

**If you are in any doubt** about 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 advisers.

**If you have sold or transferred** all your shares in HL Technology Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agents through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**HL Technology Group Limited**

**泓淋科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1087)**

**PROPOSED GRANT OF GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
RETIREMENT OF DIRECTORS AND RE-ELECTION OF  
A RETIRING DIRECTOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of HL Technology Group Limited to be held at the 2nd Floor Conference Room, Tarshan Hotel, West Tarshan Road No. 10, Huancui District, Weihai City, Shandong Province, the PRC on 29 May 2012 (Tuesday) at 3:00 p.m. is set out on pages 11 to 15 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 enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of 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.

\* for identification purpose only

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## DEFINITIONS

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

|                           |  |
|---------------------------|--|
| “2011 Annual Report”      | the annual report of the Company for the financial year ended 31 December 2011 dispatched to the Shareholders together with this circular;   |
| “AGM”                     | the annual general meeting of the Company to be held at the 2nd Floor Conference Room, Tarshan Hotel, West Tarshan Road No. 10, Huancui District, Weihai City, Shandong Province, the PRC on 29 May 2012 (Tuesday) at 3:00 p.m.;   |
| “AGM Notice”              | the notice convening the AGM set out on pages 11 to 15 of this circular;   |
| “Articles of Association” | the articles of association of the Company adopted pursuant to written resolutions of the Shareholders passed on 25 October 2010;  |
| “Associate”               | has the same meaning as defined in the Listing Rules;  |
| “Board”                   | the board of Directors;  |
| “Companies Law”           | the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;   |
| “Company”                 | HL Technology Group Limited, a company incorporated in the Cayman Islands on 16 November 2007 with limited liability and the issued Shares of which are listed on the Stock Exchange;  |
| “connected person(s)”     | has the same meaning as defined in the Listing Rules;  |
| “Director(s)”             | director(s) of the Company;  |
| “Extension Mandate”       | a general and unconditional mandate proposed to be granted to the Directors to the effect that the aggregate nominal value of the Shares which may be allotted and issued under the Issue Mandate may be extended by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate; |
| “Group”                   | the Company and its subsidiaries;  |
| “HKD”                     | Hong Kong dollar, the lawful currency of Hong Kong;  |
| “Hong Kong”               | the Hong Kong Special Administrative Region of the PRC;  |

## DEFINITIONS

|                           |   |
|---------------------------|---|
| “Issue Mandate”           | a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM; |
| “Latest Practicable Date” | 10 April 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;  |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange;  |
| “PRC”                     | the People’s Republic of China;   |
| “Repurchase Mandate”      | a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase the Shares set out as resolution no. 6 in the AGM Notice;  |
| “RMB”                     | Renminbi, the lawful currency of the PRC;   |
| “SFO”                     | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);  |
| “Share(s)”                | ordinary shares of USD0.02 each in the share capital of the Company;  |
| “Shareholder(s)”          | holder(s) of the Share(s);  |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited;  |
| “Takeovers Code”          | The Codes on Takeovers and Mergers and Share Repurchases approved by the Securities and Futures Commission as amended from time to time;  |
| “USD”                     | U.S. dollar, the lawful currency of the United States; and  |
| “%”                       | percent.  |

## LETTER FROM THE BOARD



### HL Technology Group Limited

泓淋科技集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1087)**

*Executive Directors*

Mr. Chi Shaolin (*Chairman and Chief Executive Officer (“CEO”)*)

Mr. Jiang Taike (*Vice CEO*)

Mr. Li Jianming (*Vice CEO*)

Mr. Mao Wanjun

Mr. Kang Jin Won

*Non-executive Director*

Ms. Xu Yiming (*Adviser*)

*Independent Non-executive Directors*

Mr. Shu Wa Tung, Laurence

Mr. Song Lizhong

Ms. Zheng Lin

*Registered Office*

Offshore Incorporations (Cayman)

Limited Corporation

Scotia Centre, 4th Floor

P.O. Box 2804, George Town

Grand Cayman KY1-1112

Cayman Islands

*Principal Place of Business*

*in Hong Kong*

Unit 1805

Admiralty Centre Tower Two

18 Harcourt Road

Admiralty

Hong Kong

18 April 2012

*To the Shareholders of HL Technology Group Limited*

Dear Sir or Madam,

**PROPOSED GRANT OF GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
RETIREMENT OF DIRECTORS AND RE-ELECTION OF  
A RETIRING DIRECTOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to: (i) provide you with details of the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate (collectively the “Mandates”); (ii) set out an explanatory statement regarding the Repurchase Mandate; (iii) provide you with details of the re-election of a retiring Director; and (iv) to seek your approval of the resolutions to these matters at the AGM.

\* for identification purpose only

## **LETTER FROM THE BOARD**

### **ISSUE MANDATE**

Ordinary resolution will be proposed at the AGM to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to allot, issue and otherwise deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM. As at the Latest Practicable Date, a total of 720,000,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 144,000,000 new Shares.

### **REPURCHASE MANDATE**

Ordinary resolution will be proposed at the AGM to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to repurchase, on the Stock Exchange, or on any stock exchange on which the Shares may be listed, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the issued share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 72,000,000 Shares.

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

### **EXTENSION MANDATE**

In addition, a separate ordinary resolution will be proposed at the AGM to add to extend the Issue Mandate by an addition of an amount representing the aggregate nominal value of Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

### **RETIREMENT OF DIRECTORS AND RE-ELECTION OF A RETIRING DIRECTOR**

According to Article 84(1) of the Articles of Association, at each annual general meeting of the Company, every Director shall be subject to retirement at an annual general meeting at least once every three years. Mr. Mao Wanjun (executive Director), Mr. Kang Jin Won (executive Director) and Ms. Xu Yiming (non-executive Director) shall retire by rotation at the conclusion of the AGM and be eligible to offer themselves for re-election at the AGM. Ms. Xu Yiming (non-executive Director) will offer herself for re-election at the AGM. Mr. Mao Wanjun (executive Director) and Mr. Kang Jin Won (executive

## **LETTER FROM THE BOARD**

Director) have informed the Company that they will not offer themselves for re-election due to the reason that Mr. Mao Wanjun and Mr. Kang Jin Won would like to devote more time to focus on their other duties relating to the operations of the Group.

Particulars of Ms. Xu Yiming are set out in Appendix II to this circular.

### **VOTING BY POLL AT THE AGM**

Pursuant to Rule 13.39 of the Listing Rules, any vote of the Shareholders at a general meeting must 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. The chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM pursuant to Article 66 of the Articles of Association.

### **ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at the 2nd Floor Conference Room, Tarshan Hotel, West Tarshan Road No. 10, Huancui District, Weihai City, Shandong Province, the PRC on 29 May 2012 (Tuesday) at 3:00 p.m. is set out on pages 11 to 15 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

The 2011 Annual Report incorporating the audited consolidated financial statements of the Group for the year ended 31 December 2011 and the report of the Directors and the auditors thereon are dispatched to the Shareholders together with this circular.

You will find enclosed a form of proxy for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the commencement of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so wish.

### **CLOSURE OF TRANSFER BOOKS AND REGISTER OF MEMBERS**

The transfer books and register of members of the Company will be closed from 22 May 2012 to 29 May 2012 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 21 May 2012.

## LETTER FROM THE BOARD

### RESPONSIBILITY STATEMENT

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

### RECOMMENDATION

The Directors consider that the resolutions set out in the AGM Notice including the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of a retiring Director are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend our Shareholders to vote in favour of all the resolutions to be proposed at the AGM as set out in the AGM Notice.

Your attention is also drawn to the additional information set out in Appendix I and Appendix II to this circular.

By Order of the Board  
**HL Technology Group Limited**  
**Chi Shaolin**  
*Chairman*

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

### **1. LISTING RULES RELATING TO THE REPURCHASES OF SHARES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

### **2. FUNDING OF REPURCHASES AND IMPACT ON THE WORKING CAPITAL OR GEARING POSITION**

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands and Hong Kong.

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2011, the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

### **3. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 720,000,000 Shares in issue.

Subject to the passing of the relevant ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 72,000,000 Shares, representing 10% of the entire issued share capital of the Company as at the date of passing of the resolution until the earliest of:

- (i) the conclusion of next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or
- (iii) revocation or variation by an ordinary resolution of the Shareholders in a general meeting.

**4. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

**5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Cayman Islands and in accordance with the Memorandum and Articles of Association of the Company.

**6. EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If a Shareholder's proportionate interest in the voting rights of the Company increases when the Company exercises its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the controlling Shareholders (as defined in the Listing Rules), namely Mr. Chi Shaolin and Chenlin International Joint Stock Company Limited (the "Controlling Shareholders"), who together, were interested in 294,283,839 Shares, representing approximately 40.9% of the issued share capital of the Company.

In the event the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate and on the assumption that no further shares are issued or repurchased prior to the AGM, the direct and indirect shareholding of the Controlling Shareholders in the Company would increase to approximately 45.4%. Such increase will then give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Directors confirm to the best knowledge having made all reasonable enquiries that, if the Repurchase Mandate was exercised in full at any time during the proposed repurchase period, it would cause Mr. Chi Shaolin to make a mandatory offer under the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

## 7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

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

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

No connected person of the Company has notified the Company that he/she has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is granted.

## 8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company in the six months preceding the Latest Practicable Date.

## 9. SHARE PRICE

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

|   | Highest<br>HKD | Lowest<br>HKD |
|---|----------------|---------------|
| <b>2011</b>                               |                |               |
| April                                     | 2.68           | 2.30          |
| May                                       | 2.50           | 2.11          |
| June                                      | 2.32           | 1.85          |
| July                                      | 2.52           | 2.05          |
| August                                    | 2.61           | 1.46          |
| September                                 | 1.84           | 1.20          |
| October                                   | 1.44           | 1.12          |
| November                                  | 1.48           | 1.10          |
| December                                  | 1.25           | 0.91          |
| <b>2012</b>                               |                |               |
| January                                   | 1.17           | 0.95          |
| February                                  | 1.39           | 1.08          |
| March                                     | 1.32           | 0.95          |
| April (up to the Latest Practicable Date) | 1.00           | 0.90          |

The biographical details of the Director eligible for re-election at the AGM are set out below:

#### NON-EXECUTIVE DIRECTOR

**Ms. Xu Yiming (徐藝銘) (“Ms. Xu”)**, aged 60, is a non-executive Director and adviser of the Company. Ms. Xu joined the Company in November 1997 as one of the senior management officers. Ms. Xu was the vice general manager of Weihai Honglin Electronic Co., Ltd. and the vice general manager of Dezhou Honglin Electronic Co., Ltd., responsible for the daily administration in such companies from November 1997 to March 2006 and from March 2006 to March 2009, respectively. Ms. Xu has been an adviser of the Group since 2009 and the non-executive Director since 16 March 2010.

Since becoming the adviser of the Company in 2009, Ms. Xu has, utilizing her past experience in the Group and in the industry, provided on-going general advices on quality control management systems and processes.

Ms. Xu has over 25 years of experience in the electronics industry gained in the Group and in her previous employment. Prior to joining the Group, Ms. Xu was the head of the production division of Weihai City Beiyang Optical Instrument Factory (威海市北洋光學儀器廠) from 1986 to 1993, and the vice general manager of Xingdi Electronic Company Limited (星地電子有限公司), a subsidiary of Weihai City Beiyang Electric Appliances Group (威海市北洋電器集團), from May 1994 to April 1997.

Ms. Xu is the mother-in-law of Mr. Chi Shaolin (executive Director).

Ms. Xu has entered into a service contract with the Company for a specific term of three years commencing from 16 November 2010 as a non-executive Director. The contract may be terminated by, amongst others, serving not less than three months’ prior notice in writing by one party on the other. As at the Latest Practicable Date, Ms. Xu is entitled to a director’s emolument (RMB36,000 per annum which is payable on a monthly basis) which was determined upon negotiation between Ms. Xu and the Company at arm’s length on the basis of her previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company’s business as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Ms. Xu has beneficial interest in 17,126,918 Shares that falls to be disclosed under Part XV of the SFO. Save as disclosed above, Ms. Xu does not have any interests in Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Ms. Xu has not held any other directorships in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) she has not held any other positions in the Company and its subsidiaries; and (iii) she does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

## NOTICE OF ANNUAL GENERAL MEETING



### HL Technology Group Limited

泓淋科技集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1087)**

NOTICE IS HEREBY GIVEN THAT the annual general meeting of HL Technology Group Limited (the “Company”) will be held at the 2nd Floor Conference Room, Tarshan Hotel, West Tarshan Road No. 10, Huancui District, Weihai City, Shandong Province, the PRC on 29 May 2012 (Tuesday) at 3:00 p.m. to consider and, if thought fit, transact the following business:

#### ORDINARY BUSINESS

1. to receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the report of the directors and the auditors of the Company for the year ended 31 December 2011;
2. to re-elect Ms. Xu Yiming as a non-executive director of the Company;
3. to authorise the board of directors of the Company to fix the remuneration of the Company’s directors;
4. to re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and authorise the board of directors of the Company to fix their remuneration; and

as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company (with or without modification):

5. **“THAT:**

- (A) subject to paragraph (C) of this resolution below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined in paragraph (D) below) of all the powers of the Company to allot, issue and deal with the unissued shares (each, a “Share”) of USD0.02 each in the capital of the Company and to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into shares of the Company), which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers after the expiry of the Relevant Period;

\* for identification purpose only

## NOTICE OF ANNUAL GENERAL MEETING

- (C) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (A) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (D) below); or (ii) the exercise of any options granted under the share option scheme adopted by the Company in accordance with the Listing Rules; or (iii) any script dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
- (i) 20 percent, of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution; and
  - (ii) (if the Directors are so authorized by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal value of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 percent, of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this resolution), and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and
- (D) for the purposes of this resolution: “**Relevant Period**” means the period from the time of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
  - (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 of the Cayman Islands to be held; or
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

“**Rights Issue**” means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

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|---|
| <b>NOTICE OF ANNUAL GENERAL MEETING</b> |
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6. **“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined in paragraph (D) below) of all powers of the Company to repurchase (or agree to repurchase) shares (each, a “Share”) of USD0.02 each in the capital of the Company on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution 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;
- (C) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10 percent, of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and
- (D) for the purposes of this resolution: **“Relevant Period”** means the period from the time of the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company; or
  - (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 of the Cayman Islands to be held; or
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

## NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon the passing of ordinary resolutions numbered 5 and 6 above, the general mandate granted to the directors of the Company pursuant to paragraph (A) of resolution numbered 5 above be and is hereby extended by the addition to the aggregate nominal value of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased or agreed to be repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (A) of resolution numbered 6 above.”

By Order of the Board  
**HL Technology Group Limited**  
**Chi Shaolin**  
*Chairman*

Hong Kong, 18 April 2012

*Executive Directors*

Mr. Chi Shaolin (*Chairman and CEO*)  
Mr. Jiang Taike (*Vice CEO*)  
Mr. Li Jianming (*Vice CEO*)  
Mr. Mao Wanjun  
Mr. Kang Jin Won

*Non-executive Director*

Ms. Xu Yiming (*Adviser*)

*Independent Non-executive Directors*

Mr. Shu Wa Tung, Laurence  
Mr. Song Lizhong  
Ms. Zheng Lin

*Registered Office*

Offshore Incorporations (Cayman) Limited Corporation  
Scotia Centre, 4th Floor  
P.O. Box 2804, George Town  
Grand Cayman KY1-1112  
Cayman Islands

*Principal Place of Business in Hong Kong*

Unit 1805  
Admiralty Centre Tower Two  
18 Harcourt Road  
Admiralty  
Hong Kong

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
3. In order to be valid, a form of proxy 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 offices of the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the commencement of the above meeting or adjourned meeting or any adjournment thereof.
4. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share, any one of such joint holders may vote either in person or by proxy in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. The transfer books and register of members of the Company will be closed from 22 May 2012 to 29 May 2012 (both dates inclusive), during which period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the annual general meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 21 May 2012.
7. In relation to proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders of the Company for the grant to the directors of the Company of a general mandate to authorise the allotment and issue of shares under the Listing Rules.
8. In relation to proposed resolution numbered 6 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for benefit of the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the annual general meeting forms part.