
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, AND
(IV) 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 29 April 2024 (Monday) 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, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, 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).

28 March 2024

* 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:

“2023 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 Monday, 29 April 2024 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 FY2023
“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 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
“FY2023”	the financial year ended 31 December 2023
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the 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”	25 March 2024, 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 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

DEFINITIONS

“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 the 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

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.

DEFINITIONS

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 (*Non-Executive Director*)
Ms. Zhang Zhong (*Non-Executive Director*)
Mr. Qian Ziyang (*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

28 March 2024

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, AND
(IV) 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 Proposed Share Issue Mandate; (iii) the Proposed Share Purchase Mandate; and (iv) 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, Dr. Song Haiyan, Mr. Du Xiping and Mr. Pu Hong 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. Qian Ziyan was appointed by the Board as an addition to the existing Board on 17 November 2023, Mr. Qian Ziyan shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Thus, Mr. Qian Ziyan 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. Qian Ziyan. The Board believes that Mr. Qian Ziyan can bring in independent and professional view to the Group and assists in enhancing the corporate governance and financial reporting and control of the Group.

Additionally, the Nominating Committee is 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 Dr. Song Haiyan, Mr. Du Xiping and Mr. Pu Hong 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 Dr. Song Haiyan, Mr. Du Xiping, Mr. Qian Ziyan and Mr. Pu Hong does not hold more than six (6) listed company directorships, the Company believes that they would be able to allocate sufficient time and attention to the Board in carrying out his/her duties as Directors of the Company.

Mr. Pu Hong (“**Mr. Pu**”), an independent non-executive Director, has served the Company for more than nine (9) years. Pursuant to Appendix 14 of the Hong Kong Listing Rules, it is recommended that serving more than nine (9) years could be relevant to the determination of the independence of a non-executive director. Any further appointment of independent non-executive Director serving more than nine (9) years should be subject to a separate resolution to be approved by the Shareholders.

As such, a separation resolution for the appointment of Mr. Pu will be proposed for his re-election at the AGM. The Company has received a confirmation of independence made pursuant to Rule 3.13 of the Hong Kong Listing Rules from Mr. Pu, and he has not engaged in any executive management of the Group.

In nominating the independent non-executive Directors, Mr. Qian Ziyan and Mr. Pu Hong, for re-election, the Nominating Committee has taken into account, amongst other things, the perspectives, skills and experience that they could bring to the Board, and their contribution to the diversity of the Board. The Nominating Committee has also reviewed their annual written independence confirmations and assessed the independence of Mr. Qian Ziyan and Mr. Pu Hong based on the independence guidelines as stipulated under Rule 3.13 of the Hong Kong

LETTER FROM THE BOARD

Listing Rules. Having assessed the independence of Mr. Qian Ziyang and Mr. Pu Hong, the Nominating Committee is of the view that they would continue to bring in objective insights and independent judgment to the Board as well as the Board committees they currently serve on.

The Board, having considered the recommendation of the Nominating Committee and the independent scope of work of Mr. Qian Ziyang since his appointment on 17 November 2023, the Board considers that Mr. Qian Ziyang 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.

The Board, having considered the recommendation of the Nominating Committee and the independent scope of work of Mr. Pu in the past years, the Board considers that Mr. Pu remains independent and is able to continue to fulfill his role as an independent non-executive Director despite the length of his service, and his tenure of over nine (9) years does not and would not affect his independent judgment.

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

3. THE PROPOSED SHARE ISSUE MANDATE

- 3.1 At the last annual general meeting of the Company held on 28 April 2023 (the “**2023 AGM**”), notice of which was given on 27 March 2023, 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 2023 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 issued shares in the capital of the Company as at the date on which the resolution approving the Proposed Share Issue Mandate is passed.
- 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.

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4. THE PROPOSED SHARE PURCHASE MANDATE

- 4.1 At the 2023 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 at the date of the 2023 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**”).
- 4.2 As the Previous Share Purchase Mandate granted pursuant to the 2023 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 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, 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.

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.

5. DIRECTORS' RECOMMENDATIONS

- 5.1 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.
- 5.2 The Board considers that the re-election of the retiring Directors, the Proposed Share Issue Mandate and the Proposed Share Purchase Mandate are in the interests of the Company and the Shareholders as a whole.
- 5.3 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 and the Proposed Share Purchase Mandate as set out in the notice of AGM of the Company which will be proposed for the Shareholders' approval at the forthcoming AGM.

6. 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 29 April 2024 (Monday) 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 and the Proposed Share Purchase Mandate.

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 AGM will be voted by way of a poll by the Shareholders.

7. 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, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, 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 AGM (or at any adjournment thereof). Completion and return of a proxy form by a

LETTER FROM THE BOARD

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.

8. 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 and the Proposed Share Purchase Mandate, 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.

9. 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.

DR. SONG HAIYAN (“DR. SONG”), EXECUTIVE DIRECTOR

Dr. Song, born in 1968, has been appointed as an Executive Director of the Company since 19 November 2021 and Dr. Song was also appointed as the general manager and director of Jiangsu Hengxin on 9 November 2021. Dr. Song graduated from the Department of Telecommunications Engineering of Beijing University of Posts and Telecommunications in 1991 with a bachelor’s degree in engineering (specializing in communication engineering). He subsequently obtained a doctorate degree in engineering (majoring in electromagnetic field and microwave technology with a research focus on high-speed optical communication systems) from the same university in 1996.

From August 1997 to December 2009, Dr. Song was employed by Alcatel China Co., Ltd. (now known as “**Alcatel-Lucent Shanghai Bell**”) and successively held positions in the channel development department and the optical fiber and cable department. Dr. Song served as an executive director of the Company from January 2010 to December 2011. Dr. Song later served as the general manager of Furukawa Electric Xi’an Optical Communication Co., Ltd. from December 2011 to July 2016. Thereafter, from August 2016 to September 2021, Dr. Song served as the chief executive officer and executive director of Aberdare Cables, a company incorporated in South Africa. As at the Latest Practicable Date, 74.90% of the equity interest of Aberdare Cables is held by Hengtong Optic-electric Co., Ltd. Mr. Cui Wei, a non-executive Director, and his father, Mr. Cui Genliang, hold 73% and 27% of the equity interest of Hengtong Group Co., Ltd. respectively. Hengtong Optic-electric Co., Ltd. is held directly by Hengtong Group Co., Ltd. and Mr. Cui Genliang as to 23.77% and 3.86%, respectively.

Dr. Song 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 19 November 2021, 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, Dr. Song will not receive any director’s remuneration from the Company, but he will receive salary from Jiangsu Hengxin. His remuneration will be reviewed annually in accordance with the remuneration policy of the Company and his workload and responsibilities.

Save as disclosed above, Dr. Song (i) did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) is not related to any Directors, senior management, or substantial or controlling shareholders of the Company; and (iii) does not hold any other position in the Company or its subsidiaries.

Save as disclosed above, there are no other matters concerning Dr. Song that need to be brought to the attention of the shareholders of the Company, and there is no further information that is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Hong Long Listing Rules.

MR. DU XIPING (“MR. DU”), NON-EXECUTIVE DIRECTOR

Mr. Du, born in 1962, has been redesignated as a Non-executive Director of the Company since 22 March 2023. Mr. Du served as an Executive Director of the Company from 31 December 2015 to 21 March 2023. Mr. Du holds a Bachelor of Science from the Department of Astronomy in Nanjing University and a master’s Degree in Economics from the Graduate School of Chinese Academy of Social Science. Mr. Du possesses a wide range of experience over the years covering economics research, trade, finance and investment.

Mr. Du was the general manager of Shenzhen Dong Fang Hongda Investment Co., Ltd. (深圳市東方泓達投資有限公司), Shenzhen Shuangxin Investment Co., Ltd. (深圳市雙信投資有限公司) and the trust department of New Industrial Investment Co., Ltd. (新產業投資股份有限公司), all of which are principally engaged in the business of trust and asset management, and during the tenure, Mr. Du had been appointed as the fund manager for the Hope Project. As the very first batch of securities practitioners after China’s reform and opening up, Mr. Du was the general manager of the securities department of Industrial and Commercial Bank of China’s United Financial Corporation Securities Unit Trust, Pearl River Delta Region (工商銀行珠江三角洲金融信託聯合總公司), mainly focusing on the securities and trust business.

As at the Latest Practicable Date, Mr. Du was the beneficial owner of 11,468,000 Shares, representing approximately 2.96% of the issued share capital of the Company. Save as disclosed above, Mr. Du 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.

Mr. Du has signed an appointment letter with the Company on 21 March 2023 for an initial term of three years commencing on 22 March 2023, 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. Mr. Du is entitled to receive a monthly director’s fee of S\$5,000. Such emolument was recommended by the Remuneration Committee with reference to Mr. Du’s duties and responsibilities within the Company, the Company’s remuneration policy and the prevailing market level of remuneration paid by comparable companies.

Save as disclosed above, Mr. Du (i) did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) is not related to any Directors, senior management, or substantial or controlling shareholders of the Company; and (iii) does not hold any other position in the Company or its subsidiaries.

Save as disclosed above, there are no other matters concerning Mr. Du that need to be brought to the attention of the shareholders of the Company, and there is no further information that is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

MR. QIAN ZIYAN (“MR. QIAN”), INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Qian, born in 1967, has been appointed as an Independent Non-Executive Director of the Company since 17 November 2023. Mr. Qian is currently the Chief Financial Officer of Multi-Fineline Electronix, Inc. (a company listed on NASDAQ with stock code MFLX.US prior to July 2016, currently a wholly-owned subsidiary of Suzhou Dongshan Precision Manufacturing Co., Ltd. (a company listed on the Shenzhen Stock Exchange with stock code 002384)) since May 2009 and a part-time teacher of the MBA programme operated by the School of Management of Zhejiang University since March 2012. From 1999 to 2009, Mr. Qian has served as the Chief Financial Officer and senior finance positions of various technology and multinational corporations in China, Singapore and Europe. Mr. Qian had been an independent director of RIGOL Technologies, Co. Ltd. (a company listed on the Sci-tech Innovation Board of the Shanghai Stock Exchange with stock code 688337) between September 2020 and December 2022. Mr. Qian obtained a Bachelor of Arts degree in English of Science & Technology from Xi’an Jiaotong University in 1989 and obtained a Degree of Master of Business Administration (Accountancy) from Nanyang Technological University in 1999. Mr. Qian is currently a Chartered Accountant of Singapore admitted by the Institute of Singapore Chartered Accountants (ISCA) and a Fellow Chartered Management Accountant (FCMA) and Chartered Global Management Accountant (CGMA) of the Chartered Institute of Management Accountants (CIMA).

As at the Latest Practicable Date, Mr. Qian 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.

A letter of appointment has been entered into between the Company and Mr. Qian in respect of his appointment as an independent non-executive Director commencing on 17 November 2023. Mr. Qian’s appointment is for a term of three years subject to retirement and re-election in accordance with the provision of the Constitution. As Mr. Qian was appointed by the Board on 17 November 2023 to fill the vacancy on the resignation of the former independent non-Executive Director, Mr. Tam Chi Kwan Michael, Mr. Qian will retire at the AGM and will be eligible for re-election in accordance with article number 88 of the Constitution. During his term of office as the independent non-executive Director, Mr. Qian will be entitled to an annual director’s fee of HK\$300,000 which is recommended by the remuneration committee and determined by the Board with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed above, Mr. Qian (i) did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) is not related to any Directors, senior management, or substantial or controlling shareholders of the Company; and (iii) does not hold any other position in the Company or its subsidiaries.

Save as disclosed above, there are no other matters concerning Mr. Qian that need to be brought to the attention of the shareholders of the Company, and there is no further information that is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Hong Long Listing Rules.

MR. PU HONG (“MR. PU”), INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Pu, born in 1964, has been appointed as an Independent Non-Executive Director of the Company since 6 March 2015. Mr. Pu holds a Masters in Accounting and Finance obtained from Anhui Finance and Economics College, a Masters of Finance obtained from Cass Business School of City University London, and an On-The-Job Doctorate from China University of Politics and Law. Mr. Pu is currently a senior partner and company securities lawyer with Deheng Law Offices (Shenzhen).

His main areas of practice encompasses a wide range of corporate advisory work such as mergers and acquisitions, corporate restructuring and initial public offerings.

As at the Latest Practicable Date, Mr. Pu 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.

Mr. Pu 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. Mr. Pu 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.

The Board believes that despite that Mr. Pu has served the Company for more than nine (9) years, he continues to be able to fulfil his role as an independent non-executive Director independently. The Company has received a confirmation of independence made pursuant to Rule 3.13 of the Hong Kong Listing Rules from Mr. Pu. The Nominating Committee and the Board have reviewed the said independence confirmation of Mr Pu, and assessed his independence based on the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules.

In assessing the independence of Mr. Pu, 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. Mr. Pu 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 despite his length of service, Mr. Pu 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 Mr. Pu 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 Mr. Pu remains to be independent and believes that he should be re-elected even after his more than nine years of services in the Company as an independent non-executive Director and should continue to contribute effectively to the Board.

Save as disclosed above, Mr. Pu (i) did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) is not related to any Directors, senior management, or substantial or controlling shareholders of the Company; and (iii) does not hold any other position in the Company or its subsidiaries.

Save as disclosed above, there are no other matters concerning Mr. Pu that need to be brought to the attention of the shareholders of the Company, and there is no further information that is required to be disclosed pursuant to the requirements of 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 2023 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 2023 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 annual general meeting 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 higher.

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 25 March 2024, 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\$1.3398 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\$51,984,240, 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\$1.5312 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\$59,410,560, 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 251,768,813 Shares in the hands of the public, representing approximately sixty-four point eight-nine per centum (64.89%) 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 212,968,813 Shares, representing approximately fifty-four point zero-three per centum (54.03%) 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 15,894,525 Shares, representing approximately four point one-zero per centum (4.10%) 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 15,894,525 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%), four point one-zero per centum (4.10%) and two point nine-six per centum (2.96%) respectively to approximately thirty-one point one-eight per centum (31.18%), four point five-five per centum (4.55%) 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\$
2023		
March	6.15	1.50
April	3.70	2.00
May	2.60	2.07
June	3.66	1.90
July	5.13	1.53
August	3.04	2.02
September	2.23	1.60
October	1.79	1.49
November	1.79	1.41
December	1.54	1.20
2024		
January	1.48	1.16
February	1.29	1.14
March (up to the Latest Practicable Date)	1.35	1.20

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 Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest (%)	Direct Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest (%)
<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⁾	-	15,894,525	4.10	-	15,894,525	4.55
Dr. Song Haiyan	-	-	-	-	-	-
Mr. Peng Yinan	-	-	-	-	-	-
Mr. Qian Ziyang	-	-	-	-	-	-
Dr. Li Jun	-	-	-	-	-	-
Mr. Pu Hong	-	-	-	-	-	-
<i>Substantial Shareholder</i>						
Kingever Enterprises Limited ⁽¹⁾	108,868,662	-	28.06	108,868,662	-	31.18

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, which holds 15,894,525 Shares. 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.

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 29 April 2024 (Monday) 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 2023 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 2023 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:

Dr. Song Haiyan (Article 89) **(Resolution 3)**

Mr. Du Xiping (Article 89) **(Resolution 4)**

Mr. Qian Ziyang (Article 88) **(Resolution 5)**

Mr. Pu Hong (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\$1,758,000 and SGD60,000 for the financial year ending 31 December 2024 (2023: HK\$1,858,000 and SGD60,000). **(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

NOTICE OF ANNUAL GENERAL MEETING

of options which may be granted under any share option scheme or under 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 28 March 2024 (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)

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

Singapore, 28 March 2024

Explanatory Notes:

- (i) Dr. Song Haiyan will, upon re-election, remain as an Executive Director and a member of the remuneration committee of the Company and he will be considered as non-independent.

Mr. Du Xiping will, upon re-election, remain as a Non-Executive Director and a member of the nominating committee of the Company and he will be considered as non-independent.

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

Mr. Pu Hong will, upon re-election, remain as an Independent Non-Executive Director and a member of each of the audit committee, remuneration 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 issued shares in the capital of the Company as at the date in which the Ordinary Resolution 10 is passed.

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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 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.

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, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, 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 22 April 2024 (Monday) to 29 April 2024 (Monday) (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,

NOTICE OF ANNUAL GENERAL MEETING

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, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong) not later than 4:30 p.m. on 19 April 2024 (Friday). 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 15 April 2024 (Monday).