

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 Honbridge Holdings Limited (the “**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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HONBRIDGE HOLDINGS LIMITED

洪橋集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8137)

**(1) CONTINUING CONNECTED TRANSACTION IN RELATION TO
BAUXITE PURCHASE FRAMEWORK AGREEMENT; AND
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**

BALLAS
C A P I T A L
A subsidiary of Crosby

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 14 of this circular and a letter from the Independent Board Committee to the Independent Shareholders is set out on pages 15 to 16 of this circular. A letter from Ballas Capital Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and Independent Shareholders is set out on pages 17 to 32 of this circular.

A notice convening the EGM to be held at Unit 5402, 54th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 17 March 2025, at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33rd Floor, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjournment thereof should you so wish.

This circular will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication. This circular will also be published on the Company’s website at www.8137.hk.

28 February 2025

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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Bauxite Purchase Framework Agreement”	the bauxite purchase framework agreement dated 27 January 2025 entered between the Company and Geely Technology in relation to the sale and purchase of bauxite related products
“Board”	the board of Directors
“Company”	Honbridge Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the GEM (Stock code: 8137)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the conditions precedent under the Bauxite Purchase Framework Agreement are fulfilled
“EGM”	an extraordinary general meeting of the Company to be held for the Independent Shareholders to consider and, if thought fit, approve the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder
“Geely Technology”	Geely Technology Group Co., Ltd.* (吉利科技集團有限公司), a company established in the PRC and controlled by Mr. Li
“Geely Technology Group”	Geely Technology and its subsidiaries
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Bridge Capital”	Hong Bridge Capital Limited, a company incorporated in the British Virgin Islands with limited liability and controlled by Mr. Li
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun, all of whom are independent non-executive Directors, formed to advise the Independent Shareholders as to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Ballas Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps)
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM to approve the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps)
“Latest Practicable Date”	24 February 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Mr. Li”	Mr. Li Shufu (李書福), a controlling shareholder of the Company who together with his spouse and companies controlled by him or his spouse, holds directly and indirectly approximately 54.33% interest in the Company as at the Latest Practicable Date
“Mr. Xu”	Mr. Xu Zhihao (徐志豪), an executive Director
“PRC”	the People’s Republic of China, and for the purposes of this circular excluding Hong Kong, the Macau Special Administrative Region and Taiwan

DEFINITIONS

“Purchase Annual Caps”	the proposed maximum transaction amount payable by the Group under the Bauxite Purchase Framework Agreement for each of the year/period
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.001 each in the issued 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 meaning ascribed to it under the GEM Listing Rules
“%”	per cent

* *The English translation of the Chinese name is for identification purposes only and should not be regarded as the official English translation of such name.*

Certain amounts and percentage figures set out in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables and the currency conversion or percentage equivalents may not be an arithmetic sum of such figures. Any discrepancy in any table between totals and sums of amounts listed in this circular is due to rounding.

LETTER FROM THE BOARD



HONBRIDGE HOLDINGS LIMITED

洪橋集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8137)

Executive Directors:

Mr. Xu Zhihao

(Chairman and Chief Executive Officer)

Mr. Xu Bing

Mr. Chen Shengjie

Ms. Gu Wenting

Mr. Liu Wei, William

Registered office:

P.O. Box 31119 Grand Pavilion

Hibiscus Way

802 West Bay Road

Grand Cayman, KY1-1205

Cayman Islands

Non-Executive Director:

Mr. Yan Weimin

Principal place of business in Hong Kong:

Unit 5402, 54th Floor

Central Plaza

18 Harbour Road

Wanchai, Hong Kong

Independent Non-executive Directors:

Mr. Chan Chun Wai, Tony

Mr. Ma Gang

Mr. Ha Chun

28 February 2025

To the Shareholders

Dear Sir or Madam,

**(1) CONTINUING CONNECTED TRANSACTION IN RELATION TO
BAUXITE PURCHASE FRAMEWORK AGREEMENT; AND
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 27 January 2025 in relation to the entering into of the Bauxite Purchase Framework Agreement with Geely Technology.

LETTER FROM THE BOARD

An Independent Board Committee has been established to advise the Independent Shareholders in respect of the terms of the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder. In this respect, Ballas Capital Limited has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

The purpose of this circular is to provide you with, among others, (i) information on the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder; (ii) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) the recommendation from the Independent Board Committee; (iv) a notice of the EGM; and (v) other information as required under the GEM Listing Rules.

THE BAUXITE PURCHASE FRAMEWORK AGREEMENT

On 27 January 2025 (after trading hours), the Company and Geely Technology entered into the Bauxite Purchase Framework Agreement, pursuant to which Geely Technology Group shall supply bauxite related products to the Group.

The principal terms of the Bauxite Purchase Framework Agreement are set out as follows:

Parties:	(1) the Company; and (2) Geely Technology
Date:	27 January 2025 (after trading hours)
Term:	From the Effective Date to 31 December 2027
Subject matters:	Pursuant to the Bauxite Purchase Framework Agreement, Geely Technology Group shall supply bauxite related products to the Group. The exact type and amount of goods supplied to the Group by Geely Technology Group and the dates of delivery will be provided in separate purchase orders.

LETTER FROM THE BOARD

Pricing basis:

The price of the products under the Bauxite Purchase Framework Agreement will be negotiated on an arm's length basis and determined in the ordinary course of business on normal commercial terms or on terms no less favourable to the Group than those offered by independent third parties, and will be specified in individual purchase orders. The abovementioned product prices will be determined mainly by reference to the market price of the same or similar products under the Bauxite Purchase Framework Agreement.

Payment terms:

The Group shall pay Geely Technology Group for the products in cash five (5) days before delivery and the amount to be paid shall be calculated in accordance with the agreed amount of the products to be supplied in the current batch and the agreed unit price. Geely Technology Group will only deliver the products up to the amount covered by the advance payment paid by the Group. If there is any surplus from the advance payment made by the Group in the same month, the remaining advance payment (interest-free) shall be regarded as part of the advance payment for the next batch of products. If the Company fails to pay the advance payment as agreed, Geely Technology Group shall have the right to suspend supplying the products until the Group settles such relevant amount.

Conditions precedent:

The Bauxite Purchase Framework Agreement shall only become effective upon the Company having completed all necessary internal procedures (including obtaining approval of the Shareholders and/or the Board in accordance with the GEM Listing Rules), and having obtained all necessary approvals and consents from the Stock Exchange and other third parties (including relevant regulatory authorities, government or official authorities).

LETTER FROM THE BOARD

Purchase Annual Caps for the Bauxite Purchase Framework Agreement

There has been no historical transaction in relation to the purchase of bauxite related products by the Group from Geely Technology Group.

It is expected that for the period from the Effective Date to 31 December 2025, and for the years ending 31 December 2026 and 2027, the Group purchasing bauxite related products from Geely Technology Group will not exceed the following respective amounts and such amounts have been set as the proposed caps for the relevant continuing connected transactions contemplated under the Bauxite Purchase Framework Agreement accordingly:

	For the period from the Effective Date to 31 December 2025 RMB'000	For the year ending 31 December 2026 RMB'000	For the year ending 31 December 2027 RMB'000
Purchase Annual Caps	300,000	370,000	370,000

The Purchase Annual Caps were determined based on:

- (i) the estimated purchase volumes of bauxite related products for the period from the Effective Date to 31 December 2025 (assuming the Effective Date shall be on or about March 2025), for the year ending 31 December 2026 and 2027 respectively with reference to the expected demand of the Group's customers based on indications (in the form of a memorandum of understanding) and discussion with the Group's potential customers;
- (ii) the estimated production capacity of Geely Technology Group for bauxite related products;
- (iii) the current and forecast transaction price of bauxite related products; and
- (iv) the inclusion of a buffer of 10% in the estimated amount of the bauxite related products required by the Group so as to accommodate any unexpected increase in the aforesaid transaction amount (as a result of any unexpected increase in market demand) or unexpected increase in the cost of bauxite related products.

Should the actual annual purchase amount exceed the above Purchase Annual Caps, the Company will revise the Purchase Annual Caps in compliance with the relevant requirements under Chapter 20 of the GEM Listing Rules.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF ENTERING INTO THE BAUXITE PURCHASE FRAMEWORK AGREEMENT

Geely Technology Group is engaged in various businesses, including the sale of bauxite related products under its new materials business segment. It received ownership and mining rights in a bauxite mine in Baise City in Guangxi Province in the PRC with an estimated annual production capacity of bauxite of two million tonnes.

The Group has been engaged in resources exploration and exploitation since around 2010 with substantial experience and extensive network in this field. Although the Group is currently focused on the exploration and exploitation of iron ores, it has decided to expand its focus to include bauxite (the raw material to produce aluminium) related business considering that it also has substantial experience with various other metals and ores including copper and steel. The Group's senior management, in particular the Directors Mr. Liu Wei, William and Mr. Yan Weimin, also have many years of experience in businesses engaged in the trading of nonferrous metals or mineral products. Taking into account the high level of competition in the market for lithium-ion power batteries and other challenges in the industry and the expected increase in demand for aluminium products in transportation, construction, packaging and the electrical sectors based on industry reports, articles and studies including (i) a study conducted by business intelligence analysts on behalf of the International Aluminium Institute (for further details, please refer to the paragraph headed "3.2 Fairness and reasonableness of the Purchase Annual Caps" in the Letter from the Independent Financial Adviser as set out on page 27 of this circular); and (ii) articles published by Fastmarkets Global Limited, a leading cross-commodity price reporting agency in the agriculture, forest products and metals and mining markets, describing how aluminium demand has benefited from its role in energy transition (such as use in manufacture of solar panels and upgrading electricity networks given aluminium increasingly being used to replace copper in transmission cables) and increased demand in India over the next three years driven by an expanding automotive sector, the Company believes that securing a stable source of bauxite related products from a reputable source and at competitive prices would help facilitate the Group's further development in this business.

The Directors believe that the bauxite-related business is related to and forms part of the Group's existing resources exploration and exploitation business taking into account the following:

- (i) The Group's resources business is not limited to resources exploration and exploitation business and it will adapt to evolving business opportunities. For example from 2008 to 2013, the Group was engaged in production and sales of silicon products. The Group also saw commercial prospect in manganese, iron ore, copper and steel and has conducted related business from 2011 to 2015. Since 2015, the Group shifted its focus to new energy industry in lithium-ion battery and iron ore exploration and exploitation. However, the Group is still actively looking for

LETTER FROM THE BOARD

potential business opportunities in the resource field, as the Group has considered investment and profit potential related to bauxite, lithium and quartz in the past two years.

- (ii) Bauxite is the primary raw material used to produce aluminium which is similar to iron ore, which is the key raw material for steel. Being engaged in bauxite related business can better establish the Company within the minerals and raw materials sector, which can leverage market opportunities effectively and appeal to a broader range of customers in the metal supply chain looking for different types of raw materials. If the Company can build a solid reputation in the bauxite or aluminium sector, it will lend credibility to the Company's iron ore operations and may help to connect with potential customers for iron ore through industry relationships. Investors are more likely to support companies with proven expertise and reliability in related industries, making it easier to attract funding or co-operation opportunities for other resource project of the Company.

Consistent with its historical approach, the Group's initial business model for bauxite-related products will be trading-focused. Under this model, the Group will source bauxite related products that meet specific criteria, store them in leased warehouses, and sell and deliver them to customers based on their specific needs and required quantities. The Group intends to sell the products through its own sales and marketing team. This approach is advantageous in the early stages, as it can be implemented without significant infrastructure for bauxite-related operations which the Group currently lacks. Additionally, it allows the Group time to hire staff, acquire or lease storage, production and/or processing facilities, and make other investments as deemed justified. This approach is considered both prudent and cost-effective, as it allows the Group to cautiously develop this business organically while building its reputation for bauxite-related products without requiring a significant initial investment.

The transactions contemplated under the Bauxite Purchase Framework Agreement between the Company and Geely Technology will be conducted in the ordinary and usual course of business of the Group. Taking into account the following factors, the Company considers that there is no undue reliance on Geely Technology by the Company as a result of its business relationship under the Bauxite Purchase Framework Agreement: (i) the Group has been able to rely on its own assets, facilities, staff, network and financial resources to operate its mineral resources related business independently from the Geely Technology Group; (ii) the Group is expected to be able to purchase bauxite related products from a number of independent third-party suppliers in the market after discussions with the Group potential suppliers which are able to provide bauxite related products in amount comparable to the amount to be provided by Geely Technology; and (iii) the mutually beneficial relationship between the Company and Geely Technology as on the one hand, the Company will be able to secure a supply of bauxite related products and on the other hand, Geely Technology will be able to (a) tap into the Company's experience in resources exploration and exploitation and the Company's network of customers for the sale of such products thereby creating additional

LETTER FROM THE BOARD

sales channels for the sale of Geely Technology's bauxite related products; and (b) benefit from the Company's reliability as a listed company on the Stock Exchange, with the listing status granting visibility and credibility in the market, which can reassure customers about product quality and corporate governance, thus building trust with potential customers and partners. Instead, entering into the Bauxite Purchase Framework Agreements will allow the Group to capture the synergy between Geely Technology Group and the Group, contributing to the operational and business development of the Group in the resources exploration and exploitation business.

In view of the above-mentioned reasons and taking into account: (i) the estimated purchase amount of bauxite related products for the period from the Effective Date to 31 December 2025 and each of the years ending 31 December 2026 and 31 December 2027, respectively; (ii) the expected sale of bauxite related products by the Group for the period from the Effective Date to 31 December 2025 and each of the years ending 31 December 2026 and 2027, respectively; and (iii) the current and forecast transaction price of bauxite, the Directors (including the independent non-executive Directors who have taken into account the advice of the Independent Financial Adviser) are of the view that the Bauxite Purchase Framework Agreement was entered into in the ordinary course of the Group's business and on normal commercial terms or on terms no less favourable to the Company than those offered by independent third parties, and the terms and Purchase Annual Caps set out in the Bauxite Purchase Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in (i) research & development and production of lithium-ion power batteries for new energy vehicles; (ii) provision of online car hailing services in Europe; and (iii) investment in the field of resources such as iron ore resources and resources exploration and exploitation as at the Latest Practicable Date. However, as set out in the Company's announcement dated 13 February 2025, the Company intends to terminate the Group's online car-hailing business in France and is in the process of facilitating the disposal of all or part of the vehicles at a price comprising the realisable market value and the closure of this business. The Company will continue to assess its business to enhance the Group's long-term growth potential.

Geely Technology

Geely Technology is a company established in the PRC and controlled by Mr. Li, the controlling shareholder of the Company. Geely Technology's core businesses include new materials, new energy, and motorcycle travel culture. It also makes strategic investments in electric vertical take-off and landing (eVTOL) aircraft, commercial aerospace, and innovation incubation businesses.

LETTER FROM THE BOARD

INTERNAL CONTROL MEASURES

In order to comply with the pricing basis of the Bauxite Purchase Framework Agreement and safeguard the interests of the Shareholders as a whole, the Company will take the following internal control measures.

The Group will collect market information and keep track of the latest changes in the industry on a monthly basis, especially the purchase prices of similar bauxite related products through different sources, including at least two market quotations from other independent third party bauxite related products manufacturers/suppliers and/or reputable industry sources, on an ongoing basis.

After obtaining the market information, the sales and procurement team of the Group performs analysis against factors including but not limited to the general market supply and demand of the products, raw material costs, available production capacity and delivery time etc. to determine the price of the bauxite related products under the Bauxite Purchase Framework Agreement and ensure that the price provided by Geely Technology Group is no less favourable to the Group than the quotations offered by independent suppliers or not higher than those in the market. The price will be reviewed by the respective heads of sales and procurement department and finance department of the Group and approved by at least two Directors.

The Group and the Geely Technology Group will negotiate the terms of the transactions under the Bauxite Purchase Framework Agreement on a monthly basis (or more frequently if determined to be necessary) to ensure that prices are fair and reasonable and appropriately reflect the level of costs incurred by both parties in the relevant transactions.

The Group will establish a monthly updated database to track, monitor and evaluate the transaction amounts under the Bauxite Purchase Framework Agreement on a monthly basis and will formulate internal audit procedures to report the transaction amounts under the Bauxite Purchase Framework Agreement to the Board on a quarterly basis, so as to ensure the Purchase Annual Caps are not exceeded. The relevant person in charge will also immediately notify the Board when the transaction amounts reaches 75% of the Purchase Annual Caps so as to evaluate whether it is necessary to apply to Independent Shareholders for an increase in the Purchase Annual Caps.

The Group will conduct an assessment at least annually on the internal control measures for all continuing connected transactions to ensure such internal control measures have been adhered to and are effective.

The independent non-executive Directors will also conduct a review on all continuing connected transactions each year and confirm that the transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, and in accordance with the agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

LETTER FROM THE BOARD

The Company will also engage its independent auditors to report on transactions under the Bauxite Purchase Framework Agreement at the end of the financial year. The independent auditors will review and confirm in the annual report whether transactions under the Bauxite Purchase Framework Agreement have been approved by the Board, are in compliance with the pricing policies of the relevant agreement governing the transactions, and have not exceeded the relevant Purchase Annual Caps.

The Board will consider the results from the above reviews and take action to further strengthen the internal control measures on all continuing connected transactions of the Group, where necessary.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the Latest Practicable Date, Hong Bridge Capital holds approximately 33.99% of the total issued Shares of the Company and Hong Bridge Capital is an indirect subsidiary of Geely Technology. Hong Bridge Capital and Geely Technology are ultimately controlled by Mr. Li, the controlling shareholder of the Company. Thus, Geely Technology is a connected person of the Company.

Accordingly, the transaction contemplated under the Bauxite Purchase Framework Agreement constitutes continuing connected transactions of the Company. As one or more of the applicable percentage ratios set out in the GEM Listing Rules calculated based on the Purchase Annual Caps under the Bauxite Purchase Framework Agreement are more than 5%, the Bauxite Purchase Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Mr. Xu, Mr. Xu Bing, Mr. Chen Shengjie and Ms. Gu Wenting, each being an executive Director of the Company, are currently taking position in Geely Technology Group. In order to avoid the perception of a conflict of interest, each of them abstained from voting on the Board resolution in relation to the Bauxite Purchase Framework Agreement and the Purchase Annual Caps. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, except Mr. Xu, Mr. Xu Bing, Mr. Chen Shengjie and Ms. Gu Wenting, none of the Directors is materially interested in the Bauxite Purchase Framework Agreement, and therefore none of the Directors is required to abstain from voting on the Board resolution to approve the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps).

EGM

The EGM will be held at Unit 5402, 54th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 17 March 2025, at 10:00 a.m. to seek the Independent Shareholder's approval for the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder.

LETTER FROM THE BOARD

Voting at the EGM will be conducted by way of poll. As at the Latest Practicable Date, Hong Bridge Capital, Mr. Li, Euro American International Investment Group Limited, Geely International (Hong Kong) Limited and Mr. Xu, held 3,349,699,000 Shares, 103,064,000 Shares, 50,000,000 Shares, 1,850,675,675 Shares and 222,000,000 Shares, representing approximately 33.99%, 1.05%, 0.51%, 18.78% and 2.25% of the total issued share capital of the Company, respectively. As Mr. Li is considered to be interested in the Bauxite Purchase Framework Agreement, Mr. Li and his associates (including Hong Bridge Capital, Euro American International Investment Group Limited and Geely International (Hong Kong) Limited) will abstain from voting on the resolution approving the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps) at the EGM. In order to avoid the perception of a conflict of interest, Mr. Xu will also abstain from voting on the aforesaid resolution at the EGM. Save as disclosed above, no other Shareholder will be required to abstain from voting on the resolution approving the aforesaid matters at the EGM.

A notice convening the EGM is set out on pages EGM-1 and EGM-2 of this circular. A proxy form for use at the EGM is enclosed herewith. If you are not able to attend the EGM, you are requested to complete the proxy form and return it to the Company's share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

For the purposes of determining the Shareholders' eligibility to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 4:00 p.m. on Tuesday, 11 March 2025.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun, has been formed to advise the Independent Shareholders as to whether the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps) are entered into on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Ballas Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps) in accordance with the GEM Listing Rules.

LETTER FROM THE BOARD

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 15 to 16 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM.

Your attention is also drawn to the letter from Independent Financial Adviser as set out on pages 17 to 32 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder.

RECOMMENDATION

Having considered the above, the Directors consider that the terms of the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendix to this circular.

Yours faithfully,
On behalf of the Board
Honbridge Holdings Limited
Xu Zhihao
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps).



HONBRIDGE HOLDINGS LIMITED

洪橋集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8137)

28 February 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION IN RELATION TO BAUXITE PURCHASE FRAMEWORK AGREEMENT

We refer to the circular of the Company dated 28 February 2025 (the “**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed as members of the Independent Board Committee to consider the terms of the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder, to advise you as to whether such terms are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole, and to recommend whether or not the Independent Shareholders should approve the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps). Ballas Capital Limited has been appointed as the Independent Financial Adviser to advise us and you in this regard.

We wish to draw your attention to the letter from the Board set out on pages 4 to 14 of the Circular and the letter from the Independent Financial Adviser set out on pages 17 to 32 of the Circular which contains its advice to us and Independent Shareholders in respect of the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps), and the additional information set out in the appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taking into account, among other things, the principal factors and reasons considered by and the opinion of the Independent Financial Adviser as stated in its letter of advice, we consider that the transactions contemplated under the Bauxite Purchase Framework Agreement, are in the ordinary and usual course of business and the terms of the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps) are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Bauxite Purchase Framework Agreement, and the transactions completed thereunder (including the Purchase Annual Caps).

Yours faithfully,
For and on behalf of the
Independent Board Committee

Mr. CHAN Chun Wai, Tony

Mr. MA Gang

Mr. HA Chun

Independent non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the letter from the Independent Financial Adviser setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Bauxite Purchase Framework Agreement, and the transactions contemplated thereunder (including the Purchase Annual Caps), which has been prepared for the purpose of inclusion in this circular.

BALLAS
C A P I T A L
A subsidiary of Crosby

5/F Capital Centre
151 Gloucester Road
Wanchai, Hong Kong

28 February 2025

*To the Independent Board Committee and
the Independent Shareholders*

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION IN RELATION TO BAUXITE PURCHASE FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company (the “**Circular**”) to the Shareholders dated 28 February 2025, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

On 27 January 2025, the Company and Geely Technology entered into the Bauxite Purchase Framework Agreement, pursuant to which Geely Technology Group shall supply bauxite related products to the Group for a term commencing on the Effective Date and up to 31 December 2027.

As at the Latest Practicable Date, Hong Bridge Capital holds approximately 33.99% of the total issued shares of the Company and Hong Bridge Capital is an indirect subsidiary of Geely Technology. Hong Bridge Capital and Geely Technology are ultimately controlled by Mr. Li, the controlling shareholder of the Company. Thus, Geely Technology is a connected person of the Company and the transaction contemplated under the Bauxite Purchase Framework Agreement constitutes continuing connected transactions of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As one or more of the applicable percentage ratios set out in the GEM Listing Rules calculated based on the Purchase Annual Caps under the Bauxite Purchase Framework Agreement are more than 5%, the Bauxite Purchase Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement (including the Purchase Annual Caps).

INDEPENDENCE DECLARATION

We are not associated or connected with the Company, the counterparties of the continuing connected transactions or their respective core connected persons or associates. In the two years immediately preceding the Latest Practicable Date, we were appointed as the independent financial adviser of the Company in relation to an unconditional cash offer by Geely Group Limited, which is beneficially owned by Mr. Li, as disclosed in the composite document of the Company dated 23 February 2023 (the “**IFA Engagement**”). We were also appointed as the independent financial adviser of the Geely Automobile Holdings Limited (“**Geely Automobile**”), a company ultimately approximately 39% owned by Mr. Li and listed on the main board of the Stock Exchange (Stock Code: 0175) in relation to (i) the acquisition of Xi'an Geely and certain continuing connected transactions as disclosed and defined in the circular of Geely Automobile dated 6 April 2023; (ii) the acquisitions of certain equity interests of Proton and DHG as disclosed and defined in the circular of Geely Automobile dated 6 April 2023; (iii) the Contribution Agreement, the Joint Venture Agreement and the Powertrain Purchase Agreement and the transactions contemplated thereunder, as disclosed and defined in the circular of Geely Automobile dated 6 September 2023; (iv) certain continuing connected transactions as disclosed in the circular of Geely Automobile dated 8 November 2023 and (v) certain continuing connected transactions as disclosed in the circular of Geely Automobile dated 24 September 2024 (collectively, the “**Other IFA Engagements**”). Save for the IFA Engagement and the Other IFA Engagements, we did not have any other relationship with or interests in the Company, the counterparties of the continuing connected transactions or their respective core connected persons or associates nor had we acted as an independent financial adviser to other transactions of the Company that could reasonably be regarded as hindrance to our independence as defined under the GEM Listing Rules. Furthermore, our remuneration for the IFA Engagement represented normal professional fees and did not affect our independence. Accordingly, we consider we are eligible to give independent advice on the continuing connected transactions.

BASIS OF OUR OPINION

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the Directors and the senior management of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have declared in a responsibility statement set out in the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained and representations made in the Circular and that there are no other matters the omission of which would make any statement in the Circular misleading. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the EGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. The documents we reviewed included (i) the annual reports of the Company for the years ended 31 December 2022 (“**2022 Annual Report**”) and 2023 (“**2023 Annual Report**”); (ii) the interim reports of the Company for the six months ended 30 June 2023 (“**6M2023 Interim Report**”) and 2024 (“**6M2024 Interim Report**”); (iii) the Bauxite Purchase Framework Agreement; (iv) the calculation of the Purchase Annual Caps; and (v) the Circular. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company, the counterparties of the Bauxite Purchase Framework Agreement or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and advice to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Information on the parties

1.1 The Group

The Group is principally engaged in (i) research & development and production of lithium-ion power batteries for new energy vehicles; (ii) provision of online car hailing services in Europe; and (iii) investment in the field of resources such as iron ore resources and resources exploration and exploitation as at the Latest Practicable Date. However, as set out in the Company’s announcement dated 13 February 2025, the Company intends to terminate the Group’s online car-hailing business in France and is in the process of facilitating the disposal of all or part of the vehicles at a price comprising the realisable market value and the closure of this business. The Company will continue to assess its business to enhance the Group’s long-term growth potential.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

1.2 *Geely Technology*

Geely Technology is a company established in the PRC and controlled by Mr. Li, the controlling shareholder of the Company. Geely Technology's core businesses include new materials, new energy, and motorcycle travel culture. It also makes strategic investments in electric vertical take-off and landing (eVTOL) aircraft, commercial aerospace, and innovation incubation businesses.

2. Background of the Group

2.1 *Historical financial performance of the Group*

Set out below is a summary of (i) the audited consolidated financial information of the Group for the financial years ended 31 December 2022 (“**FY2022**”) and 2023 (“**FY2023**”) respectively, which has been extracted from the 2022 Annual Report and the 2023 Annual Report; and (ii) the unaudited financial information of the Group for the six months ended 30 June 2023 (“**6M2023**”) and 2024 (“**6M2024**”) respectively, which has been extracted from the 6M2023 Interim Report and 6M2024 Interim Report.

	FY2022 (Re- presented) <i>HK\$'000</i>	FY2023 (Audited) <i>HK\$'000</i>	6M2023 (Unaudited) <i>HK\$'000</i>	6M2024 (Unaudited) <i>HK\$'000</i>
Revenue				
— Lithium battery production	109,097	173,915	106,164	46,054
— Online car-hailing and related service	21,394	53,046	27,307	25,393
— Battery swapping service	—	—	2,450	—
— Mineral resources exploration and trading	—	—	—	—
Total revenue	<u>130,491</u>	<u>226,961</u>	<u>135,921</u>	<u>71,447</u>
Net loss	(262,759)	(158,811)	(47,356)	(53,123)
— attributable to owners of the Company	(199,156)	(106,519)	(38,759)	(42,484)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

6M2024 vs 6M2023

According to 6M2024 Interim Report, approximately 64.5% revenue of the Group were contributed by lithium battery production business while the remaining revenue were generated by the online car-hailing business in France. For 6M2024, the Group recorded revenue of approximately HK\$71.4 million, representing a decrease of approximately HK\$64.5 million (or approximately 47.5%) as compared to that of approximately HK\$135.9 million for 6M2023. The decrease in revenue was mainly due to the decrease in lithium-ion battery pack orders, mainly attributable to the demand of the car model which installed the Group's battery pack was lower than expected. On the other hand, the sales of parking and starting battery for heavy trucks were not satisfactory as the product faced keen competition and certain distributors endured a difficult period on cashflow. The Group recorded a net loss attributable to owners of the Company of approximately HK\$42.5 million for 6M2024 as compared to that of approximately HK\$38.8 million for 6M2023. The loss increased was mainly contributed by (i) impairment loss on amount due from an associate; and (ii) the provision recognised related to a refund of grants to certain local government entities in Zhejiang, PRC.

FY2023 vs FY2022

For FY2023, the Group recorded revenue of approximately HK\$227.0 million, representing an increase of approximately HK\$96.5 million (or approximately 73.9%) as compared to that of approximately HK\$130.5 million for FY2022. The increase in revenue was mainly due to the ramp-up of production volume of Group's major product in 2023. The Group recorded a net loss attributable to owners of approximately HK\$106.5 million for FY2023, representing a reduction of net loss of approximately HK\$92.6 million as compared to that of approximately HK\$199.2 million for FY2022. Such reduction in losses in FY2023 was primarily due to the absence of a special provision of HK\$151.8 million for repayment of government grant that was present for FY2022. Furthermore, the Group's results were positively impacted by a decrease in investment losses in listed securities, partially set-off by approximately HK\$66.8 million impairment on property, plant and equipment and right-of-use assets during FY2023 (FY2022: HK\$20.7 million).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2.2 *Financial position of the Group*

Set out below is a summary of the financial position of the Group as at 30 June 2024, as extracted from the 6M2024 Interim Report of the Company for the six months ended 30 June 2024.

	As at 30 June 2024 <i>HK\$'000</i> (Unaudited)
Non-current assets	6,598,439
Current assets	300,314
Non-current liabilities	2,442,549
Current liabilities	<u>192,064</u>
Net assets	<u>4,264,140</u>

As at 30 June 2024, total assets of the Group amounted to approximately HK\$6,898.8 million, which mainly comprised (i) exploration and evaluation assets of approximately HK\$6,476.5 million, which mainly represented the rights to explore and identify prospective deposits of iron ore resources in the states of Minas Gerais, Brazil and the expenditures incurred in the search of mineral resources; (ii) cash and cash equivalents of approximately HK\$151.3 million; (iii) property, plant and equipment of approximately HK\$80.2 million; and (iv) financial assets at fair value through profit or loss of approximately HK\$45.9 million, which mainly represented the fair value of equity interests held in Yuxing InfoTech Investment Holdings Limited, a company listed on the GEM of the Stock Exchange.

As at 30 June 2024, the total liabilities of the Group amounted to approximately HK\$2,634.6 million, which mainly comprised (i) deferred tax liabilities of approximately HK\$2,084.1 million; and (ii) borrowings of approximately HK\$116.1 million.

As at 30 June 2024, the Group recorded net assets of approximately HK\$4,264.1 million and net assets attributable to owners of approximately HK\$4,290.6 million.

2.3 Reasons for and benefits of entering into the Bauxite Purchase Framework Agreement

As set out in the Letter from the Board, Geely Technology Group is engaged in various businesses, including the sale of bauxite related products under its new materials business segment. It received ownership and mining rights in a bauxite mine in Baise City in Guangxi Province in the PRC with an estimated annual production capacity of bauxite of two million tonnes.

The Group has been engaged in resources exploration and exploitation since around 2010 with substantial experience and extensive network in this field. Although the Group is currently focused on the exploration and exploitation of iron ores, it has decided to expand its focus to include bauxite (the raw material to produce aluminium) related business considering that it also has substantial experience with various other metals and ores including copper and steel. Taking into account the high level of competition in the market for lithium-ion power batteries and other challenges in the industry and the expected increase in demand for aluminium products in transportation, construction, packaging and the electrical sectors based on industry reports, articles and studies, the Company believes that securing a stable source of bauxite related products from a reputable source and at competitive prices would help facilitate the Group's further development in this business.

Taking into account the fact that (i) the Bauxite Purchase Framework Agreement allows the Group to secure a stable source of bauxite related products; (ii) the Bauxite Purchase Framework Agreement enables the Group to expand its product mix and facilitate the development of mineral resources related business; (iii) the Bauxite Purchase Framework Agreement is non-exclusive in nature which does not prohibit the Group from sourcing bauxite related products from independent suppliers; and (iv) our analysis and view on the major terms of the Bauxite Purchase Framework Agreement (as explained below), we concur with the Directors that the entering into of the Bauxite Purchase Framework Agreement is within the ordinary and usual course of the Group's business and in the interests of the Company and the Shareholders as a whole.

3. The Bauxite Purchase Framework Agreement

3.1 Principal terms of the Bauxite Purchase Framework Agreement

Major terms of the Bauxite Purchase Framework Agreement are summarised below:

Subject matter

Pursuant to the Bauxite Purchase Framework Agreement, Geely Technology Group shall supply bauxite related products to the Group. The exact type and amount of goods supplied to the Group by Geely Technology Group and the dates of delivery will be provided in separate purchase orders.

Term

The Bauxite Purchase Framework Agreement has a term of commencing from the Effective Date to 31 December 2027.

Payment terms

The Group shall pay Geely Technology Group for the products in cash five (5) days before delivery and the amount to be paid shall be calculated in accordance with the agreed amount and quality of the products to be supplied in the current batch and the agreed unit price. Geely Technology Group will only deliver the products up to the amount covered by the advance payment paid by the Group.

Conditions precedent

The Bauxite Purchase Framework Agreement shall only become effective upon the Company having completed all necessary internal procedures (including obtaining approval of the Shareholders and/or the Board in accordance with the GEM Listing Rules), and having obtained all necessary approvals and consents from the Stock Exchange and other third parties (including relevant regulatory authorities, government or official authorities).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pricing basis

Pursuant to the Bauxite Purchase Framework Agreement, the price of the products under the Bauxite Purchase Framework Agreement will be negotiated on an arm's length basis and determined in the ordinary course of business on normal commercial terms or on terms no less favourable to the Group than those offered by independent third parties, and will be specified in individual purchase orders. The abovementioned product prices will be determined mainly by reference to the market price of the same or similar products under the Bauxite Purchase Framework Agreement.

Our view on pricing basis

In assessing the fairness and reasonableness of the pricing basis, we have considered the following factors and performed the relevant work as below:

As set out in the Letter from the Board, the Company will put in place internal control procedures (the “**Internal Control**”) to regularly monitor the prevailing market prices of bauxite related products to ensure proper determination of the purchase price of bauxite related products to be purchased from Geely Technology Group. According to the Internal Control, the Group will compare the purchase price through different sources, including at least two market quotations from other independent third party bauxite related products manufacturers/suppliers, and/or reputable industry sources, on an ongoing basis. Based on the Bauxite Purchase Framework Agreement, the Group shall enter into individual purchase orders with Geely Technology Group from time to time for confirming the purchase by the Group and the terms of such transaction. We are advised by the management of the Group that the Group will only place purchase order with Geely Technology Group when the terms are no less favourable to the Group than those offered by independent third parties and the price should be reviewed by the respective heads of sales and procurement department and finance department of the Group and approved by at least two Directors. With the above procedures, we consider that the Company has sufficient and effective internal control measures in place to ensure that the purchase price of the Group under the Bauxite Purchase Framework Agreement will be fair and reasonable and no less favourable to the Group than those offered by independent third parties.

Based on the above, we concur with the view of the Directors that the terms of the Bauxite Purchase Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER
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3.2 *Fairness and reasonableness of the Purchase Annual Caps*

Purchase Annual Caps

It is expected that for the period from the Effective Date to 31 December 2025, and for the years ending 31 December 2026 and 2027, the Group purchasing bauxite related products from Geely Technology Group will not exceed the following respective amounts and such amounts have been set as the proposed caps for the relevant continuing connected transactions contemplated under the Bauxite Purchase Framework Agreement accordingly:

	For the period from the Effective Date to 31 December 2025 RMB'000	For the year ending 31 December 2026 RMB'000	For the year ending 31 December 2027 RMB'000
Purchase Annual Caps	<u>300,000</u>	<u>370,000</u>	<u>370,000</u>

As set out in the Letter from the Board, the Purchase Annual Caps were determined based on (i) the estimated purchase volumes of bauxite related products for the period from the Effective Date to 31 December 2025 (assuming the Effective Date shall be on or about March 2025), and for the years ending 31 December 2026 and 2027 respectively with reference to the expected demand of the Group's customers based on indications (in the form of a memorandum of understanding) and discussion with the Group's potential customers; (ii) the estimated production capacity of Geely Technology Group for bauxite related products; (iii) the current and forecast transaction price of bauxite related products; and (iv) the inclusion of a buffer of 10% in the estimated amount of the bauxite related products required by the Group so as to accommodate any unexpected increase in the aforesaid transaction amount (as a result of any unexpected increase in market demand) or unexpected increase in the cost of bauxite related products.

In our assessment of the fairness and reasonableness of the Purchase Annual Caps, we have reviewed and discussed with management of the Group on the underlying calculation. From our review of the aforesaid documents and discussion with management of the Company, we have taken into consideration the following:

- We note that the Purchase Annual Caps for each of the years ending 31 December 2026 and 2027 represented an increase of approximately 23.3% over the Purchase Annual Cap for the period from the Effective Date to 31 December 2025. Such increase is mainly because the Bauxite Purchase Framework Agreement is only expected to commence on or about March

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2025. Therefore, the Purchase Annual Cap for each of the two years ending 31 December 2026 and 2027 is in fact comparable to the annualised amount of the Purchase Annual Cap for the period from the Effective Date to 31 December 2025.

- When determining the estimated purchase amount of bauxite related products for the period from the Effective Date to 31 December 2025, the Group has taken into account the expected demand of such products based on indications (in the form of a memorandum of understanding) and discussion with the Group's potential customers. All estimated purchase amounts of bauxite related products under the Purchase Annual Cap for the period from the Effective Date to 31 December 2025 are determined with the support of memorandums of understanding from the Group's potential customers. According to a research report by Dongxing Securities, the global demand for bauxite has increased by 88% from 2014 to 2023 and the consumption of bauxite in China has increased by 112%. Separately, Bauxite is a fundamental raw material for manufacturing aluminium. According to a study conducted by business intelligence analysts on behalf of the International Aluminium Institute (which has been the representative for the global primary aluminium industry) (as retrieved from its website at <https://international-aluminium.org/wp-content/uploads/2022/03/CRU-Opportunities-for-aluminium-in-a-post-Covid-economy-Report.pdf>), the global aluminium demand will increase by approximately 39% from 86.2 million tonnes in 2020 to 119.5 million tonnes in 2030 mainly driven by transportation, construction, packaging and the electrical sectors. Around 37% of this growth is expected to come from China. This urges the need to produce additional amount of aluminium to meet demand growth in different industrial sectors. As such, although the Group has no historical trading record of bauxite related products, we consider that there is sufficient market demand to support the Group's estimation of bauxite related products for the period from the Effective Date to 31 December 2025 and such estimation, which is well within the annual production capacity of bauxite of Geely Technology Group, is fair and reasonable.
- In assessing the fairness and reasonableness of the current and forecast transaction prices of bauxite related products, we note that the Group estimated the transaction prices of the bauxite related products based on the prevailing market prices of similar bauxite related products from the website of Shanghai Nonferrous Metals Network ("SMM"). On the SMM website, the market prices of bauxite related products at certain grades, which are based on the proportion of alumina to silica and different percentage of aluminium in the bauxite ore, are listed. Based on this information, the Group calculated the average price adjustment (the

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“**Price Adjustment**”) for each percentage increase in the proportion of alumina to silica and applied this Price Adjustment to estimate the transaction price of the bauxite related products to be supplied by Geely Technology Group at their estimated grades.

We have looked into the website of SMM (<https://hq.smm.cn/h5/bauxite-price>) and note that the prevailing market prices of bauxite related products in different regions of China are publicly available and easily accessible. SMM is a world-renowned integrated service portal for the non-ferrous metals industry, providing benchmark prices, analysis, information for the metals and mining industries. The spot price of domestic and foreign metals released by SMM covers thousands of metal products which has become an authoritative spot benchmark price and has been certified by the International Organisation of Securities Commissions. We consider that the website of SMM is a reputable source for the Group to estimate the transaction price of bauxite related products for the purpose of determining the Purchase Annual Caps.

Given the above, we consider the estimated transaction price of bauxite related products, which is calculated based on the public information extracted from the SMM website, used in estimating the Purchase Annual Caps is fair and reasonable.

- The Group has applied a buffer of 10% (the “**Applied Buffer**”) to accommodate any unexpected increase in the aforesaid transaction amount (as a result of any unexpected increase in market demand) or unexpected increase in the cost of bauxite related products in determining the Purchase Annual Caps. We have conducted an independent research on the range of buffer built in the annual caps of continuing connected transactions in relation to sales and procurement transactions of companies listed on the Stock Exchange, as extracted from their respective circulars published since 5 November 2024 and note that the buffer percentage ranges from 5% to 25% (the “**Buffer Range**”). We consider that the Buffer Range represents a market practice of how much buffer are usually built into the annual caps of continuing connected transactions in relation to sales and procurement transactions and is a fair and representative reference for benchmarking the Applied Buffer. Given that the Applied Buffer proposed by the Group falls within the Buffer Range, we are of the view that the Applied Buffer is reasonable.

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Our view

Based on the factors, reasons and our analysis explained above and our review of the underlying calculations from the Company, we concur with the Directors' view that it is fair and reasonable and in the interests of both the Company and the Shareholders to set the Purchase Annual Caps at the proposed levels.

3.3 Internal control measures

For details of the Group's internal control measures, please refer to the paragraph headed "Internal Control Measures" in the Letter from the Board.

Our view

Based on our discussion with the management of the Company on the internal control measures that govern the transaction contemplated under the Bauxite Purchase Framework Agreement and our review of the internal control procedures that include:

- (i) the Group has measures in place to ensure that the price provided by Geely Technology Group is no less favourable to the Group than the quotations offered by the independent suppliers or not higher than those in the market. Prior to entering into any transaction with Geely Technology Group, the Group will collect market information and keep track of the latest changes in the industry on a monthly basis, especially the purchase prices of similar bauxite related products through different sources, including at least two market quotations from other independent third party bauxite related products manufacturers/suppliers, and/or reputable industry sources, on an ongoing basis. After obtaining market information, the sales and procurement team of the Group performs analysis against factors, including but not limited to, the general market supply and demand of products, raw material costs, available production capacity and delivery time etc.. The price of bauxite related products will be reviewed by the respective heads of sales and procurement and finance departments of the Group, and approved by at least two Directors. Furthermore, the Group and the Geely Technology Group will negotiate the terms of such transactions on a monthly basis (or more frequently if determined necessary) to ensure that the prices are fair and reasonable and appropriately reflect the level of costs incurred by both parties in the relevant transactions. Hence, the Group will be able to ensure that the pricing terms offered by Geely Technology Group to the Group are fair and reasonable and no less favourable than those offered by independent third parties; and

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- (ii) the Group has measures in place to ensure that the annual transaction amounts under the Bauxite Purchase Framework Agreement will not exceed the Purchase Annual Caps of respective period/years. Such measures include (a) the Group will establish a monthly updated database to track, monitor and evaluate the amount of transactions under the Bauxite Purchase Framework Agreement on a monthly basis; (b) the transaction amount under the Bauxite Purchase Framework Agreement will be reported to the Board at least quarterly to ensure that the Purchase Annual Caps are not exceeded; (c) the relevant person in charge will also immediately notify the Board when the transaction amount reaches 75% of the Purchase Annual Caps so as to evaluate whether it is necessary to apply to the Independent Shareholders for increase in the Purchase Annual Caps; the independent auditor and the independent non-executive Directors will review the transactions under the Bauxite Purchase Framework Agreement on an annual basis to confirm whether the terms of the Bauxite Purchase Framework Agreement are on normal commercial terms, fair and reasonable and in the interest of the Company and its Shareholders as a whole;

we consider that the Company has sufficient and effective internal control measures in place to ensure that (i) the Purchase Annual Caps will not be exceeded (or if it is expected to be exceeded, the Company will consider measures to be taken in a timely manner, which include restricting the amount of the continuing connected transactions or re-complying with disclosure and independent shareholders' approval requirement under the GEM Listing Rules); and (ii) the purchase prices will be determined on normal commercial terms or on terms no less favourable to the Group than those offered by independent third parties (through adopting internal procedures to compare the terms offered by Geely Technology Group with quotations or data on market prices).

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4. Requirements by the GEM Listing Rules Regarding The Continuing Connected Transactions

Pursuant to Rules 20.53 to 20.57 of the GEM Listing Rules, the transactions contemplated under the Bauxite Purchase Framework Agreement are subject to the following annual review requirements:

- (a) each year the independent non-executive Directors must review the transactions contemplated under the Bauxite Purchase Framework Agreement and confirm in the annual report that the transactions contemplated under the Bauxite Purchase Framework Agreement have been entered into:
 - in the ordinary and usual course of business of the Company;
 - on normal commercial terms or better; and
 - according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.
- (b) each year the auditors of the Company must provide a letter to the Board confirming that the transactions contemplated under the Bauxite Purchase Framework Agreement:
 - have received the approval of the Board;
 - are, in all material respects, in accordance with the pricing policies of the Company if the transactions involve provision of goods or services by the Company;
 - have been entered into, in all material respects, in accordance with the relevant agreement governing the transactions contemplated under the Bauxite Purchase Framework Agreement; and
 - have not exceeded the Purchase Annual Caps.
- (c) the Company must allow, and ensure that the relevant counterparty to the transactions contemplated under the Bauxite Purchase Framework Agreement allows, the Company's auditors sufficient access to their records for the purpose of reporting on the transactions contemplated under the Bauxite Purchase Framework Agreement. The Board must state in the annual report whether its auditors have confirmed the matters stated in paragraph (b) above; and

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- (d) the Company must promptly notify the Stock Exchange and publish an announcement in accordance with the GEM Listing Rules if it knows or has reason to believe that the independent non-executive Directors and/or the auditors of the Company cannot confirm the matters set out in paragraphs (a) and/or (b) above respectively.

In light of the reporting requirements attached to the transactions contemplated under the Bauxite Purchase Framework Agreement, in particular, (i) the restriction of the value of the transactions contemplated under the Bauxite Purchase Framework Agreement by way of the Purchase Annual Caps; and (ii) the ongoing review by the independent non-executive Directors and the auditors of the Company on the terms of the transactions contemplated under the Bauxite Purchase Framework Agreement and the Purchase Annual Caps not being exceeded, we are of the view that appropriate measures are in place to govern the conduct of the transactions contemplated under the Bauxite Purchase Framework Agreement and safeguard the interests of the Company and the Shareholders as a whole.

CONCLUSION AND RECOMMENDATION

Based on our analysis and work done set out above, we consider that the entering into of the Bauxite Purchase Framework Agreement and the continuing connected transactions contemplated thereunder (including the Purchase Annual Caps) are on normal commercial terms, fair and reasonable, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

We advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps).

Yours faithfully,
For and on behalf of
Ballas Capital Limited

Alex Lau **Michelle Tse**
Managing Director *Director*

Note: Mr. Alex Lau has been a responsible officer of Type 6 (advising on corporate finance) regulated activity since 2004 and Miss Michelle Tse has been a licensed representative of Type 6 (advising on corporate finance) regulated activity from 2010 to 2015 and since 2019.

1. 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.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and chief executives in the shares, the underlying shares and debentures of the Company or any associated corporation

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules, relating to the required standards of dealing by directors of listed issuers, to be notified to the Company and the Stock Exchange were as follows:

Long positions in shares or underlying shares of the Company

Name of Directors	Capacity	Number of shares or underlying shares held	Approximate percentage of shareholding (%)
XU Zhihao (<i>Note</i>)	Beneficial owner	222,000,000	2.25
LIU Wei, William	Beneficial owner	9,002,000	0.09
YAN Weimin	Beneficial owner	30,000,000	0.30
CHAN Chun Wai, Tony	Beneficial owner	1,000,000	0.01

Note: Mr. Xu's above shareholding does not include the 200,000,000 Shares which he is interested pursuant to the subscription agreement dated 13 October 2024 entered into between the Company and Mr. Xu as detailed in the Company's circular dated 22 November 2024. This subscription was not yet completed as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company or their associates had, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under the provisions of the SFO), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

(b) Substantial shareholders' and other persons' interests and short positions in the shares and underlying shares of the Company

As at the Latest Practicable Date, the following persons, other than the Directors or chief executives of the Company, had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

Long or short positions of substantial shareholders in the ordinary shares of HK\$0.001 each of the Company

Name of substantial shareholder	Capacity	Number of shares or underlying shares held (Note 3)	Approximate percentage of shareholding (%)
Mr. Li	Beneficial Owner	103,064,000 (L)	1.05
	Interest of spouse	50,000,000 (L)	0.51
	Interests of controlled corporation (Note 2)	5,200,374,675 (L)	52.77
Hong Bridge Capital (Notes 1 & 2)	Beneficial Owner	3,349,699,000 (L)	33.99
Geely International (Hong Kong) Limited (Note 3)	Beneficial Owner	1,850,675,675 (S)	18.78

Name of substantial shareholder	Capacity	Number of shares or underlying shares held (Note 3)	Approximate percentage of shareholding (%)
Geely International Technology Limited	Beneficial Owner	1,850,675,675 (L)	18.78
	Interests of controlled corporation (Notes 1 & 2)	3,349,699,000 (L)	33.99
He Xuechu	Beneficial Owner	554,069,189 (L)	5.62
	Interest of spouse	22,460,000 (L)	0.23

Notes:

- Hong Bridge Capital is wholly owned by Geely International Technology Limited, which is a company indirectly wholly owned by Geely Technology Group Co., Ltd. through Guangdong Tianqin Haina Investment Co., Ltd. and Hongkong Gaia Resources Limited. Geely Technology Group Co., Ltd. is owned as to 45% by Zhejiang Jidi Technology Co., Ltd. and 55% by Ningbo Ruima Enterprise Management Partnership (LLP). Both Zhejiang Jidi Technology Co., Ltd. and Ningbo Ruima Enterprise Management Partnership (LLP) are entities controlled by Mr. Li. Mr. Xu is a director of Hong Bridge Capital. Hong Bridge Capital is a subsidiary of Geely Technology.
- Mr. Li's, Hong Bridge Capital's and Geely International Technology Limited's above shareholdings do not include the 4,500,000,000 Shares which he/it is interested pursuant to the subscription agreement dated 13 October 2024 entered into between the Company and Hong Bridge Capital as detailed in the Company's circular dated 22 November 2024. This subscription was not yet completed as at the Latest Practicable Date.
- Geely International (Hong Kong) Limited is wholly owned by Hainan Geely Investment Holding Co., Ltd., which is in turn wholly owned by Zhejiang Geely Holding Group Co., Ltd. Mr. Li, is a controlling shareholder, founder, chairman of the board of directors of Zhejiang Geely Holding Group Co., Ltd.
- The letter "L" denotes long position and "S" denotes short position.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any other persons (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be

kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules.

3. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which has been, since 31 December 2023, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group.

4. INTERESTS IN CONTRACTS

As at the Latest Practicable Date, no contracts or arrangements were subsisting in which a Director was materially interested and which were significant in relation to the business of the Group.

5. INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, in so far as the Directors were aware of, none of the Directors, controlling shareholders of the Company and their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contract with any member of the Group which is not expiring or terminable by the Group within one year without payment of compensation (other than statutory compensation).

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

8. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the overall financial or trading position or outlook of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice in this circular:

Name	Qualification
Ballas Capital Limited	A corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO

The letter, report and/or opinion from the above expert is given as of the date of this circular for incorporation in this circular. The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter, report and/or opinion, as the case may be, and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert:

- (a) did not have any direct or indirect interest in any assets which have since 31 December 2023 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.8137.hk>) for a period of 14 days from the date of this circular.

- a. the letter of recommendation from the Independent Board Committee to the Independent Shareholders, the text of which is set out in the section headed “Letter from the Independent Board Committee” of this circular;
- b. the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” of this circular;
- c. the written consent referred to under the paragraph headed “Expert and Consent” in this appendix;

- d. the Bauxite Purchase Framework Agreement; and
- e. this circular.

11. GENERAL

- (a) The registered office of the Company is situated at P.O. Box 31119 Grand Pavilion Hibiscus Way 802 West Bay Road Grand Cayman, KY1-1205, Cayman Islands.
- (b) The head office and principal place of business of the Company in Hong Kong is situated at Unit 5402, 54th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.
- (c) The secretary of the Company is Mr. Yeung Ho Ming, who is a Certified Public Accountant in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants.
- (d) The share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- (e) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

NOTICE OF EXTRAORDINARY GENERAL MEETING



HONBRIDGE HOLDINGS LIMITED

洪橋集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8137)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Honbridge Holdings Limited (the “**Company**”) will be held at Unit 5402, 54th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 17 March 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, pass the following resolution with or without amendments as an ordinary resolution of the Company. Capitalised terms defined in the circular dated 28 February 2025 issued by the Company (the “**Circular**”) shall have the same meanings when used herein unless otherwise specified:

ORDINARY RESOLUTION

“**THAT:**

- (a) the Bauxite Purchase Framework Agreement (a copy of which is tabled at the meeting and marked A and initialled by the chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (b) the Purchase Annual Caps be and are hereby approved, ratified and confirmed; and
- (c) any one director of the Company be and is hereby authorised to execute all such other documents, instruments and agreements and to do all such acts or thing deemed by him/her to be necessary or desirable in connection with the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the matters and transactions contemplated thereunder.”

Yours faithfully,
On behalf of the Board
Honbridge Holdings Limited
Xu Zhihao
Chairman

Hong Kong, 28 February 2025

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. For the purpose of determining Shareholders' eligibility to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Tuesday, 11 March 2025.
2. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. Shareholders may consider appointing the chairman of the EGM as his/her proxy to vote on the resolution, instead of attending the EGM in person. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion. A proxy needs not be a Shareholder of the Company.
3. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the EGM or any adjournment thereof should he so wish.
4. In case of joint shareholdings, any one of the joint Shareholders may vote at the EGM, either in person or by proxy, in respect of the joint shareholding as if he/she were solely entitled thereto, but if more than one of such joint Shareholders be present at the EGM, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or extreme conditions caused by super typhoons is in effect in Hong Kong at any time after 7:00 a.m. on the date of the EGM, the meeting will be postponed. The Company will post an announcement on the website of Company at www.8137.hk and on the website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.

As at the date of this notice, the Board comprises Mr. Xu Zhihao, Mr. Xu Bing, Mr. Chen Shengjie, Ms. Gu Wenting and Mr. Liu Wei, William as executive Directors; Mr. Yan Weimin as non-executive Director and Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun as independent non-executive Directors.