
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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Hongqiao 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 agent through whom the sale was effected for transmission to the purchaser or transferee.

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China Hongqiao Group Limited

中國宏橋集團有限公司

(incorporated under the laws of Cayman Islands with limited liability)

(Stock code: 1378)

**PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF THE EGM**

A notice convening the EGM of the Company to be held at the Conference Hall on 8th Floor, Company Office Building, No. 12 Wei Fang Road, Zouping Economic Development District, Zouping City, Shandong Province, the People's Republic of China on Thursday, 23 September 2021 at 9:00 a.m. is set out on pages 7 to 8 of this circular. A form of proxy for use at the EGM is enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hongqiaochina.com), respectively.

Whether or not you are able to attend the EGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

2 September 2021

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DEFINITIONS

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

“Announcement”	announcement of the Company dated 20 August 2021 relating to the Increase of the Authorised Share Capital
“Board”	the board of Directors
“Company”	China Hongqiao Group Limited (中國宏橋集團有限公司)
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held at the Conference Hall on 8th Floor, Company Office Building, No. 12 Wei Fang Road, Zouping Economic Development District, Zouping City, Shandong Province, the People’s Republic of China on 23 September 2021 at 9:00 a.m. for the Shareholders to consider and, if thought fit, approve the Increase of the Authorised Share Capital
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Increase of the Authorised Share Capital”	the proposed increase of the authorised share capital of the Company from US\$100,000,000 divided into 10,000,000,000 Shares to US\$200,000,000 divided into 20,000,000,000 Shares by the creation of an additional 10,000,000,000 Shares
“Latest Practicable Date”	27 August 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	the ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



China Hongqiao Group Limited

中國宏橋集團有限公司

(incorporated under the laws of Cayman Islands with limited liability)

(Stock code: 1378)

Executive Directors:

Mr. Zhang Bo (*Chairman, Chief Executive Officer,
Authorised Representative*)
Ms. Zheng Shuliang (*Vice Chairman*)
Ms. Zhang Ruilian (*Vice President, Chief Financial Officer*)
Ms. Wong Yuting

Non-executive Directors:

Mr. Yang Congsen
Mr. Zhang Jinglei
Mr. Li Zimin (*Mr. Zhang Hao as his alternate*)
Ms. Sun Dongdong

Independent non-executive Directors:

Mr. Wen Xianjun
Mr. Xing Jian
Mr. Han Benwen
Mr. Dong Xinyi

Registered Office:

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

*Principal Place of Business
in Hong Kong:*

Rm 5108, The Center
99th Queen's Road Central
Hong Kong

2 September 2021

To the Shareholders

Dear Sir/Madam,

**PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF THE EGM**

A. INTRODUCTION

Reference is made to the Announcement relating to the Increase of the Authorised Share Capital. The purpose of this circular is to provide you with, among other things, (i) details of the Increase of the Authorised Share Capital and (ii) a notice of the EGM.

LETTER FROM THE BOARD

B. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the date of this circular, the existing authorised share capital of the Company is US\$100,000,000 divided into 10,000,000,000 Shares of par value of US\$0.01 each, of which 9,121,352,349 Shares have been issued and are fully paid or credited as fully paid. As at the date of this circular, the Company has (i) convertible bonds in the principal amount of US\$320,000,000 due 2022 with a remaining principal amount of US\$246,400,000, which are convertible into 319,063,523 Shares of the Company; and (ii) convertible bonds in the principal amount of US\$300,000,000 due 2026, which are convertible into 274,604,486 Shares of the Company.

The Board proposes to increase the Company's authorised share capital from US\$100,000,000 divided into 10,000,000,000 Shares to US\$200,000,000 divided into 20,000,000,000 Shares by the creation of an additional 10,000,000,000 Shares, which shall rank pari passu equally with each other and with the existing Shares of the Company in all respects upon issue.

The proposed Increase in the Authorised Share Capital will enable the Company to accommodate the possible conversion of the outstanding convertible bonds of the Company by the relevant holders as well as to provide the Company with greater flexibility to raise funds by allotting and issuing Shares in the future as and when necessary.

Immediately after the completion of the Increase in the Authorised Share Capital and assuming no new ordinary shares are issued or no Shares are repurchased from the date of this circular up to the EGM, the authorised share capital of the Company will be US\$200,000,000 divided into 20,000,000,000 Shares, with 9,121,352,349 Shares in issue and 10,878,647,651 Shares remaining unissued.

C. EGM

The EGM will be convened at the Conference Hall on 8th Floor, Company Office Building, No. 12 Wei Fang Road, Zouping Economic Development District, Zouping City, Shandong Province, the People's Republic of China on 23 September 2021 at 9:00 a.m. for the purpose of the Shareholders to consider and, if thought fit, approve the Increase of the Authorised Share Capital. The notice of the EGM is set out on pages 7 to 9 of this circular. At the EGM, the Company proposes to seek the approvals of the Increase of the Authorised Share Capital.

To the best knowledge, information and belief of the Directors, having made all reasonable enquires, no Shareholder has a material interest in the Increase of the Authorised Share Capital, and no Shareholder is required to abstain from voting to approve Increase of the Authorised Share Capital at the EGM.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hongqiaochina.com) respectively. Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish and in such event, the form of proxy shall be deemed to be revoked.

D. RECOMMENDATION

The Board is of the opinion that the proposed Increase in the Authorised Share Capital will enable the Company to accommodate the possible conversion of the outstanding convertible bonds of the Company by the relevant holders as well as to provide the Company with greater flexibility to raise funds by allotting and issuing Shares in the future as and when necessary. Therefore, the Directors consider that the Increase of the Authorised Share Capital is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour of the relevant resolutions set out in the notice of the EGM at the EGM.

E. 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 enquiry, 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.

F. CLOSURE OF REGISTER OF MEMBERS

The share register of the Company will be closed from Friday, 17 September 2021 to Thursday, 23 September 2021 (both days inclusive), during which no transfer of Shares will be effected. In order to be entitled to attend the EGM of the Company and vote at the meeting, all completed share transfer forms accompanying with the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, not later than 4:30 p.m. on Thursday, 16 September 2021. The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

LETTER FROM THE BOARD

G. GENERAL INFORMATION

The Group is principally engaged in the manufacture and sale of aluminum products.

Yours faithfully,
By Order of the Board
Zhang Bo
Chairman

NOTICE OF THE EGM



China Hongqiao Group Limited 中國宏橋集團有限公司

(incorporated under the laws of Cayman Islands with limited liability)
(Stock code: 1378)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of China Hongqiao Group Limited (the “**Company**”) will be held at the Conference Hall on 8th Floor, Company Office Building, No. 12, Wei Fang Road, Economic Development District, Zouping City, Shandong Province, the People’s Republic of China on Thursday, 23 September 2021 at 9:00 a.m., to consider and, if thought fit, approve the following resolutions. Unless the context otherwise requires, the capitalised terms used in this notice shall have the same meaning as those defined in the circular of the Company dated 2 September 2021 (the “**Circular**”).

AS ORDINARY RESOLUTION

”THAT:

- (a) the increase of the authorised share capital of the Company from US\$100,000,000 divided into 10,000,000,000 Shares to US\$200,000,000 divided into 20,000,000,000 Shares by the creation of an additional 10,000,000,000 Shares be and is hereby approved and confirmed; and
- (b) any one Director or the company secretary of the Company be and is hereby authorised to do all such acts and things and execute all such documents for and on behalf of the Company (and to affix the common seal of the Company (where required)) as they may consider necessary, desirable or appropriate in connection with the above resolution.”

By order of the Board
Zhang Bo
Chairman

Hong Kong, 2 September 2021

As at the date of this notice, the Board comprises twelve directors, namely Mr. Zhang Bo, Ms. Zheng Shuliang, Ms. Zhang Ruilian and Ms. Wong Yuting as executive directors, Mr. Yang Congsen, Mr. Zhang Jinglei, Mr. Li Zimin (Mr. Zhang Hao as his alternate) and Ms. Sun Dongdong as non-executive directors, and Mr. Wen Xianjun, Mr. Xing Jian, Mr. Han Benwen and Mr. Dong Xinyi as independent non-executive Directors.

NOTICE OF THE EGM

Notes:

- (a) Any shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on behalf of him/her. A proxy needs not be a Shareholder. A Shareholder who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
- (b) 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 certified copy of that power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor Hopewell Centre 183 Queen’s Road East Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the EGM and, in such event, the form of proxy shall be deemed to be revoked.
- (c) The share register of the Company will be closed from Friday, 17 September 2021 to Thursday, 23 September 2021 (both days inclusive), during which no transfer of Shares will be effected. In order to be entitled to attend the forthcoming EGM of the Company and vote at the meeting, all completed share transfer forms accompanying with the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, not later than 4:30 p.m. on Thursday, 16 September 2021. The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (d) Where there are joint registered holders of any Shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most, or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register in respect of the relevant joint holding.
- (e) The EGM is expected to last half a day. Shareholders attending the EGM should be responsible for their own transportation and accommodation expenses.