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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 Hengdeli Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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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HENGDELI HOLDINGS LIMITED
亨得利控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3389)

**PROPOSALS FOR ISSUE OF BONUS SHARES,
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES,
APPOINTMENT OF DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at the conference room on 5/F., Jardine House, 1 Connaught Place, Central, Hong Kong on Wednesday, 15 May 2013 at 11 a.m. is set out on pages 15 to 19 of this circular.

Whether or not you are able to attend the annual general meeting in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting. Completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at the conference room on 5/F., Jardine House, 1 Connaught Place, Central, Hong Kong on Wednesday, 15 May 2013 at 11 a.m., the notice of which is set out on pages 15 to 19 of this circular
“Articles of Association”	the existing articles of association of the Company
“Associates”	has the meanings ascribed to it under the Listing Rules
“Bonds”	the 6.25% senior notes due 2018 in the aggregate principal amount of US\$350 million issued by the Company and listed on the Stock Exchange
“Bonus Issue”	the proposed bonus issue of the Bonus Shares to the Qualifying Shareholders whose names appear on the Register of Members on the Record Date on the basis of 1 Bonus Share for every 10 existing Shares held on the Record Date
“Bonus Share(s)”	new Share(s) proposed to be allotted and issued pursuant to the Bonus Issue
“Company”	Hengdeli Holdings Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange
“Convertible Bonds”	the HK\$2,500,000,000 2.5% convertible bonds due 2015 listed on the Singapore Stock Exchange
“Director(s)”	the board of directors or directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors to issue, allot and deal with the aggregate number of Shares not exceeding the aggregate of 20% of the existing issued share capital of the Company as at date of passing Resolution No. 5A
“Latest Practicable Date”	2 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Committee”	the listing committee of the Stock Exchange

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing on Securities on The Stock Exchange of Hong Kong Limited
“Notice”	the notice convening the Annual General Meeting which is set out on pages 15 to 19 of this circular
“Overseas Shareholders”	the Shareholder(s) whose addresses as shown on the register of members of the Company on the Record Date are outside Hong Kong
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Qualifying Shareholder(s)”	the Shareholder(s) who are entitled to the Bonus Issue, other than those Overseas Shareholder(s) to whom or which the Board, after making enquiries pursuant to Rule 13.36 of the Listing Rules, considers it necessary or expedient on account either of legal restrictions of the relevant body or stock exchange in that place, not to extend the new Shares allotted and issued under the Bonus Issue
“Record Date”	24 May 2013 (Friday)
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares up to a maximum number of 10% of the existing issued share capital of the Company as at the date of passing Resolution No. 5B
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) of par value of HK\$0.005 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 27 August 2005
“Share Options”	the share options granted by the Company under the Share Option Scheme
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Codes on Takeovers and Mergers and Share Repurchase

EXPECTED TIMETABLE

The expected timetable for the Final Dividend and Bonus Issue is set out below:

Events	Date
Latest time for the Shareholders to lodge the transfer documents to the Share Registrar for the qualification for attending and voting at the Annual General Meeting	4:30 p.m. 10 May 2013
Latest time for lodging forms of proxy for the Annual General Meeting	11:00 a.m. 13 May 2013
Closure of the register of members for determining the identity of the Shareholders who are entitled to attend and vote at the Annual General Meeting	13 May 2013 to 15 May 2013
Annual General Meeting	11:00 a.m. 15 May 2013
Announcement of poll results of Annual General Meeting	15 May 2013
Last day of dealings in the shares of the Company on a cum-entitlement basis relating to the final dividend and the Bonus Issue	16 May 2013
First day of dealings in the shares of the Company on an ex-entitlement basis relating to the final dividend and the Bonus Issue	20 May 2013
Latest time for the Shareholders to lodge the transfer documents to the Share Registrar in order to qualify for entitlements of the final dividend and the Bonus Issue	4:30 p.m. 21 May 2013
Closure of the register of members for determining the identity of the Shareholders for entitlements of the final dividend and the Bonus Issue	22 May 2013 to 24 May 2013
Record date for determining the identity for the Shareholders for entitlements of the final dividend and the Bonus Issue	24 May 2013
Expected payment date of the final dividend	30 May 2013
Dispatch of share certificates under Bonus Issue	30 May 2013
Expected first day of dealings in the shares under Bonus Issue on the Stock Exchange	31 May 2013

Note: All times refer to Hong Kong local time in this circular

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD



HENGDELI HOLDINGS LIMITED
亨得利控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3389)

Executive Directors:

Mr. ZHANG Yuping (*Chairman*)
Mr. SONG Jianwen
Mr. HUANG Yonghua

Non-executive Directors:

Mr. CHEN Sheng
Mr. SHI Zhongyang
Ms. ZHENG Yu

Independent Non-Executive Directors:

Mr. CAI Jianmin
Mr. WONG Kam Fai William
Mr. LIU Xueling

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Room 301, 3/F. Lippo Sun Plaza
28 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

5 April 2013

To Shareholders

Dear Sir or Madam,

**PROPOSALS FOR ISSUE OF BONUS SHARES,
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES,
APPOINTMENT OF DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting. These include: (i) the proposed issue of Bonus Shares; (ii) the ordinary resolution granting the Directors general mandate to issue new Shares; (iii) the ordinary resolution granting the Directors general mandate to repurchase Shares; (iv) extension of general mandate to issue Shares; and (v) appointment of Director.

LETTER FROM THE BOARD

1. PROPOSED BONUS ISSUE OF SHARES

Basis of the Bonus Issue

Subject to the conditions set out under the heading “Conditions of the Bonus Issue” below, in addition to the final dividend, the Directors have recommended a bonus issue of 1 Bonus Share for every 10 existing Shares held by the Shareholders whose names appear on the register of members on the Record Date. The Bonus Shares will be issued to the Qualifying Shareholders. Arrangements for Overseas Shareholders are stated below under the paragraph headed “Overseas Shareholders”.

As at the Latest Practicable Date, 4,366,279,054 Shares were issued. On the basis that no further Shares will be issued or repurchased on or before 24 May 2013, being the Record Date, 436,627,905 Bonus Shares will be issued under the Bonus Issue and the amount of HK\$2,183,139.525 standing to the credit of Company’s share premium account will be capitalized and will then be applied in paying up in full at par for 436,627,905 Bonus Shares. After completion of the Bonus Issue and assuming there will be no further issue or repurchase of Shares up to the date of completion of the Bonus Issue, the issued share capital of the Company will be increased to HK\$24,014,534.795, which is higher than the level immediately prior to the Bonus Issue at HK\$21,831,395.27.

Reasons for the Bonus Issue

In recognition of the continuous support of the Shareholders, the Board has recommended the Bonus Issue. In addition, the Directors believe that the Bonus Issue will enhance the liquidity of the Shares in the market and thereby enlarging the shareholder and capital base.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) approval by Shareholders at the Annual General Meeting by way of an ordinary resolution; and
- (ii) the Stock Exchange granting listing of and permission to deal in the Bonus Shares.

No Shareholder is required to abstain from voting on such resolution.

Fractions of the Bonus Shares

Fractional entitlements to the Bonus Shares will not be issued to Shareholders but will be aggregated, rounded down to the nearest whole number and sold for the benefit of the Company.

Status of the Bonus Shares

The Bonus Shares to be issued pursuant to the Bonus Issue will rank pari passu in all respects with the existing Shares, including the entitlements to receive dividends and other distributions the record date for which is on or after the date of allotment and issue of the Bonus Shares.

LETTER FROM THE BOARD

Closure of Register of Members

The register of members will be closed from Wednesday, 22 May 2013 to Friday, 24 May 2013 (both days inclusive) for the purpose of determining entitlements of the Shareholders to the proposed final dividend and under the Bonus Issue. In order to establish entitlements to the proposed final dividend and Bonus Issue, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 21 May 2013.

Listing and Dealing

The Shares are not listed or dealt in on any other stock exchanges except the Stock Exchange. In addition to the Shares, the Convertible Bonds are listed or dealt in on the Singapore Exchange Securities Trading Limited. The Company has also listed the Bonds on the Stock Exchange.

If approved by the Shareholders at the Annual General Meeting, the Bonus Shares will be issued on or before 30 May 2013. Application will be made to the Listing Committee for the listing of, and permission to deal in, the Bonus Shares to be issued pursuant to the Bonus Issue. The Bonus Shares will not be listed or dealt in on any other stock exchange nor is listing or permission to deal in the same being or proposed to be sought from any other stock exchanges.

Subject to the satisfaction of the above conditions, it is expected that the dealings of the Bonus Shares on the Stock Exchange will commence on 31 May 2013.

Adjustment in the conversion price of the Convertible Bonds

As stated above, the Convertible Bonds are listed or dealt in on the Singapore Exchange Securities Trading Limited.

Subject to the completion of the Bonus Issue, the conversion price of the Convertible Bonds may be required to be adjusted in accordance with its terms as a result of the Bonus Issue. Further announcement may be made by the Company relating to any required adjustment, if necessary, in due course.

Adjustment in the exercise price of the Share Options

As at the date hereof, there are 3,350,000 outstanding Share Options in aggregate granted under the Share Option Scheme which carry rights to acquire an aggregate of 3,350,000 Shares.

As a result of the Bonus Issue, adjustments will be made to the exercise price and the number of outstanding Options granted under the Share Option Scheme. In accordance with the rules of the Share Option Scheme, holders of outstanding Share Options who have not exercised their Share Options prior to the Record Date will be entitled to an adjustment to the exercise price and/or the number of Shares in respect of their outstanding Share Options upon the issue of Bonus Shares, so that

LETTER FROM THE BOARD

they can be entitled the same proportion of the equity capital as that to which they are previously entitled immediately before the completion of the Bonus Issue. Further announcement may be made by the Company relating to any required adjustment, if necessary, in due course.

Overseas Shareholders

It was noted that as at the Latest Practicable Date, no Shareholders whose addresses as shown on the Register of Members are located in a number of places outside Hong Kong.

If the register of members of the Company reveals, on the Record Date, that there are Overseas Shareholders and the Directors, after having made enquiry regarding the legal restrictions under the laws of the relevant places and the requirements of the relevant regulatory bodies or stock exchanges in relation to the proposed issue of Bonus Shares to the Overseas Shareholders, consider the exclusion of any Overseas Shareholders from the Bonus Issue to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, those Overseas Shareholders will not receive any Bonus Shares. Instead the Bonus Shares which those Overseas Shareholders would otherwise receive pursuant to the Bonus Issue will be sold in the market as soon as reasonably practicable after commencement of dealings in the Bonus Shares on Stock Exchange. Any net proceeds of such sale of any Bonus Shares for each relevant Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be paid in Hong Kong dollars to that Overseas Shareholder by ordinary post at his own risk. If the amount of the net proceeds of such sale, after deduction of expenses, is less than HK\$100, the net proceeds will be retained for the benefit of the Company.

Expected Timetable

The expected timetable for the Final Dividend and Bonus Issue is set out on page 3 of this circular.

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

Dispatch of certificates

The Bonus Shares will be distributed to the Qualifying Shareholders whose names appear on the register of members on the Record Date. In the absence of any specific instruction to the contrary received in writing by Registrars, certificates for the Bonus Shares will be posted to the persons entitled thereto at their respective addresses shown in the register of members or, in the case of joint holders, to the address of the joint holder whose name stands first in the Register of Members in respect of the joint holding. Assuming the Bonus Issue becomes effective, certificates for the Bonus Shares are expected to be dispatched by ordinary post at the risk of the persons entitled thereto on or before Thursday, 30 May 2013 and the Company will not be responsible for any loss or delay in transmission. The Qualifying Shareholder(s) will receive one share certificate for the issue of the Bonus Share(s).

LETTER FROM THE BOARD

2. GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 5A, will be proposed for the Shareholders to consider and if, thought fit, to grant the Issue Mandate to the Directors to allot, issue and deal with the aggregate number of Shares not exceeding the aggregate of 20% of the existing issued share capital of the Company as at the date of passing of such resolution, that is 873,255,810 Shares assuming no further issue or repurchase of Shares from the Latest Practicable Date to the date of Annual General Meeting. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Issue Mandate is set out in Resolution No. 5A in the Notice.

The Issue Mandate to issue Shares will remain in effect 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 of Association or any applicable law to be held; and (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

3. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 5B, will be proposed for the Shareholders to consider and if, thought fit, to grant the Repurchase Mandate to enable them to repurchase Shares subject to the criteria set out in this circular. Shareholders should note that the maximum number of Shares that may be repurchased will be 10% of the existing issued share capital of the Company as at the date of passing of such resolution. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate is set out in Resolution No. 5B in the Notice.

An explanatory statement containing all relevant information relating to the Repurchase Mandate and as required pursuant to the Listing Rules is set out in Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

4. EXTEND GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution, as set out as Resolution No. 6, will be proposed that the Issue Mandate will be extended by the addition to the aggregate number of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate number of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate being approved provided that such extended amount will not exceed 10% of the aggregate of the total number of the share capital of the Company in issue on the date of the resolution approving the Issue Mandate. The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Issue Mandate is set out in Resolution No. 6 in the Notice.

5. APPOINTMENT OF DIRECTOR

Song Jianwen, Chen Sheng and Zheng Yu will retire by rotation in accordance with the Articles of Association and will not offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

The Board proposes that Lee Shu Chung Stan be appointed as the executive Director and his particulars is set out in Appendix II of this circular.

6. ANNUAL GENERAL MEETING

The Notice of the Annual General Meeting is set out on pages 15 to 19 of this circular.

A form of proxy for the Annual General Meeting is enclosed with this circular. If you do not intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the Annual General Meeting. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

7. LISTING RULES REQUIREMENT

According to Rule 13.39(4) of the Listing Rules, excepts where the Chairman of the Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll.

An announcement of the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposed Bonus Issue, the proposals for the grant of the Repurchase Mandate and the Issue Mandate and appointment of Director are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all of these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
HENGDELI HOLDINGS LIMITED
Zhang Yuping
Chairman

The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the Annual General Meeting authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

It is proposed that up to 10% of the Shares at the date of the passing of the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, the total number of issued Shares was 4,366,279,054. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares would be issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 436,627,905 Shares (being 10% of the Shares in issue) during the period up to (a) the next annual general meeting in 2014 or (b) the expiration of the period within which the next annual general meeting of the Company is required by law or its Articles of Association to be held or (c) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, enhance the net assets value of the Company and/or earnings per Share.

3. GENERAL

As compared with the financial position of the Company as at 31 December 2012 (being the date of its latest published audited accounts), the Directors consider that there would be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. The Directors confirm that no repurchase would be made to such extent as would have a material adverse impact on the working capital or gearing position of the Company.

4. FUNDING OF REPURCHASES

The Company is empowered by its memorandum and articles of association and the applicable laws of the Cayman Islands to repurchase its Shares. The Cayman Islands law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the fund of the Company that would otherwise be legally available for dividend or distribution or out of the share premium account of the Company for such purpose under the laws of the Cayman Islands. Under the Cayman Islands law, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced so that the Shares may be subsequently re-issued.

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the Associates of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of Shares held by him/her to the Company in the event that Repurchase Mandate is granted.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the Articles of Association.

7. EFFECT OF TAKEOVER CODE

If as a result of a share repurchase exercised pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 and Rule 32 of the Takeover Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Best Growth International Limited, held 1,531,348,000 Shares (representing approximately 35.07% of the issued share capital of the Company) and Zhang Yuping, the Director and chairman of the Company, was interested or deemed to be interested in the said 1,531,348,000 Shares (representing approximately 35.07% of the issued share capital of the Company). Meanwhile, Zhang Yuping personally held 48,516,000 Shares (representing approximately 1.11% of the issued share capital of the Company). Therefore, Zhang Yuping is interested in 1,579,864,000 Shares (representing approximately 36.18% of the issued share capital of the Company) in total. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the Resolution No. 5B to be proposed at the Annual General Meeting, then (if the present shareholdings otherwise remained the same) the respective shareholding of Best Growth International Limited and Mr. Zhang Yuping in the Company would be increased to approximately 38.97% and 40.20% of the issued share capital of the Company and accordingly Best Growth International Limited and Zhang Yuping will be obliged to make a mandatory offer under Rule 26 of the Takeover Code.

8. SHARE PURCHASES MADE BY THE COMPANY

The Company has repurchased a total of 26,160,000 Shares on the Stock Exchange during the six months preceding the Latest Practicable Date, details of which are as follows:

Date of Repurchase	Number of Shares repurchased	Price per Share	
		Highest HK\$	Lowest HK\$
31/01/2013	5,000,000	2.72	2.69
01/02/2013	4,744,000	2.77	2.71
04/02/2013	5,832,000	2.69	2.58
05/02/2013	892,000	2.68	2.66
06/02/2013	1,564,000	2.65	2.62
07/02/2013	3,756,000	2.58	2.52
08/02/2013	1,100,000	2.55	2.46
14/02/2013	440,000	2.62	2.57
20/02/2013	656,000	2.58	2.53
21/02/2013	592,000	2.55	2.52
22/02/2013	1,584,000	2.53	2.48
Total:	26,160,000		

Save as disclosed herein, the Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

9. SHARE PRICES

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

	Shares	
	Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
2012		
April	3.50	3.08
May	3.30	2.24
June	2.49	1.95
July	2.79	2.00
August	2.47	2.00
September	2.38	2.01
October	2.59	2.08
November	3.13	2.40
December	2.99	2.65
2013		
January	3.21	2.54
February	2.82	2.45
March	2.59	2.04
April (up to the Latest Practicable Date)	2.16	2.11

1. PARTICULARS OF THE DIRECTOR

The following are particulars of the director proposed to be appointed at the Annual General Meeting:

Mr. Lee Shu Chung Stan (李樹忠)

Mr. Lee Shu Chung Stan (李樹忠), aged 53, is the deputy president of the Group. He joined the Group in 2007 and is responsible for overall coordination and management of the Group's retail business and the Group's brand wholesale business. Mr. Lee has over 25 years of experience in watch manufacturing, retail and distribution.

Subject to the approval of his appointment at the Annual General Meeting, Mr. Lee will enter into a service contract with the Company for a term of 3 years. His appointment may be terminated in accordance with the Articles of Association, including retirement by way of rotation at general meeting. The Director's fee payable to him will be determined by the Directors pursuant to the authority granted by the Shareholders at the Annual General Meeting and by reference to his duties and responsibilities with the Company, the Company's current standards for emolument and the market condition. As at the Latest Practicable Date, to the best knowledge and belief of the Company, Mr. Lee does not have any interest in the Shares (within the meaning of Part XV of the Securities and Futures Ordinance).

Mr. Lee has no relationship with any Directors or the senior management of the Company, or with any management Shareholders, substantial Shareholders or controlling Shareholders. Mr. Lee has not held any directorship in any other listed company in the last 3 years. Save as disclosed in this circular, Mr. Lee has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment, nor is there any information required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



HENGDELI HOLDINGS LIMITED 亨得利控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3389)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Hengdeli Holdings Limited (the “Company”) will be held at the conference room on 5/F., Jardine House, 1 Connaught Place, Central, Hong Kong on Wednesday, 15 May 2013 at 11 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the report of directors and auditors for the year ended 31 December 2012.
2. To declare the final dividend.
3. To appoint Mr. Lee Shu Chung Stan as director and authorise the board of directors of the Company to fix his remuneration.
4. To re-appoint auditors and authorise the board of directors of the Company to fix their remuneration.
5. As special business, to consider and, if thought fit, to pass the following as ordinary resolutions:
 - A. **“THAT**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all powers to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to
 - (i) a Right Issue (as defined below);
 - (ii) 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 of shares or rights to acquire shares of the Company; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of 20% of the existing issued share capital of the Company as at the date of this Resolution and the said approval shall be limited accordingly;
- (d) 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 of association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

“Right Issue” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion 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 outside the Hong Kong Special Administrative Region of the People’s Republic of China).

B. “THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (“Stock

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Exchange”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;

- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the existing issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) 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 of association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. As special business, to consider and, if thought fit, to pass the following as ordinary resolution:

“**THAT** conditional upon resolutions nos. 5A and 5B being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 5B shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 5A above.”

7. As special business, to consider and, if thought fit, to pass the following as ordinary resolution:

“**THAT**, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting and agreeing to grant listing of and permission to deal in the Bonus Shares (as defined below):

- (a) upon the recommendation of the directors of the Company (the “Directors”), a bonus issue on the basis of 1 ordinary share of HK\$0.005 each (the “Bonus Shares”) for every 10 existing ordinary shares of HK\$0.005 each in the capital of the Company held be made, such Bonus Shares be issued to the persons (the “allottees”) whose names appear on the register of members of the Company at the close of business on 24 May 2013 (the “Record Date”) and whose addresses as shown in such register are in Hong Kong or whose addresses as shown in such register are outside Hong Kong if the Directors, based on legal opinions, do not consider it necessary or expedient to exclude any such

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shareholders of the Company on account either of the legal restrictions under the laws of the place of its registered address or the requirements of the relevant regulatory body or stock exchange in that place (the “Bonus Issue”);

- (b) the sum of HK\$2,183,139.525 (or such sum as may be necessary to give effect to the Bonus Issue) standing to the credit of the Company’s share premium account be capitalised and be applied in paying up in full at par the Bonus Shares such that the Bonus Shares will be allotted, issued and distributed (pursuant to paragraph (d) below), credited as fully paid and share certificates be issued to the allottees in respect of the Bonus Shares to be issued and allotted to them immediately;
- (c) the Bonus Shares shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing issued Shares in issue on the Record Date, except that they will not rank for the Bonus Issue mentioned in paragraph (a) of this resolution;
- (d) no fractional Bonus Shares shall be allotted and distributed, and the fractional entitlements shall be aggregated, rounded down to the nearest whole number and sold for the benefit of the Company; and
- (e) the Directors be authorised to do all acts and things as may be necessary or expedient in relation to the Bonus Issue, including, but not limited to, determining the exact amount to be capitalized out of the share premium account of the Company and the exact number of Bonus Shares to be allotted and distributed in the manner referred to in paragraphs (a) and (b) of this resolution.”

By Order of the Board
HENGDELI HOLDINGS LIMITED
Zhang Yuping
Chairman

Hong Kong, 5 April 2013

Notes:

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. All forms of proxy must be deposited with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the meeting.
- (2) The Register of Members will be closed from Monday, 13 May 2013 to Wednesday, 15 May 2013. In order to be qualified for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 10 May 2013.

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Further, the Register of Members will be closed from Wednesday, 22 May 2013 to Friday, 24 May 2013 (both days inclusive). In order to establish entitlements to the proposed final dividend and bonus shares to be issued by the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 21 May 2013.

- (3) If the declaration of the final dividend and the proposed Bonus Issue have been approved at the Annual General Meeting, the dividend will be payable on or before 30 May 2013 and certificates for the Bonus Shares will be posted to the Qualifying Shareholders on or before 30 May 2013.