchases or acquisitions of Shares pursuant to the Proposed Share Purchase Mandate may or may not be carried out to the full limit as mandated.

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares during the twelve (12) months preceding the Latest Practicable Date.

1.3 Authority and limits of the Proposed Share Purchase Mandate

The authority and limits placed on the Proposed Share Purchase Mandate are summarised as follows:

1.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired by the Company pursuant to the Proposed Share Purchase Mandate shall not exceed ten per centum (10%) of the total issued Shares of the Company as at the date of the last AGM held before the resolution authorising the Proposed Share Purchase Mandate is passed or as at the date of the resolution authorising the Proposed Share Purchase Mandate is passed (the “**Approval Date**”), whichever is earlier, unless the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Companies Act, or the court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered by the special resolution of the Company or the order of the court, as the case may be. Under the Companies Act, any Shares which are held as treasury shares shall be disregarded for the purposes of computing the ten per centum (10%) limit. As at the Latest Practicable Date, no Shares were held as treasury shares.

For illustration purposes only, on the basis of 388,000,000 Shares in issue (none of which were treasury shares) as at the Latest Practicable Date, being 21 March 2023, not more than 38,800,000 Shares (representing ten per centum (10%) of the Shares in issue as at the Latest Practicable Date) may be purchased or acquired by the Company pursuant to the Proposed Share Purchase Mandate.

1.3.2 Duration of the Proposed Share Purchase Mandate

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held; or
- (b) the date on which the purchases or acquisitions of the Shares are carried out to the full extent mandated under the Proposed Share Purchase Mandate; or
- (c) the date on which the authority conferred by the Proposed Share Purchase Mandate is revoked or varied by the Company in a general meeting by ordinary resolution,

whichever is the earliest.

The Proposed Share Purchase Mandate may be renewed by Shareholders' approval at the subsequent annual general meeting of the Company or any other general meeting of the Company.

1.3.3 Manner of purchases or acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) Market Purchase, transacted on the SEHK and/or on any other securities exchange on which the Shares are listed and/or quoted, through one (1) or more duly licensed dealers appointed by the Company for that purpose; and/or
- (b) Off-Market Purchase, in accordance with an equal access scheme for the purchase or acquisition of Shares from Shareholders.

In relation to Off-Market Purchases, the Directors may impose such terms and conditions which are not inconsistent with the Proposed Share Purchase Mandate, the Hong Kong Listing Rules and the Companies Act as they consider fit in the interests of

the Company in connection with or in relation to any equal access scheme(s). Under Section 76C(6) of the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) the offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each member is left with a whole number of Shares.

1.3.4 Maximum purchase price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses (the “**Related Expenses**”)) to be paid for the Shares purchased or acquired pursuant to the Proposed Share Purchase Mandate will be determined by the Directors.

However, the purchase price to be paid for the Shares purchased or acquired pursuant to the Proposed Share Purchase Mandate as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, one hundred and five per centum (105%) of the Average Closing Price (as defined below) of the Shares; and
- (b) in the case of an Off-Market Purchase, one hundred and twenty per centum (120%) of the Average Closing Price (as defined below) of the Shares,

in either case, excluding Related Expenses of the purchase or acquisition (the “**Maximum Price**”).

For the above purposes:

“**Average Closing Price**” means:

- (aa) in the case of a Market Purchase, the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded on the SEHK or such other stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company; or
- (bb) in the case of an Off-Market Purchase, the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded on the SEHK or such other stock exchange on which the Shares are listed or quoted, immediately preceding the Date of the Making of the Offer (as defined below) pursuant to the Off-Market Purchase,

and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days period; and

“**Date of the Making of the Offer**” means the date on which the Company makes an offer for the purchase or acquisition of the Shares to the Shareholders, stating the purchase price (which shall not be more than the Maximum Price determined on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

1.4 Source of funds

In purchasing or acquiring Shares pursuant to the Proposed Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Constitution, the Companies Act, the Hong Kong Listing Rules and any other applicable laws and regulations.

Under the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its own Shares may be made out of the Company’s capital and/or profits, so long as the Company is solvent.

For this purpose, a company is “solvent” if:

- (a) the company is able to pay its debts in full at the time of payment for the purchase or acquisition of the Shares and will be able to pay its debts as they fall due in the normal course of business during the period of twelve (12) months immediately following the date of the payment; and
- (b) the value of the company’s total assets is not less than the value of its total liabilities (including contingent liabilities) and will not after the proposed purchase, acquisition, variation or release, become less than the value of its liabilities (including contingent

liabilities), having regard to the most recent financial statements of the company and all other circumstances that the directors or managers of the company know or ought to know affect, or may affect, such values.

Under the Constitution, the Company may purchase or otherwise acquire any of its issued Shares out of distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of such purchase or acquisition.

The Company intends to use internal resources, external borrowings, or a combination of both to fund the purchases or acquisitions of Shares pursuant to the Proposed Share Purchase Mandate. However, in considering the option of external financing, the Directors will consider particularly the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions of Shares pursuant to the Proposed Share Purchase Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, and in accordance with the requirements as stated above pursuant to the Companies Act.

1.5 Status of purchased Shares

Under the Companies Act, the Company may choose to hold the purchased Shares as treasury shares or to cancel them. The Constitution also allows the Company to hold purchased Shares as treasury shares. Accordingly, the Company has the discretion to hold the purchased Shares as treasury shares or to cancel them.

However, as the Company is listed on the SEHK, it has to comply with the Hong Kong Listing Rules. Under Rule 10.06(5) of the Hong Kong Listing Rules, the listing of all Shares which are purchased by the Company (whether on the SEHK or otherwise) shall be automatically cancelled upon purchase and the Company must apply for listing of any further issue of that type of Shares in the normal way. The Company shall ensure that the documents of title of purchased Shares are cancelled and destroyed as soon as reasonably practicable following settlement of any such purchase. Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation). The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company.

Certificates in respect of purchased or acquired Shares that are cancelled by the Company will be cancelled by the Company as soon as reasonably practicable following settlement of any purchase or acquisition of such Shares.

1.6 Reporting requirements

1.6.1 Within thirty (30) days of the passing of the Shareholders' ordinary resolution to approve any purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such ordinary resolution with ACRA.

1.6.2 The Company shall also notify ACRA within thirty (30) days of a purchase or acquisition of Shares on the SEHK or otherwise, in the prescribed form. Such notification shall include details of the date of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the Company's total issued share capital before the purchase or acquisition of Shares, the Company's total issued share capital after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether Shares were purchased or acquired out of profits or capital of the Company, and such other particulars as may be required in the prescribed form.

1.6.3 While the Hong Kong Listing Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the Company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision or there is inside information until the price sensitive or inside information has been publicly announced. In particular, for the purposes of the foregoing, the Company will not purchase or acquire any Shares through Market Purchase during the period commencing one (1) month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the SEHK) for the approval of the Company's results announcement for the full financial year or half-year; and
- (b) the deadline for the Company to publish an announcement of its results for any full financial year or half-year (whether or not required under the Hong Kong Listing Rules),

and ending on the date of the Company's results announcement.

1.7 Financial effects

The financial effects on the Group arising from the purchases or acquisitions of Shares which may be made pursuant to the Proposed Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares or the amount (if any) borrowed by the Company to fund the purchases or acquisitions. It is therefore not possible to realistically calculate or quantify the impact at this point of time.

1.7.1 Purchase or acquisition out of profits and/or capital

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the capital and/or profits of the Company so long as the Company is solvent.

Under the Constitution, the Company may purchase or otherwise acquire any of its issued Shares out of distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of such purchase or acquisition.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding the Related Expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

After the purchased or acquired Shares are cancelled, a reduction by the total amount of the purchase price paid by the Company for the purchased or acquired Shares will be made to:

- (a) the share capital of the Company where the Shares were purchased out of the capital of the Company;
- (b) the profits of the Company where the Shares were purchased out of the profits of the Company; or
- (c) the share capital and profits of the Company proportionately where the Shares were purchased out of both the capital and profits of the Company.

1.7.2 Number of Shares purchased or acquired

For illustration purposes only, as at the Latest Practicable Date, the number of Shares in issue was 388,000,000 Shares. Accordingly, assuming that there is no change in the issued share capital of the Company between the Latest Practicable Date and the date of the AGM, the exercise of the Proposed Share Purchase Mandate in full of up to the maximum limit of ten per centum (10%) of its issued Shares, once approved, would enable the Company to repurchase a maximum of 38,800,000 Shares.

1.7.3 Maximum Price paid for Shares purchased or acquired

In the case of the Market Purchases by the Company, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date and the assumption that, pursuant to the Proposed Share Purchase Mandate, the Company purchases the maximum number of 38,800,000 Shares at the Maximum Price of HK\$4.893 per Share (being the price equivalent to five per centum (5%) above the average of the closing market prices of the Shares for the five (5) Market Days on which the Shares were traded on the SEHK immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of 38,800,000 Shares is approximately HK\$189,848,400, excluding Related Expenses.

In the case of the Off-Market Purchases by the Company, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date and the assumption that, pursuant to the Proposed Share Purchase Mandate, the Company purchases the maximum number of 38,800,000 Shares at the Maximum Price of HK\$5.592 per Share (being the price equivalent to twenty per centum (20%) above the average of the closing market prices of the Shares for the five (5) Market Days on which the Shares were traded on the SEHK immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of 38,800,000 Shares is approximately HK\$216,969,600, excluding Related Expenses.

1.8 Taxation

Shareholders who are in doubt as to their respective tax positions or tax implications of Shares purchased by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

1.9 Listing status

The Company is required under Rule 8.08 of the Hong Kong Listing Rules to ensure that at least twenty-five per centum (25%) of its Shares are in the hands of the public. According to the Hong Kong Listing Rules, the SEHK will not regard any Core Connected Person of the Company as a member of “the public” or Shares held by a Core Connected Person as being “in public hands”. In addition, the SEHK will not recognise as a member of “the public”:

- (a) any person whose acquisition of securities has been financed directly or indirectly by a Core Connected Person; and/or
- (b) any person who is accustomed to take instructions from a Core Connected Person in relation to the acquisition, disposal, voting or other disposition of securities of the Company registered in his/her name or otherwise held by him/her.

As at the Latest Practicable Date, there were 252,280,813 Shares in the hands of the public, representing approximately sixty-five point zero-two per centum (65.02%) of the issued Shares of the Company. Assuming that the Company purchases or acquires its Shares through Market Purchases up to the full ten per centum (10%) limit pursuant to the Share Purchase Mandate, the number of Shares in the hands of the public would be reduced to 213,480,813 Shares, representing approximately sixty-one point one-three per centum (61.13%) of the remaining issued Shares of the Company (on the assumptions that the purchased Shares are cancelled and there is no change in the issued share capital of the Company other than the exercise of the Proposed Share Purchase Mandate).

In undertaking any purchases or acquisitions of its Shares, the Directors will use their best efforts to ensure that a sufficient number of Shares shall remain in public hands so that the purchases or acquisitions of Shares will not:

- (a) adversely affect the listing status of the Shares on the SEHK;

- (b) cause market illiquidity; or
- (c) adversely affect the orderly trading of the Shares.

1.10 Suspension of purchase or acquisition

1.10.1 The Company will not effect or undertake any purchases or acquisitions of Shares prior to the announcement of any price-sensitive information or inside information by the Company, until such time as the price-sensitive information or inside information has been publicly announced or disseminated in accordance with the requirements of the Hong Kong Listing Rules.

1.10.2 The Company will not effect or undertake any purchases or acquisitions of Shares on the SEHK during the period commencing one (1) month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the SEHK) for the approval of the Company's results announcement for the financial year or half-year, and
- (b) the deadline for the Company to publish an announcement of its results for any full financial year or half-year (whether or not required under the Hong Kong Listing Rules), and ending on the date of the results announcement.

1.11(A) Compliance with the Singapore Take-overs Code

Pursuant to the letter dated 7 December 2019 from the Securities Industry Council (the "Securities Industry Council") of Singapore, the Securities Industry Council waived the Company from application and compliance to the Singapore Take-overs Code (the "Waiver"). Therefore, during the period where the Waiver remains in force, the Proposed Share Purchase Mandate will not trigger the provisions of the Singapore Take-overs Code.

1.11(B) Implications under the Hong Kong Takeovers Code

If, on the exercise of the power to purchase or acquire the Shares pursuant to the Proposed Share Purchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Hong Kong Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Hong Kong Takeovers Code.

As at the Latest Practicable Date, Kingever Enterprises Limited had an interest in 108,868,662 Shares, representing approximately twenty-eight point zero-six per centum (28.06%) of the total issued share capital of the Company. Mr. Cui Wei was deemed to be a substantial

shareholder (within the meaning of the SFO) of the Company by means of the 108,868,662 Shares held by Kingever Enterprises Limited. Wellahead Holdings Limited had an interest in 15,382,525 Shares, representing approximately three point nine-six per centum (3.96%) of the total issued share capital of the Company. Ms. Zhang Zhong was deemed to have an interest in the Company by means of the 15,382,525 Shares held by Wellahead Holdings Limited. Mr. Du Xiping had an interest in 11,468,000 Shares, representing approximately two point nine-six per centum (2.96%) of the total issued share capital of the Company. In the event that the Company purchases a maximum of 38,800,000 Shares, being ten per centum (10%) of the total number of Shares in issue as at the Latest Practicable Date, from the Shareholders other than Kingever Enterprises Limited, Wellahead Holdings Limited and Mr. Du Xiping, the resultant shareholding interest of Kingever Enterprises Limited, Wellahead Holdings Limited and Mr. Du Xiping in the Company would increase from approximately twenty-eight point zero six per centum (28.06%), three point nine-six per centum (3.96%) and two point nine-six per centum (2.96%) respectively to approximately thirty-one point one-eight per centum (31.18%), four point four-one per centum (4.41%) and three point two-eight per centum (3.28%) respectively. Based on the foregoing and representations made by Kingever Enterprises Limited and Mr. Cui Wei, the Proposed Share Purchase Mandate, if fully utilized, would trigger the provisions of the Hong Kong Takeovers Code requiring Kingever Enterprises Limited and/or persons acting in concert with it to incur an obligation to make a mandatory offer under Rule 26 of the Hong Kong Takeovers Code. Based on the foregoing and representations made by Wellahead Holdings Limited and Mr. Du Xiping to the Company, the Proposed Share Purchase Mandate, even if fully utilized, would not trigger the provisions of the Hong Kong Takeovers Code requiring Wellahead Holdings Limited or Mr. Du Xiping, and/or persons acting in concert with them to incur an obligation to make a mandatory offer under Rule 26 of the Hong Kong Takeovers Code.

Based on the above information as at the Latest Practicable Date, save for Kingever Enterprises Limited and Mr. Cui Wei, the Directors are not aware of any Director or substantial shareholder (within the meaning of the SFO) of the Company and parties acting in concert with them who may become obligated to make a mandatory offer under Rule 26 of the Hong Kong Takeovers Code in the event that the Company purchases the maximum number of 38,800,000 Shares under the Proposed Share Purchase Mandate.

The Directors do not have a present intention to exercise the power to purchase or acquire the Shares to the extent which will trigger off the mandatory offer requirement pursuant to the rules of the Hong Kong Takeovers Code.

1.12 Share purchase or acquisition made and Share price on the SEHK

1.12.1 The Company has not made any Market Purchases on the SEHK or Off-Market Purchases within the twelve (12) months period preceding the date of this Circular.

1.12.2 Pursuant to Rule 10.06(1)(b)(x) of the Hong Kong Listing Rules, the Company is required to state the share prices traded on the SEHK during each of the previous twelve (12) months in this Explanatory Statement. The highest and lowest prices at which the Shares were traded on the SEHK in each of the following months are:

Month	Share price	
	Highest HK\$	Lowest HK\$
2022		
March	4.06	3.41
April	3.78	3.20
May	4.05	3.40
June	3.62	3.40
July	4.00	3.49
August	4.04	3.75
September	4.60	3.69
October	5.98	4.40
November	5.79	5.01
December	5.38	4.86
2023		
January	5.00	4.24
February	4.50	4.17
March (up to the Latest Practicable Date)	5.95	3.80

1.13 Directors' and substantial shareholders' interests

As at the Latest Practicable Date, the shareholdings of the Directors and the substantial shareholders (within the meaning of the SFO) of the Company before and after the purchase or acquisition of Shares (assuming that the purchased Shares are cancelled and there is no change in the total issued share capital of the Company other than the exercise of the Proposed Share

Purchase Mandate) pursuant to the Proposed Share Purchase Mandate, based on the register of director's shareholdings and the register of substantial shareholders of the Company, were as follows:

	Before Share Purchase			After Share Purchase		
	Direct	Deemed	Total	Direct	Deemed	Total
	Interest	Interest	Interest	Interest	Interest	Interest
	(No. of	(No. of	(%)	(No. of	(No. of	(%)
	Shares)	Shares)		Shares)	Shares)	
<i>Directors</i>						
Mr. Cui Wei ⁽¹⁾	-	108,868,662	28.06	-	108,868,662	31.18
Mr. Du Xiping	11,468,000	-	2.96	11,468,000	-	3.28
Ms. Zhang Zhong ⁽²⁾	-	15,382,525	3.96	-	15,382,525	4.41
Dr. Song Haiyan	-	-	-	-	-	-
Mr. Peng Yinan	-	-	-	-	-	-
Mr. Tam Chi Kwan						
Michael	-	-	-	-	-	-
Dr. Li Jun	-	-	-	-	-	-
Mr. Pu Hong	-	-	-	-	-	-
<i>Substantial Shareholders</i>						
Kingever Enterprises						
Limited ⁽¹⁾	108,868,662	-	28.06	108,868,662	-	31.18
Wellahead Holdings						
Limited ⁽²⁾	15,382,525	-	3.96	15,382,525	-	4.41

Notes:

- (1) Mr. Cui Wei holds 100% of the total issued share capital of Kingever Enterprises Limited. By virtue of Section 7 of the Companies Act and Part XV of the SFO, Mr. Cui Wei is deemed to be interested in the Shares held by Kingever Enterprises Limited.
- (2) Ms. Zhang Zhong holds 100% of the total issued share capital of Wellahead Holdings Limited. By virtue of Section 7 of the Companies Act and Part XV of the SFO, Ms. Zhang Zhong is deemed to be interested in the Shares held by Wellahead Holdings Limited.

Shareholders should note that the figures stated in the above table are set out for illustrative purposes only and calculated on the assumption that (i) the maximum amount of ten per centum (10%) of the Shares of the Company purchased under the Proposed Share Purchase Mandate will be cancelled; (ii) there is no change in the total issued share capital of the Company other than the exercise of the Proposed Share Purchase Mandate; and (iii) there is no change in the number of Shares held or deemed to be held by the Directors and the substantial shareholders (within the meaning of the SFO) of the Company.

1.14 Directors, substantial shareholders, their associates and connected persons

None of the Directors nor substantial shareholders, and to the best of their knowledge having made all reasonable enquiries, none of their close associates, have any present intention, in the event that the Proposed Share Purchase Mandate is approved by the Shareholders at the AGM, to sell their Shares to the Company under the Proposed Share Purchase Mandate.

No Core Connected Persons of the Company has notified the Company that he or she has a present intention to sell any Shares to the Company, or that he or she has undertaken not to sell any Shares held by him or her to the Company, in the event that the Proposed Share Purchase Mandate is granted by the Shareholders at the AGM.

1.15 Directors' undertaking

The Directors have undertaken to the SEHK that they will exercise the power of the Company pursuant to the Proposed Share Purchase Mandate in accordance with the Hong Kong Listing Rules, the Constitution, the Companies Act and the applicable laws of the Republic of Singapore so far as the same may be applicable.

The following table contains the summary of the Proposed Amendments to the Constitution

No.	Articles Before Amendments	Articles After Amendments
1.	<p>Cover</p> <p>New Articles</p> <p>Of</p> <p>HENGXIN TECHNOLOGY LTD</p> <p>(as adopted by a Special Resolution passed on 2 September 2014 with effect from the date of completion of the Proposed Conversion (as defined under the Circular of the Company dated 7 August 2014))</p>	<p>Cover</p> <p>New Articles</p> <p>Of</p> <p>HENGXIN TECHNOLOGY LTD</p> <p>(as adopted by a Special Resolution passed on 2 September 2014 with effect from the date of completion of the Proposed Conversion (as defined under the Circular of the Company dated 7 August 2014) <u>28 April 2023</u>)</p>
2.	<p>Cover</p> <p>THE COMPANIES ACT (CAP. 50)</p>	<p>Cover</p> <p>THE COMPANIES ACT (CAP. 50) <u>1967</u></p>
3.	<p>Cover</p> <p>ARTICLES OF ASSOCIATION</p>	<p>Cover</p> <p>ARTICLES OF ASSOCIATION <u>CONSTITUTION</u></p>
4.	<p>Article 1</p> <p>The regulations in Table A in the Fourth Schedule to the Companies Act, Chapter 50 of Singapore shall not apply to the Company.</p>	<p>Article 1</p> <p><u>[Deleted.]</u></p>
5.	<p>Article 2</p> <p>“Act” The Companies Act, Chapter 50 of Singapore (as amended from time to time)</p> <p>“Depository Agent” A member company of the Singapore Exchange Securities Trading Limited, a trust company (registered under the Trust Companies Act, Chapter 336 of Singapore), a banking corporation or merchant bank (approved by the Monetary Authority of</p>	<p><u>Article 2</u></p> <p>“Act” The Companies Act, Chapter 50 <u>1967</u> of Singapore (as amended from time to time)</p> <p>“Depository Agent” A member company of the Singapore Exchange Securities Trading Limited, a trust company (registered under the Trust Companies Act, Chapter 336 <u>2005</u> of Singapore), a banking corporation or merchant bank (approved by the Monetary Authority of</p>

No.	Articles Before Amendments	Articles After Amendments
	<p>Singapore under the Monetary Authority of Singapore Act, Chapter 186 of Singapore), or any other person or body approved by CDP who or which: ...</p> <p>“Dividend” Includes dividends distributions in specie or in kind, capital distributions and capitalisation issues</p>	<p>Singapore under the Monetary Authority of Singapore Act, Chapter 186 <u>1970</u> of Singapore), or any other person or body approved by CDP who or which: ...</p> <p>“Dividend” Includes dividends distributions in specie or in kind, capital distributions and capitalisation issues</p> <p><u>“electronic communication”</u> <u>Shall have the meaning ascribed in the Act</u></p> <p><u>“electronic facilities”</u> <u>Includes without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise) whereby all persons participating in the meeting are able to hear and, if applicable, see each other</u></p> <p><u>“electronic meeting”</u> <u>A General Meeting held and conducted wholly and exclusively by virtual attendance and participation by Members and/or proxies by means of electronic facilities</u></p>

No.	Articles Before Amendments	Articles After Amendments
	<p>“General Meeting” A general meeting of the Company</p> <p>Subject as aforesaid, any words or expression defined in the Act or the Interpretation Act, Chapter 1 shall (if not inconsistent with the subject or context) bear the same meanings in these presents.</p>	<p><u>“electronic voting”</u> Means casting a vote (including in a ballot) in any meetings by using any form of technology, as determined by the Board from time to time</p> <p>“General Meeting” A general meeting of the Company</p> <p><u>“Hong Kong”</u> Hong Kong Special Administrative Region of the People’s Republic of China</p> <p><u>“hybrid meeting”</u> A General Meeting convened for the (i) physical attendance by Members and/or proxies at the principal place of the meeting, if there is more than one meeting place as appointed by the Directors and where applicable, one or more meeting places and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities</p> <p>Subject as aforesaid, any words or expression defined in the Act or the Interpretation Act, Chapter 1-1965 shall (if not inconsistent with the subject or context) bear the same meanings in these presents.</p>
6.	<p>Article 8(A)</p> <p>The rights attached to shares issued upon special conditions shall be clearly defined in the Memorandum and Articles ...</p>	<p>Article 8(A)</p> <p>The rights attached to shares issued upon special conditions shall be clearly defined in the Memorandum and Articles <u>this Constitution</u>...</p>

No.	Articles Before Amendments	Articles After Amendments
7.	Article 42B	<p>Article 42B</p> <p><i>Insert the following at the end of the original Article:</i></p> <p><u>Subject to the provisions of these Articles and the Act, the Directors may make and vary such regulations as they think fit in respect of the keeping of any such Registers.</u></p>
8.	<p>Article 47</p> <p>Subject to the Statutes, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors.</p>	<p>Article 47</p> <p>Subject to the Statutes, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors.</p> <p><i>Insert the following at the end of the original Article:</i></p> <p><u>Subject always to and in accordance with the Relevant Laws, all General Meetings, including the Annual General Meetings, adjourned meeting or postponed meeting, shall be held at such time and place or places as the Directors shall think fit, which shall include hybrid meetings or electronic meetings via electronic facilities as stated in the notice of such meeting.</u></p>
9.	Article 48	<p>Article 48</p> <p><i>Insert the following at the end of the original Article:</i></p> <p><u>Subject always to and in accordance with the Relevant Laws, Extraordinary General Meetings shall also be convened on the requisition of any members holding, at the date of deposit of the requisition, 10% or more of the voting rights, on a one vote per share basis, in the share capital of the Company having the right of voting at general meetings. Such requisition</u></p>

No.	Articles Before Amendments	Articles After Amendments
		<p><u>shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition or to add resolutions to a meeting agenda (if any) at general meeting. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene a meeting at only one location, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</u></p>
10.	<p>Article 49</p> <p>Any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one clear days' notice and not less than twenty clear business days in writing at the least and an Annual General Meeting or any other Extraordinary General Meeting, by fourteen clear days' notice and not less than ten clear business days in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents and the Act entitled to receive such notices from the Company, Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above and if permitted by the rules of the Designated Stock Exchange, shall be deemed to have been duly called if it is so agreed:- ...</p>	<p>Article 49</p> <p>Any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty one clear days' notice and not less than twenty clear business days in writing at the least and an Annual General Meeting or any other Extraordinary General Meeting, by fourteen clear days' notice and not less than ten clear business days in writing at the least. <u>An annual general meeting must be called by notice of not less than twenty-one (21) clear days. All other general meetings (including an extraordinary general meeting) must be called by notice of not less than fourteen (14) clear days.</u> The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents and the Act entitled to receive such notices from the Company, Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that</p>

No.	Articles Before Amendments	Articles After Amendments
		specified above and if permitted by the rules of the Designated Stock Exchange, shall be deemed to have been duly called if it is so agreed:- ...
11.	<p>Article 50 (A)</p> <p>Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint more than one proxy to attend and vote instead of him and that a proxy need not be a member of the Company.</p>	<p>Article 50 (A)</p> <p>Every notice calling a General Meeting shall specify the place <u>(save for an electronic meeting)</u> and if there is more than one place <u>as appointed by the Directors pursuant to Article 47, the principal place of the meeting,</u> and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint more than one proxy to attend and vote instead of him and that a proxy need not be a member of the Company.</p>
12.		<p><i>New Article to be inserted</i></p> <p>Article 50(C)</p> <p><u>In the case of any General Meeting being a hybrid meeting or an electronic meeting, such notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting.</u></p> <p><i>The original Articles 50(C) and 50(D) are to be renumbered as Articles 50(D) and 50(E), respectively.</i></p>
13.	<p>Article 54</p> <p>No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two members present in person or by proxy. For the purpose of this</p>	<p>Article 54</p> <p>No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two members present in person or by proxy. For the purpose of this</p>

No.	Articles Before Amendments	Articles After Amendments
	<p>Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy, such proxies shall count as only one Member for the purpose of determining the quorum.</p>	<p>Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member <u>or a person nominated by a clearing house</u>. Provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy, such proxies shall count as only one Member for the purpose of determining the quorum; <u>and (iii) without prejudice to the generality of the foregoing (i) and (ii), Members attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be regarded as being present in person at the meeting in question and counted in the quorum for the meeting in question.</u></p>
14.	<p>Article 59</p>	<p>Article 59</p> <p><i>Insert the following at the end of the original Article:</i></p> <p><u>Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and subject to the Relevant Laws, each member entitled to vote may (i) speak in person or by proxy or attorney at any general meeting to which a vote is called for by the Company, and (in the case of a corporation) be represented by a representative to speak on its behalf; and (ii) vote in person or by proxy or attorney, and (in the case of a corporation) by a representative, and each member shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share, provided that the rights under this Article shall not apply where any such Member is required to abstain from voting to approve the matter under consideration as required by</u></p>

No.	Articles Before Amendments	Articles After Amendments
		<p><u>the rules governing the listing of securities made by the Listing Rules from time to time, their appendices, any listing agreement or other contractual arrangement entered into with any party under them and rulings of the Listing Rules made under them.</u></p>
15.	<p>Article 60</p> <p>As a resolution put to the vote of a general meeting is decided on a poll, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of such meeting. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.</p>	<p>Article 60</p> <p>As a resolution put to the vote of a general meeting is decided on a poll, it shall be taken in such manner (including the use of ballot or voting papers or tickets <u>or electronic voting or otherwise</u>) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of such meeting. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.</p>
16.	<p>Article 63</p>	<p>Article 63</p> <p><i>Insert the following at the beginning of the original Article:</i></p> <p><u>Subject to the provisions of these Articles and the Relevant Laws, every Member either personally or by attorney or in the case of a corporation by a representative and every proxy shall be entitled to be present, to speak and to vote at any General Meeting and to be reckoned in the quorum thereat in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.</u></p>

No.	Articles Before Amendments	Articles After Amendments
17.	<p>Article 70(A)</p> <p>An instrument appointing a proxy for any member shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form)</p>	<p>Article 70(A)</p> <p>An instrument appointing a proxy for any member shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form <u>or submission of proxy form by way of electronic communication</u>)</p>
18.		<p><i>New Article to be inserted:</i></p> <p>Article 138</p> <p><u>The appointment, removal and remuneration of Auditors shall be approved by a majority of the members in General Meeting, and the duties of any such Auditors, shall be regulated in accordance with the provisions of the Statutes. Every Auditor of the Company shall have a right of access at all times to the accounting and other records, including register, of the Company and is entitled to require from any officer of the Company and any auditor of a related company such information and explanations as the auditor desires for the purposes of audit and shall make his report as required by the Statutes.</u></p> <p><i>The original Articles 138 to 151 are to be renumbered accordingly</i></p>

No.	Articles Before Amendments	Articles After Amendments
19.	<p>Article 141</p> <p>Any notice or document (including a share certificate) or any corporate communication within the meaning ascribed thereto under the rules of the Designated Stock Exchange shall be in writing, or to the extent permitted by the listing rules of the Designated Stock Exchange from time to time and subject to these presents, contained in an electronic communication, and may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or the Depository Register (as the case may be), or by delivering it to such address as aforesaid, or (in the case of a notice) by advertisement in an English language newspaper and a Chinese language newspaper, or by sending it in accordance with applicable legislations and the listing rules of the Designated Stock Exchange as an electronic communication to the member at his electronic address, or by publishing it in accordance with applicable legislations and the Listing Rules on the Company’s computer network. ...</p>	<p>Article 141</p> <p>Any notice or document (including a share certificate) or any corporate communication within the meaning ascribed thereto under the rules of the Designated Stock Exchange shall be in writing, or to the extent permitted by the listing rules of the Designated Stock Exchange from time to time and subject to these presents, contained in an electronic communication, and may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or the Depository Register (as the case may be), or by delivering it to such address as aforesaid, or (in the case of a notice) by advertisement in an English language newspaper and a Chinese language newspaper, or by sending it in accordance with applicable legislations <u>the Statutes</u> and the listing rules of the Designated Stock Exchange as an electronic communication to the member at his electronic address, or by publishing it in accordance with applicable legislations <u>the Statutes</u> and the Listing Rules on the Company’s computer network <u>prescribed website</u>. ...</p>
20.		<p><i>New Article to be inserted</i></p> <p>Article 141(AA)</p> <p><u>For the purposes of Article 141(A), a member shall be implied to have agreed to receive such notice or document by way of such electronic communication and shall not have a right to elect to receive a physical copy of such notice or documents unless otherwise provided by the Statutes, the listing rules of the Designated Stock Exchange or these Articles.</u></p>

No.	Articles Before Amendments	Articles After Amendments
21.		<p><i>New Article to be inserted</i></p> <p>Article 141(AB)</p> <p><u>Notwithstanding Article 141(AA), the Directors may, at their discretion, at any time give a member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and a member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document.</u></p>
22.	<p>Article 141(C)</p> <p>... Any notice or document sent as an electronic communication shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. Any notice or document published on the Company’s computer network shall be deemed to have been served or delivered on the day on which a notification is sent to the member that the notice or document is available on the Company’s computer network. ...</p>	<p>Article 141(C)</p> <p>... Any notice or document sent as an electronic communication shall be deemed to be given on the day <u>and time</u> on which it is transmitted from the server of the Company or its agent <u>to the electronic address of such member notwithstanding any delayed receipt, non-delivery or “returned mail” reply message or any other error message indicating that the electronic communication was delayed or not successfully sent) unless otherwise provided under the Statutes and the listing rules of the Designated Stock Exchange.</u> Any notice or document published on the Company’s computer network <u>prescribed website</u> shall be deemed to have been served or delivered on the day on which a notification is sent to the member that the notice or document is available on the Company’s computer network <u>prescribed website unless otherwise provided under the Statutes and the listing rules of the Designated Stock Exchange.</u> ...</p>

No.	Articles Before Amendments	Articles After Amendments
23.	Article 146	<p><i>Pursuant to the insertion of the new Article 138, the original Article 146 is to be renumbered as Article 147</i></p> <p><i>New Article to be inserted:</i></p> <p>Article 147(1)</p> <p><u>Subject and without prejudice to the provisions of the Insolvency, Restructuring and Dissolution Act 2018, the Company may be wound up (a) under supervision of or by the Court or (b) voluntarily by a super-majority vote of the Members in General Meeting representing at least three-fourths of the total voting rights of the Members present and voting in person or by proxy or attorney at the General Meeting, unless the Company or the Board of Directors consider that it can be demonstrated that shareholder protection will not be compromised by a simple majority vote in favour of a voluntary winding up of the Company.</u></p> <p><i>The original Article 146 is to be renumbered as Article 147(2)</i></p>

NOTICE OF ANNUAL GENERAL MEETING



HENGXIN TECHNOLOGY LTD. 亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)
(Stock Code: 1085)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Hengxin Technology Ltd. (the “Company”, together with its subsidiaries, the “Group”) will be held at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 28 April 2023 (Friday) at 11:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the report of the directors of the Company (the “Directors”) and the audited financial statements of the Company and the Group for the financial year ended 31 December 2022 together with the auditors’ report prepared in accordance to the International Financial Reporting Standards thereon. **(Resolution 1)**

2. To receive and adopt the Directors’ report of the Company and the audited financial statements of the Company and the Group for the financial year ended 31 December 2022 together with the auditors’ report prepared in accordance to the Singapore Financial Reporting Standards (International) thereon. **(Resolution 2)**

3. To re-elect the following Directors retiring pursuant to the Constitution of the Company:

Mr. Cui Wei (Article 89) **(Resolution 3)**

Mr. Peng Yinan (Article 88) **(Resolution 4)**

Ms. Zhang Zhong (Article 89) **(Resolution 5)**

Dr. Li Jun (Article 89) **(Resolution 6)**

See Explanatory Note (i)

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

4. To approve the payment of Directors' fees of HK\$1,858,000 and SGD60,000 for the financial year ending 31 December 2023 (2022: HK\$1,858,000). **(Resolution 7)**
5. To re-appoint KPMG as the Hong Kong auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**
6. To re-appoint Messrs KPMG LLP as the Singapore auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 9)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Adoption of the Proposed Share Issue Mandate** **(Resolution 10)**

Authority to issue shares (the “**Shares**”) in the capital of the Company pursuant to Section 161 of the Singapore Companies Act, 1967 (the “**Companies Act**”), and the Rules Governing the Listing of Securities (the “**Hong Kong Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**SEHK**”).

That pursuant to Section 161 of the Companies Act and the Hong Kong Listing Rules, the Directors be authorised and empowered to:

- (a)
 - (i) issue Shares in the Company whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force,

(the “**Proposed Share Issue Mandate**”), provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution), otherwise than pursuant to (i) a Rights Issue (as defined in Explanatory Note (ii) below); or (ii) an issue of Shares upon the exercise of options which may be granted under any share option scheme or under

NOTICE OF ANNUAL GENERAL MEETING

any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or any other person of Shares or rights to acquire Shares of the Company; or (iii) any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the Constitution of the Company; or (iv) a specific authority granted by the Shareholders of the Company in general meeting, shall not exceed the aggregate of twenty per centum (20%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such calculation as may be prescribed by the SEHK) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued Shares and Instruments shall be based on the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent consolidation or subdivision of Shares;
- (3) in exercising the Proposed Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Hong Kong Listing Rules for the time being in force (unless such compliance has been waived by the SEHK) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting by ordinary resolution, the Proposed Share Issue Mandate shall continue in force (i) until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier; or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments, whichever is earlier.

See Explanatory Note (ii)

NOTICE OF ANNUAL GENERAL MEETING

8. **Adoption of the Proposed Share Purchase Mandate** **(Resolution 11)**

That for the purposes of Sections 76C and 76E of the Companies Act, the Directors be and are hereby authorised to make purchases or otherwise acquire issued Shares in the capital of the Company from time to time (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of the AGM) at the price of up to but not exceeding the Maximum Price as defined in paragraph 1.3.4 under Appendix II to the Company's circular dated 27 March 2023 (the "**Circular**"), in accordance with the paragraph entitled "1.3 Authority and limits of the Proposed Share Purchase Mandate" as set out in Appendix II to the Circular, and this mandate shall, unless revoked or varied by the Company in a general meeting by ordinary resolution, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

See Explanatory Note (iii)

To consider and if thought fit, to pass the following resolution as Special Resolution, with or without any modifications:

9. **Adoption of the Proposed Amendments to the Constitution** **(Resolution 12)**

- (a) that the proposed amendments (the "**Proposed Amendments**") to the existing constitution of the Company (previously known as its memorandum and articles of association which were in force immediately before the Companies Act which took effect in phases on 1 July 2015 and 3 January 2016 respectively, as amended modified or supplemented from time to time) (the "**Constitution**"), details of which are set out in Appendix III to the circular of the Company dated 27 March 2023, be and are hereby approved;
- (b) the amended Constitution (the "**New Constitution**"), which contains all the Proposed Amendments and a copy of which has been tabled at the Meeting marked "A" and initialled by the chairman for the purpose of identification, be and are hereby approved and adopted as the new Constitution of association of the Company in substitution for and to the exclusion of the existing Constitution of the Company in their entirety; and
- (c) any Director or the Secretary of the Company be and is hereby authorised to do all things necessary to effect and implement the adoption of the New Constitution.

NOTICE OF ANNUAL GENERAL MEETING

See Explanatory Note (iv)

By Order of the Board
Hengxin Technology Ltd.
Chua Kern/Chan Ting
Joint Company Secretaries

Singapore, 27 March 2023

Explanatory Notes:

- (i) Mr. Cui Wei will, upon re-election, remain as a Chairman and Non-Executive Director, a member of the audit committee of the Company, a member of the remuneration committee of the Company and the chairman of the nominating committee of the Company and he will be considered as non-independent.

Mr. Peng Yinan will, upon re-election, remain as an Executive Director of the Company and he will be considered as non-independent.

Ms. Zhang Zhong will, upon re-election, remain as a Non-Executive Director and a member of the audit committee and she will be considered as non-independent.

Dr. Li Jun will, upon re-election, remain as an Independent Non-Executive Director, the chairman of the remuneration committee, and a member of each of the audit committee and nominating committee of the Company and he will be considered as independent.

- (ii) The Ordinary Resolution 10 above, if passed, will empower the Directors from the date of the AGM until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting by ordinary resolution, whichever is the earlier, to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding the aggregate of twenty per centum (20%) of the existing issued share capital of the Company.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent consolidation or subdivision of Shares.

For the purpose of this Resolution,

“**Rights Issue**” means an offer of Shares of the Company or issue of options, warrants or other securities giving the right to subscribe for Shares of the Company, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company 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 in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).

- (iii) The Ordinary Resolution 11 above, if passed, will empower the Directors from the date of the AGM until the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, to purchase or acquire ordinary Shares of the Company by way of

NOTICE OF ANNUAL GENERAL MEETING

Market Purchases or Off-Market Purchases on an equal access scheme of up to ten per centum (10%) of the total number of issued Shares (excluding treasury shares) at the Maximum Price as defined under paragraph 1.3.4 under Appendix II to the Circular, unless this mandate is varied or revoked by the Company in a general meeting by ordinary resolution. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Proposed Share Purchase Mandate are set out in details in the Circular.

- (iv) The Special Resolution 12 above, if passed, will allow the Company to adopt the New Constitution in substitution for, and to the exclusion of, the existing Constitution and will take effect on the date on which the Proposed Amendments are approved by the Shareholders at the AGM. Details of the Proposed Amendments are set out in the Circular.

IMPORTANT: Notwithstanding the passing of the Ordinary Resolution Nos. 10 and 11, the Company shall from time to time comply with the relevant requirements under the Hong Kong Listing Rules in relation to issuance of securities, repurchase of Shares and issuance of Shares under the Proposed Share Issue Mandate, the Proposed Share Purchase Mandate and/or the Scheme.

Notes:

1. A member of the Company (the “**Member**”) entitled to attend and vote at the AGM is entitled to appoint proxy(ies) to attend and vote in his/her stead. A proxy need not be a Member. Where a Member appoints more than one (1) proxy, the Member shall specify the proportion of his/her Shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
2. In order to be valid, the instrument appointing a proxy, and if the instrument appointing a proxy is signed by an attorney, the letter or power of attorney or a duly certified copy thereof, must be deposited at the Company’s Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or at the office of the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Shareholders registered in Hong Kong) as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for holding the AGM (or at any adjournment thereof).
3. If the Member is a corporation, the instrument appointing a proxy must be executed under the common seal or the hand of its duly authorised officer or attorney.
4. The Principal Share Registrar and Branch Share Registrar of the Company will be closed from 14 April 2023 (Friday) to 28 April 2023 (Friday) (both days inclusive), during which no transfer of Shares will be registered during the specified period. In order to qualify for attending the AGM, all transfer of Shares accompanied by the relevant share certificate(s) and transfer form(s) must be lodged with the Company’s Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or at the office of the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Shareholders registered in Hong Kong) not later than 4:30 p.m. on 13 April 2023 (Thursday). Any removal of Shares from the Company’s Principal Share Registrar in Singapore to the Branch Share Registrar in Hong Kong for the purpose of attending the AGM shall be made not later than 4:30 p.m. on 3 April 2023 (Monday).