
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Hang Chi Holdings Limited (“**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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Hang Chi Holdings Limited
恒智控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8405)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS AND
GENERAL MANDATES TO ISSUE NEW SHARES AND
REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Unit 1107, 11/F., Tower 3 Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 9 May 2024, at 3 p.m. is set out on pages 18 to 22 of this circular.

A form of proxy for the Annual General Meeting is also enclosed with this circular. Whether or not you intend to attend and vote at the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Boardroom Share Registrars (HK) Limited, the branch share registrar of the Company in Hong Kong, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

This circular will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and will also be published on the Company’s website at www.shuionnc.com.

28 March 2024

CHARACTERISTICS OF GEM

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

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

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this circular:

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1107, 11/F., Tower 3 Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 9 May 2024 at 3 p.m., or any adjournment thereof, the notice of which is set out on pages 18 to 22 of this circular, or any adjournment thereof
“Articles of Association” or “Articles”	the articles of association of the Company as amended, supplemented or modified from time to time
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Hang Chi Holdings Limited (恒智控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on GEM (stock code: 8405)
“connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Controlling Shareholder(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution
“Latest Practicable Date”	19 March 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“%”	per cent.

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

LETTER FROM THE BOARD



Hang Chi Holdings Limited
恒智控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8405)

Executive Directors:

Mr. Yik Tak Chi (*Chairman*)
Mr. Chung Kin Man
Ms. Chung Wai Man
Mr. Lui Chi Tat

Registered office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Non-executive Director:

Mr. Lau Joseph Wan Pui

*Head office and principal place
of business in Hong Kong:*

Independent non-executive Directors:

Mr. Chan Ching Sum Sam
Mr. Lau Tai Chim
Mr. Wong Wai Ho

Unit 1107, 11/F.
Tower 3 Enterprise Square
No.9 Sheung Yuet Road
Kowloon Bay, Kowloon
Hong Kong

28 March 2024

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS AND
GENERAL MANDATES TO ISSUE NEW SHARES AND
REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information relating to (i) the re-election of Directors; and (ii) the granting to the Directors of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

The Board currently consists of eight Directors, including four executive Directors, namely, Mr. Yik Tak Chi, Mr. Chung Kin Man, Ms. Chung Wai Man and Mr. Lui Chi Tat, one non-executive Director, namely, Mr. Lau Joseph Wan Pui and three independent non-executive Directors, namely, Mr. Chan Ching Sum Sam, Mr. Lau Tai Chim and Mr. Wong Wai Ho.

Pursuant to Article 84(1) of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat.

Accordingly, Mr. Chung Kin Man, Ms. Chung Wai Man and Mr. Chan Ching Sum Sam shall retire from office by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

The nomination committee of the Company (the “**Nomination Committee**”) has reviewed the composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s board diversity policy and nomination policy, and the independence of all independent non-executive directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors. The Nomination Committee has also assessed and reviewed each of the independent non-executive Directors’ annual written confirmation of independence based on the independence criteria as set out in Rule 5.09 of the GEM Listing Rules and confirmed that all independent non-executive Directors remain independent.

Details of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular in accordance with the relevant requirements of the GEM Listing Rules.

GENERAL MANDATE TO ISSUE NEW SHARES

The current general mandate previously granted to the Directors to issue Shares by written resolution of the then Shareholders passed on 16 May 2023 will expire at the conclusion of the AGM. Up to the Latest Practicable Date, such mandate had not been used.

An ordinary resolution will be proposed at the AGM to grant to the Directors a general and unconditional mandate to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed resolution of the Issue Mandate.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the number of Shares in issue was 400,000,000. Subject to the passing of the resolution approving the Issue Mandate and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company will be authorised to allot, issue and deal with up to a maximum of 80,000,000 Shares.

In addition, if the Repurchase Mandate is granted, a separate ordinary resolution will be proposed at the AGM to extend the number of new Shares which may be allotted, issued and dealt with under the Issue Mandate by the number of Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the total number of issued Shares as at the date of the grant of the Repurchase Mandate).

The Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolution contained in item 5 of the notice of the AGM as set out on pages 18 to 22 of this circular.

GENERAL MANDATE TO REPURCHASE SHARES

The current general mandate previously granted to the Directors to repurchase Shares passed on 16 May 2023 will expire at the conclusion of the AGM. Up to the Latest Practicable Date, such mandate had not been used.

An ordinary resolution will be proposed at the AGM to grant to the Directors a general and unconditional mandate to repurchase Shares up to 10% of the total number of issued Shares as at the date of passing of the proposed resolution of the Repurchase Mandate.

As at the Latest Practicable Date, the number of Shares in issue was 400,000,000. Subject to the passing of the resolution approving the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company will be authorized to repurchase up to a maximum of 40,000,000 Shares.

The Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolution contained in item 6 of the notice of the AGM as set out on pages 18 to 22 of this circular.

The explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is set out in Appendix II to this circular to provide the Shareholders with the requisite information pertaining the Repurchase Mandate.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

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

NOTICE OF AGM

A notice convening the AGM to be held at Unit 1107, 11/F., Tower 3 Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 9 May 2024, at 3 p.m. is set out on pages 18 to 22 of this circular. At the AGM, resolutions will be proposed to approve, among others, (i) the re-election of Directors; and (ii) the granting to the Directors of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate.

A form of proxy for use at the AGM is enclosed with this circular. Please complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar and transfer office, Boardroom Share Registrars (HK) Limited, 2103B, 21/F., 148 Electric Road, North Point, Hong Kong and in any event no less than 48 hours before the time appointed for holding the AGM (i.e., no later than 3:00 p.m. on Tuesday, 7 May 2024) or any adjournment thereof. The Company reminds Shareholders who wish to exercise his/her/its voting rights that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM.

As at the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder (or its/his/her close associates) had any material interest in any of the resolution to be proposed at the AGM and will be required to abstain from voting at the AGM to approve the relevant resolutions.

VOTING PROCEDURES BY SHAREHOLDERS

Pursuant to Rule 17.47(4) of the GEM Listing Rules, all votes at the AGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to the Articles of Association. An announcement on the poll vote results will be published by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Board considers that (i) the re-election of Directors and (ii) the granting to the Directors of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of
Hang Chi Holdings Limited
Yik Tak Chi
Chairman and Executive Director

The particulars of the Directors proposed for re-election at the AGM are set out as follows:

1. **Mr. Chung Kin Man** (鍾建民先生) (“**Mr. Chung**”), aged 60, was appointed as an executive Director and the compliance officer of the Company on 7 February 2017. Mr. Chung also serves as a director of the Group companies, namely, Shui On Nursing Centre (Shun On) Company Limited (“**Shui On (Shun On)**”) and Shui On Nursing Home Holdings Limited (“**Shui On Holdings (HK)**”). Mr. Chung is currently responsible for human resource management, staff training and daily operation of the Group. He also assists Mr. TC Yik in affairs such as corporate strategic planning and business development of the Group.

Mr. Chung obtained a degree of Bachelor of Technology (Computer Technology) from La Trobe University in Australia in May 1999, a degree of Master of Information Technology from Monash University in Australia in November 2001, and a degree of Associate of Social Science in Social Work from The City University of Hong Kong in July 2009. Mr. Chung also completed the Health Worker Training Course from Management Society for Healthcare Professionals in Hong Kong in 2003 and has been registered as a health worker by the Social Welfare Department (“**SWD**”) since October 2003. He has also been a social worker registered with the Social Workers Registration Board in Hong Kong since October 2009.

Mr. Chung has over 20 years of work experience in elderly residential care homes. Prior to joining the Group, Mr. Chung worked as a health worker in other elderly residential care homes, and primarily assisted the nurses and physiotherapists in taking care of the elderly residents and handling administrative duties. Mr. Chung first joined the Group as the director of Shui On (Shun On) in March 2006 and became the home manager of Shui On (Shun On) in September 2007. He was responsible for the daily management and operation of Shui On (Shun On). From June 2011 to April 2019, Mr. Chung was further appointed as the director of Shui Hing and was responsible for staff training and daily operation of the Group in view of the Group’s expansion.

Mr. Chung is the brother-in-law of Mr. Yik Tak Chi, an executive Director and the Chairman, and is the brother of Ms. Chung Wai Man, an executive Director.

As at the Latest Practicable Date, Mr. Chung was interested in approximately 4.93% of the issued share capital of Lucky Expert Investments Limited, which is an associated corporation of the Company.

Save as disclosed above, Mr. Chung: (i) does not hold any other major appointment or professional qualifications; (ii) does not have any relationship with any Directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company; (iii) does not hold any other positions in the Group; (iv) has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (v) does not have any other interests within the meaning of Part XV of the SFO.

Mr. Chung has entered into a service contract with the Company for an initial fixed term of three years commencing from 7 February 2017 renewable automatically until terminated by not less than three months' notice in writing served by either party on the other at the end of the initial term or any time thereafter or Mr. Chung has not been re-elected as a Director at any general meeting of the Company. Mr. Chung is subject to retirement by rotation and re-election at the AGM in accordance with the Articles. The current director's fee payable to Mr. Chung is HK\$180,000 per year and shall be reviewed by the Remuneration Committee annually. The remuneration package of Mr. Chung is determined by reference to his experiences, qualifications, duties and responsibilities with the Group and the prevailing market benchmark.

Save as disclosed above, there is no other information relating to the re-election of Mr. Chung as a Director that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules nor any matters that need to be brought to the attention of the Shareholders.

2. **Ms. Chung Wai Man (鍾慧敏女士) ("Ms. Chung")**, aged 58, was appointed as an executive Director on 7 February 2017. Ms. Chung also serves as a director of medical service of Shui On (Shun On). Ms. Chung is currently responsible for making healthcare policies, procedures, training programs for the medical staff at all levels in the Group, and also responsible for allocating, distributing and supervising the medical and nursing work, and evaluating the work efficiency from time to time. She also assists Mr. TC Yik in recruiting, supervising and managing the medical staff at all levels in the Group.

Ms. Chung obtained a degree of Bachelor of Nursing from The University of Newcastle in Australia in April 1996 and a Post-Experience Diploma in Nursing Management from The Hong Kong Polytechnic University in November 1998. She has been a registered nurse registered with the Nursing Council of Hong Kong since December 1990. Ms. Chung has over 30 years of experience as a registered nurse in Hong Kong in geriatrics and rehabilitation and extended care. Ms. Chung received nursing training in Kwong Wah Hospital from 1987 to 1990, and was employed as a registered nurse in Geriatrics of Caritas Medical Centre from 1991 to 1993. She then worked in the Department of Rehabilitation and Extended Care in Tung Wah Group of Hospitals Wong Tai Sin Hospital from 1996 to 2006. Ms. Chung was subsequently employed as a registered nurse in Shui On Nursing Centre (Shatin) Limited. She joined the Group as a director of Shui On Nursing Centre (Hing Wah) Company Limited in November 2007.

Ms. Chung is the sister-in-law of Mr. Yik Tak, an executive Director and the Chairman, and is the sister of Mr. Chung, an executive Director.

As at the Latest Practicable Date, Ms. Chung was interested in approximately 6.02% of the issued share capital of Lucky Export Investments Limited, which is an associated corporation of the Company.

Save as disclosed above, Ms. Chung: (i) does not hold any other major appointment or professional qualifications; (ii) does not have any relationship with any Directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company; (iii) does not hold any other positions in the Group; (iv) has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (v) does not have any other interests within the meaning of Part XV of the SFO.

Ms. Chung has entered into a service contract with the Company for an initial fixed term of three years commencing from 27 February 2019 renewable automatically until terminated by not less than three months' notice in writing served by either party on the other at the end of the initial term or any time thereafter or Ms. Chung has not been re-elected as a Director at any general meeting of the Company. Ms. Chung is subject to retirement by rotation and re-election at the AGM in accordance with the Articles. The current director's fee payable to Ms. Chung is HK\$180,000 per year and shall be reviewed by the Remuneration Committee annually. The remuneration package of Ms. Chung is determined by reference to his experiences, qualifications, duties and responsibilities with the Group and the prevailing market benchmark.

Save as disclosed above, there is no other information relating to the re-election of Ms. Chung as a Director that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules nor any matters that need to be brought to the attention of the Shareholders.

3. **Mr. Chan Ching Sum Sam (陳錚森先生) (“Mr. Chan”)**, aged 41, was appointed as an independent non-executive Director on 15 August 2022. He is also the chairman of the Audit Committee and a member of the Remuneration Committee.

Mr. Chan obtained a degree of Bachelor of Business Administration with Accounting from the Hong Kong Baptist University in November 2005, and a degree of Master of Science with Financial Analysis from The Hong Kong University of Science and Technology in November 2012. Mr. Chan is currently a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Institute of Public Accountants in Australia, a fellow member of the Institute of Financial Accountants in the United Kingdom and a member of the Institute of Certified Management Accountants in Australia.

Mr. Chan has over 18 years of experience in the finance and accounting industry. He has extensive knowledge and experience in cross-border as well as domestic mergers and acquisitions transactions and capital market transactions including initial public offerings, takeovers and financial advisory.

Mr. Chan has served as an independent non-executive director of Satu Holdings Limited (舍圖控股有限公司), the shares of which are listed on GEM (stock code: 8392), since September 2017. Mr. Chan has served as a head of mergers and acquisitions & ESG of Wai Chi Opto Technology Limited since September 2022, wholly owned subsidiary of Wai Chi Holdings Company Limited, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1305). From May 2020 to July 2022, Mr. Chan served as a head of mergers and acquisitions and an executive director of the corporate finance department for Eddid Capital Limited. From December 2017 to May 2020, he served as a director of First Shanghai Capital Limited. From February 2013 to February 2017, he served at Changjiang Securities Holdings (HK) Limited with his last position being senior vice president of the corporate finance department. From December 2010 to August 2012, he served as an investment banking analyst at Piper Jaffray Asia Limited. From July 2009 to December 2010, he was an accounting senior officer in the finance division worked at China Construction Bank Corporation, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0939). From March 2008 to July 2009, he worked at PricewaterhouseCoopers as senior associate in the assurance department. From September 2005 to March 2008, he worked at Ernst & Young as accountant in the assurance and advisory business services department.

Save as disclosed above, Mr. Chan: (i) does not hold any other major appointment or professional qualifications; (ii) does not have any relationship with any Directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company; (iii) does not hold any other positions in the Group; (iv) has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (v) does not have any other interests within the meaning of Part XV of the SFO.

Mr. Chan has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 15 August 2022, and extended thereafter for such period as the parties may agree provided that either party can at any time terminate the appointment by giving the other party not less than three months' prior notice in writing. Pursuant to the Articles of Association, Mr. Chan is subject to retirement by rotation and re-election at the annual general meetings of the Company. The current director's fee payable to Mr. Chan is HK\$180,000 per annum and shall be reviewed by the Remuneration Committee annually. The remuneration package of Mr. Chan is determined by reference to his duty, qualification and experience and the prevailing market benchmark.

Mr. Chan has confirmed that he meets the independence criteria set out in Rule 5.09 of the GEM Listing Rules.

Save as disclosed above, Mr. Chan: (i) does not hold any other major appointment or professional qualifications; (ii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company (as respectively defined in the GEM Listing Rules); (iii) does not hold any other positions in the Group; and (iv) has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. As at the Latest Practicable Date, Mr. Chan did not have any interest in any Shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders nor is there any information relating to the re-election of Mr. Chan as an independent non-executive Director that is required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This explanatory statement, as required under the GEM Listing Rules, serves to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate at the AGM.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 400,000,000. Subject to the passing of the resolution approving the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company would be authorised to repurchase up to a maximum of 40,000,000 Shares, representing 10% of the total number of issued Shares as at the date of AGM.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchase may, depending on market conditions and funding arrangement at the time, result in enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors consider that such repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

Any repurchase will only be made out of funds which are legally available for such purpose in accordance with the Articles, the Cayman Islands law and the GEM Listing Rules.

As compared with the financial position disclosed in the latest published audited financial statements of the Company as at 31 December 2023 there might have adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be exercised in full. However, the Directors do not propose to make any repurchase to the extent that would have a material adverse effect on the working capital or gearing level of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

4. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of repurchase of Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's voting right at the time, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

As at the Latest Practicable Date and so far as was known to the Directors or chief executive of the Company, the following parties had an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held/ interested in	Approximate percentage of the issued share capital of the Company as at the Latest Practicable Date	Approximate percentage of the issued share capital of the Company if the Repurchase Mandate is exercised in full
Mr. Yik Tak Chi ("Mr Yik")	(i) Interest of controlled corporation ^(Note 1)	258,204,000	64.55%	71.72%
	(ii) Beneficial owner ^(Note 1)			
Multifield Investment Development Limited ("Multifield")	(i) Interest in controlled corporation ^(Note 1)	258,204,000	64.55%	71.72%
	(ii) Interest held jointly with other person ^(Note 2)			
Hang Chi Development & Investment Limited ("HCDI")	(i) Interest in controlled corporation ^(Note 1)	258,204,000	64.55%	71.72%
	(ii) Interest held jointly with other person ^(Note 2)			
Ms. Yik Wai Hang	Interest held jointly with other person ^(Note 2)	258,204,000	64.55%	71.72%
Ms. Chung Shuk Man	Interest of spouse ^(Note 3)	258,204,000	64.55%	71.72%
Shui Wah Limited ("Shui Wah")	Beneficial owner ^(Note 1)	248,700,000	62.18%	69.08%
Lucky Expert Investments Limited ("Lucky Expert")	Interest in controlled corporation ^(Note 1)	248,700,000	62.18%	69.08%

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held/ interested in	Approximate percentage of the issued share capital of the Company as at the Latest Practicable Date	Approximate percentage of the issued share capital of the Company if the Repurchase Mandate is exercised in full
Mr. Lui Chi Tat ("Mr. Lui")	(i) Beneficial owner ^(Note 4)	36,032,000	9.01%	10.01%
	(ii) Interest of spouse ^(Note 4)			
Mr. Lok Ko Yeung Benjiman ("Mr. Lok")	Beneficial owner	32,392,000	8.10%	9.00%

Notes:

- As at the Latest Practicable Date, Mr. Yik was interested in 258,204,000 Shares, of which 248,700,000 Shares were held by Shui Wah and 9,504,000 Shares were directly held by him. Shui Wah is wholly owned by Lucky Expert, which is in turn owned as to 59.88% by Hang Chi. Mr. Yik indirectly owns the entire issued share capital of HCIDI through Multifield. By virtue of the SFO, Mr. Yik is deemed to be interested in the same number of shares in Lucky Expert held by HCIDI, same number of shares in Shui Wah held by Lucky Expert, and all the Shares held by Shui Wah.
- On 13 December 2016, Mr. Yik, Multifield, Hang Chi and Ms. Yik Wai Hang entered into an acting in concert agreement (the "**Acting In Concert Agreement**") to acknowledge and confirm, among other things, that they are parties acting in concert (having the meaning as ascribed thereto in The Codes on Takeovers and Mergers and Share Buy-backs) in respect of each of the members of the Group from the date of which both Mr. Yik and Ms. Yik Wai Hang became the shareholders of Shui On Nursing Home Holdings Limited (i.e. 31 July 2013) and will continue to be parties acting in concert until such arrangement is terminated in writing by them pursuant to the Acting In Concert Agreement. As such, they are deemed to be interested in the Shares held by the others.

As disclosed above, as at the Latest Practicable Date, Mr. Yik was interested in 258,204,000 Shares. Accordingly, by virtue of the Acting in Concert Agreement, Mr. Yik, Multifield, Hang Chi and Ms. Yik Wai Hang were controlling approximately 64.75% the issued share capital of the Company.
- Ms. Chung Shuk Man is the spouse of Mr. Yik. By virtue of the SFO, Ms. Chung Shuk Man is deemed to be interested in all the Shares in which Mr. Yik is interested.
- As at the Latest Practicable Date, Mr. Lui is interested in 36,032,000 Shares, of which 36,020,000 Shares are directly held by him and 12,000 Shares are directly held by his spouse. By virtue of the SFO, Mr. Lui is deemed to be interested in all the Shares held by his spouse.

In the event that the Directors fully exercise the proposed Repurchase Mandate, the total interests of Mr. Yik, Multifield, HCIDI, Lucky Expert, Shui Wah, Ms. Yik Wai Hang and Ms. Chung Shuk Man, being the Controlling Shareholders, would be increased to approximately the percentages shown in the last column of the above table and such increase will not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code and will not reduce the number of Shares held by the public to be less than 25% of the total number of issued Shares.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that will result in a public shareholding of less than the minimum public float requirement of 25% of the total number of issued share capital of the Company as required by the GEM Listing Rules.

5. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Share (whether on the Stock Exchange or otherwise) during the previous six (6) months proceeding to the Latest Practicable Date.

6. SHARE PRICES

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

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
March	0.8700	0.8100
April	0.8900	0.8700
May	0.8800	0.6800
June	0.8000	0.7100
July	0.8000	0.7400
August	0.7800	0.7500
September	0.7500	0.6600
October	0.7100	0.6800
November	0.7800	0.6900
December	0.7000	0.6200
2024		
January	0.7300	0.6100
February	0.6300	0.6000
March (up to the Latest Practicable Date)	0.6900	0.6100

GENERAL

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

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

The Directors have also confirmed that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

No core connected persons (as defined in the GEM Listing Rules) of the Company has notified the Company that they have a present intention to sell any Share to the Company, or have undertaken to the Company not to do so, in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



Hang Chi Holdings Limited 恒智控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8405)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Hang Chi Holdings Limited (the “**Company**”) will be held at Unit 1107, 11/F., Tower 3 Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 9 May 2024, at 3 p.m. for the purpose of transacting the following business:

1. To receive and consider the audited financial statements of the Company and its subsidiaries, and the reports of the directors of the Company (the “**Directors**”) and of the independent auditor of the Company (the “**Auditor**”) for the year ended 31 December 2023.
2. To declare a final dividend of HK\$0.04 per ordinary share of the Company for the year ended 31 December 2023.
3.
 - (a) To re-elect Mr. Chung Kin Man as executive Director.
 - (b) To re-elect Ms. Chung Wai Man as executive Director.
 - (c) To re-elect Mr. Chan Ching Sum Sam as independent non-executive Director.
 - (d) To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
4. To re-appoint Prism Hong Kong and Shanghai Limited as Auditor and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and deal with additional shares of the Company (the “**Shares**”) and to make, issue or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to make, issue or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) and issued by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares; (iii) the exercise of any options granted under any option scheme adopted by the Company or similar arrangement for the time being adopted for the granting or issuance of Shares, or rights to acquire Shares; or (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “**Articles**”) from time to time, shall not exceed 20% of the total number of Shares in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) subject to the passing of each of the paragraphs (a), (b) and (c) above, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) above which had been granted to the Directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(e) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or
- (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders (as hereinafter defined) in general meeting; and

“**Rights Issue**” means the allotment, issue or grant of Shares or other securities which would or might require Shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (the “**Shareholders**”) (excluding for such purpose any Shareholder who is resident in a place where it would or might be unlawful or impracticable to offer Shares in compliance with any legal or regulatory requirements or special formalities in such place under the laws of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of Shares or such other equity securities.”

6. “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase issued Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) or of any other stock exchange as amended from time to time and the manner of any such repurchase be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which are authorised to be repurchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue as at the date of passing of this resolution, and the said approval under paragraph (a) above shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (d) subject to the passing of each of the paragraphs (a), (b) and (c) above, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) above which had been granted to the Directors and which are still in effect be and hereby revoked; and
- (e) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of our Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or
 - (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”
7. “**THAT** conditional upon the passing of resolutions number 5 and number 6 above, the general mandate granted to the Directors pursuant to resolution number 5 above be and is hereby extended by the addition to the aggregate number of the Shares repurchased by the Company pursuant to the repurchase mandate under resolution number 6 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing of this resolution.”

By order of the Board
Hang Chi Holdings Limited
Yik Tak Chi
Chairman and Executive Director

Hong Kong, 28 March 2024

Registered office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*
Unit 1107, 11/F.
Tower 3 Enterprise Square,
No.9 Sheung Yuet Road
Kowloon Bay, Kowloon
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of Association, to vote on his/her behalf. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. Whether or not you intend to attend and vote at the meeting, you are requested to complete and return the form of proxy. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.
5. For the purposes of determining the Shareholders' eligibility to attend and vote at the forthcoming Meeting to be held on 9 May 2024 (Thursday), the transfer books and register of members of the Company will be closed from 4 May 2024 (Saturday) to 9 May 2024 (Thursday), both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on 3 May 2024 (Friday).
6. Particulars of the Directors proposed for re-election are set out in Appendix I to this circular which this notice forms part.
7. The record date for entitlement of the proposed final dividend is Thursday, 23 May 2024. For determining the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Tuesday, 21 May 2024 to Thursday, 23 May 2024, both days inclusive. During such period, no share transfers will be effected. In order to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Monday, 20 May 2024. If the resolution for approving the proposed final dividend is passed at the AGM, the proposed final dividend will be payable on Thursday, 6 June 2024.