

**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 D&G Technology Holding Company 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 or transfer was effected for transmission to the purchaser or transferee.

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**D&G TECHNOLOGY HOLDING COMPANY LIMITED**  
**德基科技控股有限公司**

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

**(Stock code: 1301)**

**PROPOSED RE-ELECTION OF DIRECTORS  
AND  
PROPOSED PAYMENT OF A SPECIAL  
DIVIDEND OUT OF SHARE PREMIUM ACCOUNT  
AND  
PROPOSED GRANTING OF GENERAL MANDATES TO  
BUY BACK SHARES AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of D&G Technology Holding Company Limited to be held at 20/F, OfficePlus @Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Thursday, 23 May 2024 at 11:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 11:00 a.m. on Tuesday, 21 May 2024) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.dgtechnology.com](http://www.dgtechnology.com)).

References to time and dates in this circular are to Hong Kong time and dates.

22 April 2024

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 20/F, OfficePlus @Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Thursday, 23 May 2024 at 11:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 17 to 21 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Companies Act”	the Companies Act, Chapter 22, (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended from time to time
“Company”	D&G Technology Holding Company Limited 德基科技控股有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting

## DEFINITIONS

“Langfang D&G”	a wholly-owned subsidiary of the Company incorporated in the PRC, Langfang D&G Machinery Technology Company Limited* (廊坊德基機械科技有限公司)
“Latest Practicable Date”	15 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company
“Prima DG”	Prima DG Investment Holding Company Limited
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 6 May 2015

\* For identification purpose only

## DEFINITIONS

“Share Premium Account”	the share premium account of the Company, the amount standing to the credit of which was approximately RMB427.1 million as at 31 December 2023 based on the audited consolidated financial statements of the Company as at that date
“Special Dividend”	The proposed special dividend of HK\$0.07 per Share for the year ended 31 December 2023 as recommended by the Board
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
the “PRC” or “China”	The People’s Republic of China
“%”	per cent

LETTER FROM THE BOARD



**D&G TECHNOLOGY HOLDING COMPANY LIMITED**  
**德基科技控股有限公司**

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

**(Stock code: 1301)**

*Executive Directors:*

Mr. Choi Hung Nang (*Chairman*)  
Ms. Choi Kwan Li, Glendy (*Chief Executive Officer*)  
Mr. Choi Hon Ting, Derek  
Mr. Liu Tom Jing-zhi  
Mr. Lao Kam Chi

*Non-executive Directors:*

Mr. Chan Lewis  
Mr. Alain Vincent Fontaine

*Independent Non-executive Directors:*

Mr. O'Yang Wiley  
Mr. Li Zongjin  
Mr. Lee Wai Yat, Paco  
Mr. Fok Wai Shun, Wilson

*Registered Office:*

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

*Principal Place of Business in  
the PRC:*

No. 12 Yinghua Road  
Yongqing Industrial Park  
Yongqing County  
Langfang City  
Hebei Province  
the PRC

*Principal Place of Business in  
Hong Kong:*

7/F, Hing Lung  
Commercial Building  
68-74 Bonham Strand  
Sheung Wan  
Hong Kong

22 April 2024

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS  
AND  
PROPOSED PAYMENT OF A SPECIAL  
DIVIDEND OUT OF SHARE PREMIUM ACCOUNT  
AND  
PROPOSED GRANTING OF GENERAL MANDATES TO  
BUY BACK SHARES AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Thursday, 23 May 2024.

## LETTER FROM THE BOARD

### **2. PROPOSED RE-ELECTION OF DIRECTORS**

In accordance with Article 84 of the Articles of Association, Ms. Choi Kwan Li, Glendy, Mr. Liu Tom Jing-zhi, Mr. Lao Kam Chi and Mr. Chan Lewis shall retire from office by rotation at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors.

Details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

### **3. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES**

At the annual general meeting of the Company held on 25 May 2023, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 63,940,800 Shares on the basis that no Shares are issued or bought back before the Annual General Meeting).

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

### **4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 25 May 2023, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in

## LETTER FROM THE BOARD

item 6 of the notice of the Annual General Meeting (i.e. a total of 127,881,600 Shares on the basis that no Shares are issued or bought back before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

### **5. PROPOSED PAYMENT OF A SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT**

As stated in the Company's announcement dated 28 March 2024, the Board has recommended the declaration and payment of a special dividend of HK\$0.07 per Share out of the Share Premium Account for the year ended 31 December 2023, subject to the Shareholders' approval at the Annual General Meeting. As at the Latest Practicable Date, the Company has 639,408,000 Shares in issue. Based on the number of issued Shares as at the Latest Practicable Date, the Special Dividend, if declared and paid, will amount to an aggregate amount of approximately HK\$43,902,000 (equivalent to RMB40,000,000). Subject to the fulfilment of the conditions set out in the paragraph headed "Conditions of the Payment of Special Dividend out of Share Premium Account" below, the Special Dividend is intended to be paid out of the Share Premium Account pursuant to Article 134 of the Articles of Association and in accordance with the Companies Act.

As at 31 December 2023, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the Share Premium Account was approximately RMB427.1 million. Following the payment of the Special Dividend, there will be a remaining balance of approximately RMB387.1 million standing to the credit of the Share Premium Account

#### **(a) Conditions of the Payment of Special Dividend out of Share Premium Account**

The payment of the Special Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders approving the declaration and payment of the Special Dividend out of the Share Premium Account pursuant to Article 134 of the Articles of Association; and
- (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Special Dividend is paid, unable to pay its debts as they fall due in the ordinary course of business.

Subject to the fulfilment of the above conditions, it is expected that the Special Dividend will be paid in cash on Friday, 14 June 2024 to those Shareholders whose names appear on the register of members of the Company at close of business on Friday, 31 May 2024, being the record date for determination of entitlements to the Special Dividend.



## LETTER FROM THE BOARD

The conditions set out above cannot be waived. If the conditions set out above are not satisfied, the Special Dividend will not be paid.

### **(b) Reasons for and effect of the payment of Special Dividend out of Share Premium Account**

This year marks the 25th anniversary of the Group after its principal subsidiary, Langfang D&G Machinery was officially established in Beijing. In order to reward the Shareholders for their continued support, the Board has unanimously resolved to distribute a one-off special dividend of HK\$0.07 per Share. The Special Dividend will be paid in cash on Friday, 14 June 2024 to the Shareholders whose names appear on the register of members of the Company on Friday, 31 May 2024.

To reward the Shareholders, the Board considers it appropriate to distribute the Special Dividend to repay the Shareholders' support.

The payment of the Special Dividend out of the Share Premium Account does not involve any reduction in the authorized or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

After taking into consideration of the existing cash flow of the Group, the Board considers that the Company has sufficient cash flow to pay the Special Dividend. The payment of the Special Dividend out of the Share Premium Account will not have any material adverse effect on the financial position of the Group.

The Directors consider that the declaration and proposed payment of the Special Dividend out of the Share Premium Account is in the interests of the Company and its Shareholders as a whole.

### **(c) Record date for determining entitlements to the Special Dividend**

The Special Dividend is payable to the Shareholders whose names appear on the register of members of the Company at close of business on Friday, 31 May 2024, being the record date for determination of entitlement to the Special Dividend. In order to qualify for the Special Dividend, all transfer forms accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 28 May 2024.

## LETTER FROM THE BOARD

### 6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 17 to 21 of this circular. Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.dgtechnology.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, 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 at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 11:00 a.m. on Tuesday, 21 May 2024) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### 7. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, proposed granting of the Share Buy-back Mandate, the Issuance Mandate and the proposed payment of Special Dividend out of the Share Premium Account are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board  
**D&G Technology Holding Company Limited**  
**Choi Hung Nang**  
*Chairman*

*The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.*

**(1) Ms. Choi Kwan Li, Glendy**

Ms. Choi Kwan Li, Glendy, aged 53, is our executive Director and chief executive officer. She was appointed as an executive Director on 11 September 2014. She is primarily responsible for overseeing the corporate management of our Group and the overall management and implementation of business and marketing strategies and plans.

Ms. Glendy Choi has over 25 years of experience in the trading and manufacturing of specialised engineering equipment. She was appointed as a director and general manager of Langfang D&G Machinery Technology Company Limited in June 2009 and her title changed to President in November 2019. She was also appointed as the legal representative of Langfang D&G Machinery Technology Company Limited in June 2011. She is also a director of certain entities of the Group.

Ms. Glendy Choi was a master of business administration in marketing. She is a Fellow Certified Risk Planner of The Institute of Crisis and Risk Management, an EFFAS Certified ESG Analyst® (CESGA) and a Certified ESG Planner CEP®. In November 2015, Ms. Glendy Choi was admitted as a member of the Young Presidents' Organisation ("YPO") – World Presidents' Organisation and has been appointed as a board member of YPO Gold South East Asia Region since July 2022.

Ms. Glendy Choi is a fellow member of The Hong Kong Institute of Directors. She has been a Committee Member of the Hong Kong Young Industrialists Council ("HKYIC") since October 2017 and was appointed as their Honorary Treasurer, International Affairs Committee Vice Chairman, and Member's Affairs Committee Vice Chairman for 2023-2024 in October 2023. In December 2021, Ms. Glendy Choi was appointed as a Vice President of the Greater Bay Area Carbon Neutrality Association. In January 2022, Ms. Glendy Choi was appointed as a member of the ISO Steering Committee (2021-2025) of the Federation of Hong Kong Industries. Since February 2022, Ms. Glendy Choi has been an independent non-executive director of Ace Eight Acquisition Corporation.

Ms. Glendy Choi is one of the awardees of the Young Industrialist Awards Hong Kong 2016 and has been awarded the 7th Asia Pacific Entrepreneurship Awards 2016, Hong Kong Chapter by Enterprise Asia. She was titled by the Hebei Committee of the Communist Party of China and the Hebei Provincial People's Government as one of the Hundred High-tech Private Entrepreneurs in Hebei Province in December 2014. Ms. Glendy Choi was titled "100 Most Influential Persons of China Construction Machinery Industry" for five consecutive years from 2017 to 2021 and was titled "50 Influencers of China Construction Machinery Industry" and "Manager of the Year" in 2022. She is one of the awardees of GBA Outstanding Women Entrepreneur Awards 2023 in 2023.

Ms. Glendy Choi is the daughter of Mr. Choi Hung Nang, our chairman and executive Director and Ms. Tin Suen Chu, a substantial shareholder of the Company (as defined in the Listing Rules). She is also the sister of Mr. Choi Hon Ting, Derek, our executive Director and the cousin-in-law of Mr. Liu Tom Jing-zhi, our executive Director and chief operating officer.

Ms. Glendy Choi has entered into a service agreement with the Company for an initial term of three years commencing from 27 May 2015 and renewed her service agreement with the Company for a further period of three years commencing from 27 May 2018 and 27 May 2021. Her appointment is subject to the termination at any time by either party giving to the other not less than three months' notice in writing and retirement by rotation and re-election pursuant to the Articles of Association and the Listing Rules. The emolument of Ms. Glendy Choi, which was determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group, is HK\$16,000 and HK\$123,000 per month, for acting as the executive Director and as our chief executive officer respectively, plus discretionary bonus.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Ms. Glendy Choi is interested in 4,150,000 Shares. She also holds 20% of the issued share capital of Prima DG, an associated corporation of the Company.

Save as disclosed above, Ms. Glendy Choi does not (1) hold any other position in the Company or other members of the Group; (2) hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (3) have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (4) have any interests in shares and underlying shares of the Company and any associated corporation of the Company (within the meaning of Part XV of the SFO); or (5) have any other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

## **(2) Mr. Liu Tom Jing-zhi**

Mr. Liu Tom Jing-zhi, aged 54, is our executive Director and chief operating officer. He was appointed as an executive Director on 11 September 2014. He is primarily responsible for overseeing the daily operations of manufacturing facilities and the implementation of business strategies and plans of our Group. Mr. Liu has over 20 years of experience in corporate management and business operations. He joined our Group in August 2006 as the director and deputy general manager of Langfang D&G. He is also a director of certain entities of the Group.

In September 1999, Mr. Liu was awarded a graduate diploma in business administration from the University of Technology Sydney. Mr. Liu was recognised as a Person of Innovation\* (創新人物) by the Equipment Management Institute of Hebei Province Innovation Development Committee (河北省工業設備管理創新發展峰會組委會) in June 2012. Since April 2013, Mr. Liu has been appointed as a member of the Sixth Committee of Chinese People's Political Consultative Conference, Langfang city (中國人民政治協商會議廊坊市第六屆委員會) for a term of 5 years and has ended in April 2018.

\* For identification purpose only

Mr. Liu is the son-in-law of elder brother of Mr. Choi Hung Nang, our chairman and executive Director and the cousin-in-law of Ms. Choi Kwan Li, Glendy, our executive Director and chief executive officer and Mr. Choi Hon Ting, Derek, our executive Director.

Mr. Liu has entered into a service agreement with the Company for an initial term of three years commencing from 27 May 2015 and the term has been renewed for a further period of three years commencing from 27 May 2018. His appointment is subject to the termination at any time by either party giving to the other not less than three months' notice in writing and retirement by rotation and re-election pursuant to the Articles of Association and the Listing Rules. The emolument of Mr. Liu, which was determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group, is HK\$16,000 and HK\$80,000 per month, for acting as the executive Director and as our chief operating officer respectively, plus discretionary bonus. Effective from 1 March 2023, in addition to the emolument of Mr. Liu for handling the operational matters of the Company, Mr. Liu has received a housing allowance of HK\$23,000 per month.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Liu is interested in 15,650,000 Shares. Among these Shares, Mr. Liu is interested in 2,000,000 Shares and is deemed to be interested in 13,500,000 Shares held by Zacks Vroom Investment Company Limited, a company wholly-owned by him. He is also deemed to be interested in 150,000 Shares held by his spouse, Ms. Thai Vanny.

Save as disclosed above, Mr. Liu does not (1) hold any other position in the Company or other members of the Group; (2) hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (3) have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (4) have any interests in shares and underlying shares of the Company and any associated corporation of the Company (within the meaning of Part XV of the SFO); or (5) have any other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

### **(3) Mr. Lao Kam Chi**

Mr. Lao Kam Chi, aged 62, is our executive Director and general manager (sales and marketing). He is primarily responsible for managing and implementing sales and marketing strategies. Mr. Lao has over 36 years of experience in sales and marketing. Mr. Lao joined our Group in October 2002 as the general manager of the sales and marketing team in Beijing D&G Machinery Company Limited \* (北京德基機械有限公司). He has been a director of Langfang D&G since June 2011, and the general manager of our sales and marketing centre since August 2009.

In July 1982, Mr. Lao was awarded a bachelor's degree in engineering from Southwest Jiaotong University (西南交通大學), China.

\* For identification purpose only

Mr. Lao has entered into a service agreement with the Company for an initial term of three years commencing from 27 May 2015 and the term has been renewed for a further period of three years commencing from 27 May 2018. His appointment is subject to the termination at any time by either party giving to the other not less than three months' notice in writing and retirement by rotation and re-election pursuant to the Articles of Association and the Listing Rules. The emolument of Mr. Lao, which was determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group, is HK\$16,000 and HK\$90,000 per month, for acting as the executive Director and for handling the operational matters of the Company respectively, plus discretionary bonus.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Lao is interested in 2,000,000 Shares and is deemed to be interested in 9,000,000 Shares held by Denmike Investment Company Limited, a company wholly-owned by him.

Save as disclosed above, Mr. Lao does not (1) hold any other position in the Company or other members of the Group; (2) hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (3) have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (4) have any interests in shares and underlying shares of the Company and any associated corporation of the Company (within the meaning of Part XV of the SFO); or (5) have any other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

**(4) Mr. Chan Lewis**

Mr. Chan Lewis (formerly known as Chan Yeung), aged 53, was appointed as a non-executive Director on 15 December 2014. Mr. Chan is the managing partner of Maunakai Capital Partners (Hong Kong) Limited. He is also an executive director of DT Capital Limited (formerly known as Incutech Investments Limited) (Hong Kong stock code: 356). He has over 24 years of experience in asset management and investment research. Mr. Chan received his bachelor's degree in economics from the University of Chicago in June 1994 and his master of arts from Columbia University in May 1996. Mr. Chan further obtained his Ph.D. from Harvard University in June 2000.

Mr. Chan was a winner of the Fama-DFA Prize of the Best Papers published in 2003 in the Journal of Financial Economics. Mr. Chan currently serves as a member of the Admissions, Budgets and Allocations Committee of the Community Chest of Hong Kong.

Mr. Chan has entered into a service agreement with the Company for an initial term of three years commencing from 27 May 2015 and the term has been renewed for a further period of three years commencing from 27 May 2018. His appointment is subject to the termination at any time by either party giving to the other not less than three months' notice in writing and retirement by rotation and re-election pursuant to the Articles of Association and the Listing Rules. The emolument of Mr. Chan, which was determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group, is HK\$16,000 per month plus discretionary bonus.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Chan is interested in 300,000 Shares.

Save as disclosed above and the previous disclosure as set out in the prospectus of the Company dated 14 May 2015, Mr. Chan does not (1) hold any other position in the Company or other members of the Group; (2) hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (3) have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (4) have any interests in shares and underlying shares of the Company and any associated corporation of the Company (within the meaning of Part XV of the SFO); or (5) have any other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.



*The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 639,408,000 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that no Shares are issued or bought back before the Annual General Meeting, i.e. being 639,408,000 Shares, the Directors would be authorized under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total of 63,940,800 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

## **2. REASONS FOR SHARE BUY-BACK**

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

## **3. FUNDING OF SHARE BUY-BACK**

The Company may only apply funds legally available for share buy-back in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

## **4. IMPACT OF SHARE BUY-BACK**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2023) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.



**5. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2023</b>		
April	1.15	1.05
May	1.11	0.96
June	1.06	0.76
July	1.05	0.81
August	1.09	0.87
September	1.12	0.94
October	1.03	0.92
November	1.05	0.97
December	1.03	0.93
<b>2024</b>		
January	1.00	0.85
February	0.96	0.70
March	0.83	0.62
April (up to the Latest Practicable Date)	0.75	0.67

**6. GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

Neither the explanatory statement on the Share Buy-back Mandate nor the proposed Share buy-back has any unusual features. The Directors will exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

**7. TAKEOVERS CODE**

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Prima DG and Ms. Tin Suen Chu (both being substantial shareholders (as defined in the Listing Rules) of the Company) and Mr. Choi Hung Nang, Ms. Choi Kwan Li, Glendy and Mr. Choi Hon Ting, Derek (all being executive Directors), are taken as parties acting in concert and collectively treated as a single controlling shareholder of the Company under the term "Choi Family". The Choi Family together had an aggregate interest in 410,832,000 Shares representing approximately 64.25% of the issued share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate shareholding of Choi Family would be increased to approximately 71.39% of the issued share capital of the Company. The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

**8. SHARE BUY-BACK MADE BY THE COMPANY**

During the 6 months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise).

## NOTICE OF ANNUAL GENERAL MEETING



# D&G TECHNOLOGY HOLDING COMPANY LIMITED 德基科技控股有限公司

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

**(Stock code: 1301)**

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“**Annual General Meeting**”) of D&G Technology Holding Company Limited (the “**Company**”) will be held at 20/F, OfficePlus @Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Thursday, 23 May 2024 at 11:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor of the Company for the year ended 31 December 2023.
2. To approve the declaration and payment of a special dividend of HK\$0.07 per share of the Company out of the share premium account of the Company (the “**Special Dividend**”) to shareholders of the Company whose names appear on the register of members of the Company on the record date fixed by the board of directors of the Company for determining the entitlements to the Special Dividend and to authorize any director of the Company to take such action, do such things and execute such further documents as the director of the Company may at his/her absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Special Dividend.
3. To re-elect the following directors of the Company and to authorize the board of directors of the Company to fix the respective directors’ remuneration:
  - (a) Ms. Choi Kwan Li, Glendy as an executive director of the Company
  - (b) Mr. Liu Tom Jing-zhi as an executive director of the Company
  - (c) Mr. Lao Kam Chi as an executive director of the Company
  - (d) Mr. Chan Lewis as a non-executive director of the Company

## NOTICE OF ANNUAL GENERAL MEETING

4. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorize the board of directors of the Company to fix its remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and awards, which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) any issue of shares under a share scheme of the Company; and
  - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

## NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board  
**D&G Technology Holding Company Limited**  
**Choi Hung Nang**  
*Chairman*

Hong Kong, 22 April 2024

*Notes:*

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy, or if a shareholder who is the holder of two or more shares may appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.

## NOTICE OF ANNUAL GENERAL MEETING

3. In order to be valid, the 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 of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 11:00 a.m. on Tuesday, 21 May 2024) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 17 May 2024.
5. The Special Dividend is payable to the Shareholders whose names appear on the register of members of the Company at close of business on Friday, 31 May 2024, being the record date for determination of entitlement to the Special Dividend. In order to qualify for the Special Dividend, all transfer forms accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 28 May 2024. The Special Dividend will be paid in cash on or about Friday, 14 June 2024.
6. References to time and dates in this Notice are to Hong Kong time and dates.

*As at the date of this notice, the executive directors of the Company are Mr. Choi Hung Nang, Ms. Choi Kwan Li, Glendy, Mr. Choi Hon Ting, Derek, Mr. Liu Tom Jing-zhi and Mr. Lao Kam Chi; the non-executive directors of the Company are Mr. Chan Lewis and Mr. Alain Vincent Fontaine; and the independent non-executive directors of the Company are Mr. O'Yang Wiley, Mr. Li Zongjin, Mr. Lee Wai Yat, Paco and Mr. Fok Wai Shun, Wilson.*