
THIS DOCUMENT 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 Hevol Services Group Co. 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 the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.



HEVOL SERVICES GROUP CO. LIMITED
和泓服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6093)

**PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 16th Floor, Block D, Newlogo International Building, No. 18A Zhongguancun South Street, Haidian District, Beijing, People’s Republic of China on Wednesday, 31 May 2023 at 11:00 a.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (<http://www.hevolwy.com.cn/>). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy accompanied with this circular in accordance with the instructions printed thereon and return it to the Company’s 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 the holding of the Annual General Meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish.

28 April 2023

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I – DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING	8
APPENDIX II – EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE	11
NOTICE OF ANNUAL GENERAL MEETING	14

DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 16th Floor, Block D, Newlogo International Building, No. 18A Zhongguancun South Street, Haidian District, Beijing, People’s Republic of China on Wednesday, 31 May 2023 at 11:00 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages 14 to 18 of this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of directors of the Company
“Cayman Companies Law”	the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Hevol Services Group Co. Limited, a company incorporated in the Cayman Islands with limited liability on 28 May 2018, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandates”	general mandates proposed to be granted to the Directors to allot and issue new Shares in the share capital of the Company of up to 20% of the total number of Shares of the Company in issue and to repurchase Shares not exceeding 10% of the total number of Shares of the Company in issue as at the date of passing of the relevant resolution at the Annual General Meeting
“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 People’s Republic of China
“Latest Practicable Date”	Friday, 21 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	the date on which dealings in the Shares on the Stock Exchange first commenced, being 12 July 2019
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“PRC”	the People’s Republic of China
“Securities and Futures Ordinance”	the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of par value of US\$0.00001 each in the share capital of the Company
“Shareholder(s)” or “Member(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers as amended time to time
“%”	per cent

LETTER FROM THE BOARD



HEVOL SERVICES GROUP CO. LIMITED 和泓服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6093)

Executive Directors:

Mr. Wang Wenhao
Ms. Hu Hongfang

Non-executive Directors:

Mr. Liu Jiang
Mr. Zhou Wei

Independent non-executive Directors:

Dr. Chen Lei
Mr. Fan Chi Chiu
Dr. Li Yongrui
Mr. Qian Hongji

Registered office:

Ugland, House
P.O. Box 309
Grand Cayman, KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Room 2609,
China Resources Building,
26 Harbour Road,
Wanchai,
Hong Kong

28 April 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with the notice of Annual General Meeting and to provide you with information regarding the following proposed resolutions to be put forward at the Annual General Meeting: (i) the grant to the Directors of General Mandates to issue and repurchase Shares; and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution no. 5 will be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise the powers of the Company to allot and issue new Shares in the share capital of the Company of up to 20% of the total number of Shares in issue as at the date of the passing of the resolution in relation to such general mandate. As at the Latest Practicable Date, the Company had 560,000,000 Shares in issue. Subject to the passing of the ordinary resolution no. 5 and on the assumption that there is no change to the number of issued shares before the Annual General Meeting, the Company will be allowed to issue a maximum of 112,000,000 Shares in accordance with such general mandate.

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the general mandate to the Directors to exercise the powers of the Company to repurchase Shares, representing up to 10% of the total number of Shares in issue as at the date of the passing of the resolution in relation to such general mandate (the “**Repurchase Mandate**”). In addition, subject to a separate approval of the ordinary resolution no. 7, the number of Shares repurchased by the Company under ordinary resolution no. 6 will also be added to the general mandate as mentioned in the ordinary resolution no. 5.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the Annual General Meeting.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consisted of eight (8) Directors, namely Mr. Wang Wenhao, Ms. Hu Hongfang, Mr. Liu Jiang, Mr. Zhou Wei, Dr. Chen Lei, Mr. Fan Chi Chiu, Dr. Li Yongrui and Mr. Qian Hongji.

In accordance with article 16(19) of the Articles of Association, Ms. Hu Hongfang, an executive Director, and Dr. Li Yongrui and Mr. Qian Hongji, the independent non-executive Directors will retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

Dr. Chen Lei, Mr. Fan Chi Chiu, Dr. Li Yongrui and Mr. Qian Hongji, who have served the Board as independent non-executive Directors since the Listing Date, have each made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board is satisfied that, taking into account, inter alia, the valuable independent judgement, advice and objective views contributed by Dr. Chen Lei, Mr. Fan Chi Chiu, Dr. Li Yongrui and Mr. Qian Hongji, all of them are of such character, integrity and experience commensurate with office of independent non-executive Directors. The Board is not aware of any circumstance that might influence the independence of Dr. Chen Lei, Mr. Fan Chi Chiu, Dr. Li Yongrui and Mr. Qian Hongji.

LETTER FROM THE BOARD

Nomination Procedure

When identifying suitable candidates for directorship, the nomination committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

To enhance the quality of the performance of the Board and to achieve diversity on the Board, the Board adopted its board diversity policy, pursuant to which (i) all Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board; and (ii) selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skills, knowledge and length of service. If it involves the appointment of an independent non-executive Director of the Board, the nomination committee shall also consider the perspectives, skills and experience that the person can bring to the Board, and how the person would contribute to the diversity of the Board. The Company shall take into account its own business model and specific needs, and disclose the rationale for the factors it uses for this purpose. The ultimate decision be based on merit and contribution that the selected candidates will bring to the Board.

Recommendation of the Nomination Committee

The nomination committee considered Ms. Hu Hongfang, an executive Director, and Dr. Li Yongrui and Mr. Qian Hongji, the independent non-executive Directors, by virtue of their extensive experience in the property management industry, familiarity with the operation of the Group, connection with the PRC, working profile and other experience and factors as set out in Appendix I to this circular; and was satisfied that they had the required character, integrity and experience to continuously fulfil their role as executive Director and independent non-executive Directors effectively. The nomination committee believed that their re-election as executive Director and independent non-executive Directors would be in the best interests of the Company and its Shareholders as a whole.

Accordingly, with the recommendation of the nomination committee, the Board has proposed that all the above retiring Directors, namely Ms. Hu Hongfang, Dr. Li Yongrui and Mr. Qian Hongji stand for re-election as Directors at the AGM. Further information about the Board's composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the general meetings of the Directors (including the retiring Directors) is disclosed in the corporate governance report of the annual report. The particulars of the Directors proposed to be re-elected are set out in Appendix I to this circular.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Thursday, 25 May 2023 to Wednesday, 31 May 2023, both days inclusive, during which period no share transfers can be registered.

In order to ensure the eligibility for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Wednesday, 24 May 2023.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 14 to 18 of this circular is the Notice of the Annual General Meeting at which ordinary resolutions will be proposed to the Shareholders to consider and approve, inter alia, (i) the grant to the Directors of General Mandates to issue Shares and repurchase Shares; and (ii) the re-election of the retiring Directors.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's Share Registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the Annual General Meeting. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, voting on all resolutions set out in the Notice of Annual General Meeting shall be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each share registered in his/her name in the register. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way. As at the Latest Practicable Date, to the extent the Company is aware, having made all reasonable enquires, no Shareholder has to abstain from voting on any of the proposed resolutions. The results of the poll will be published on the websites of the Company and the Stock Exchange on the date of the Annual General Meeting.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandates and the re-election of the retiring Directors are in the best interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Hevol Services Group Co. Limited
Wang Wenhao
Executive Director

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING

The following are the details of the Directors proposed to be retired (as required by the Articles of Association of the Company), and being eligible, offer themselves for re-election at the Annual General Meeting.

Save as disclosed herein, none of these Directors (i) holds any directorships in other listed public companies in Hong Kong or overseas in the last three years; (ii) holds any other positions with the Company and its subsidiaries; and (iii) has any relationship with any Directors, senior management, substantial or controlling Shareholders (as defined under the Listing Rules).

DIRECTOR CANDIDATES

Ms. Hu Hongfang (胡洪芳), aged 55, was appointed as our Director on 9 August 2018 and was redesignated as our executive Director and was appointed as our Chief Financial Officer on 13 February 2019. Ms. Hu is responsible for the overall strategic planning, business development and financial management of our Group.

Prior to joining our Group, Ms. Hu served as assistant accountant of the Xuzhou West Station of the Jinan Bureau of the Ministry of Railways (鐵道部濟南局徐州鐵路西站) from August 1992 to March 2003. She was the manager of the finance department and accountant of the Xuzhou Railway Advertisement and Decoration Information Networks Co. Ltd. (徐州鐵路廣告裝飾信息網絡有限公司) from April 2003 to November 2005. From December 2005 to May 2007, Ms. Hu served as the deputy general manager and chief financial officer of Chongqing Qishan Shiye Co., Ltd. (重慶祺山實業有限公司). Ms. Hu has been serving as the executive director and general manager of Chongqing Hevol Property Services Company Limited (重慶和泓物業服務有限公司) since June 2007. Ms. Hu has also served as the chairman of Guizhou Furuiying Information Consultancy Limited (貴州福瑞盈信息諮詢有限公司) since September 2018, as a director of Hevol Group Limited and as a director and chairman of the board of Guizhou Hevol Abundance Property Management Limited (貴州和泓豐盈物業管理有限公司) since August 2018.

Ms. Hu obtained a bachelor's degree in accounting from East China Jiaotong University (華東交通大學) in China in July 1991. Ms. Hu was accredited as an accountant by Ministry of Finance of the PRC in May 1996.

A service contract has been entered into between Ms. Hu and the Company for a term of three years commencing from the Listing Date and continue thereafter, subject to rotation and re-election in accordance with the Articles of Association. The remuneration of Ms. Hu is determined by the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. Ms. Hu did not receive any Director's fee for acting as executive Director of the Company for the year ended 31 December 2022. However, she received a sum of approximately RMB492,000 being salaries and allowances in respect of her position as executive Director of the Company for the year ended 31 December 2022.

As at the Latest Practicable Date, Ms. Hu did not have any interests in Shares or underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING

In relation to the proposed re-election of Ms. Hu as a Director, there is no information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Dr. Li Yongrui (李永瑞), aged 52, was appointed as an independent non-executive Director on 14 June 2019. He is responsible for supervising and providing independent judgement to the Board. He is the chairman of the remuneration committee and a member of the nomination committee of the Board.

Dr. Li is currently an associate professor in School of Government Management of Beijing Normal University (北京師範大學). Dr. Li has been a lecturer in management studies in Beijing Normal University (北京師範大學) since July 2003 and an associate professor of Beijing Normal University (北京師範大學) since June 2005.

Dr. Li obtained his bachelor's degree in science from Guizhou Normal University (貴州師範大學) in China in July 1991 and master's degree in sport pedagogy from Liaoning Normal University (遼寧師範大學) in China in July 1997. Dr. Li graduated from Beijing Sport University (北京體育大學) in China with a doctor's degree in education in July 2001 and he was a psychology postdoctoral researcher at Beijing Normal University (北京師範大學) in China from July 2001 to July 2003.

A letter of appointment has been entered into between Dr. Li and the Company for a term of three years commencing from the Listing Date and continue thereafter, subject to rotation and re-election in accordance with the Articles of Association. The remuneration of Dr. Li is determined by the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. Dr. Li received a Director's fee of approximately RMB155,000 for acting as an independent non-executive Director of the Company for the year ended 31 December 2022. Save as the above disclosure, Dr. Li did not receive any salaries, allowances, benefit in kind and performance related discretionary bonuses for acting as independent non-executive Director of the Company for the year ended 31 December 2022.

As at the Latest Practicable Date, Dr. Li did not have any interests in Shares or underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

In relation to the proposed re-election of Dr. Li as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING

Mr. Qian Hongji (錢紅驥), aged 47, was appointed as an independent non-executive Director on 14 June 2019. He is responsible for supervising and providing independent judgement to the Board. He is a member of the audit committee, nomination committee and remuneration committee of the Board.

From May 1999 to May 2004, Mr. Qian was a lawyer and a partner of Beijing Fenglian Licheng Law Firm (北京豐聯立成律師事務所). From May 2005 to present, Mr. Qian has worked at Beijing Dacheng Law Firm (北京大成律師事務所) as senior partner and global director.

Mr. Qian has been an independent non-executive director of China Biotech Services Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 8037), since March 2018.

Mr. Qian obtained a bachelor's degree in law from China Youth University of Political Studies (中國青年政治學院) in China in July 1998 and a master's degree in law from Peking University in China in January 2009. Mr. Qian is a practising PRC lawyer.

A letter of appointment has been entered into between Mr. Qian and the Company for a term of three years commencing from the Listing Date and continue thereafter, subject to rotation and re-election in accordance with the Articles of Association. The remuneration of Mr. Qian is determined by the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. Mr. Qian received a Director's fee of approximately RMB155,000 for acting as an independent non-executive Director of the Company for the year ended 31 December 2022. Save as the above disclosure, Mr. Qian did not receive any salaries, allowances, benefit in kind and performance related discretionary bonuses for acting as independent non-executive Director of the Company for the year ended 31 December 2022.

As at the Latest Practicable Date, Mr. Qian did not have any interests in Shares or underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

In relation to the proposed re-election of Mr. Qian as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This explanatory statement, as listed below, contains all reasonable information required under the Listing Rules for Shareholders 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 Repurchase Mandate.

REPURCHASE MANDATE

As at the Latest Practicable Date, the Company had 560,000,000 Shares in issue. Subject to the passing of the resolution granting the Repurchase Mandate and on the assumption that there is no change to the number of issued shares before the Annual General Meeting, the Company will, in accordance with the Repurchase Mandate, be allowed to repurchase a maximum of 56,000,000 Shares which represent 10% of the total number of shares of the Company in issue as at the date of the passing of the resolution.

REASONS AND FUNDING OF THE REPURCHASE

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

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and Articles of Association of the Company and the laws of the Cayman Islands. The Cayman Companies Law provide that payment for a share repurchase may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or, subject to the Cayman Companies Law, out of capital of the Company. The amount of premium payable on the repurchase of Shares in accordance with the Cayman Companies Law may only be paid out of either the profits or out of the share premium account of the Company. In addition, under the laws of the Cayman Islands, payment out of share capital by the Company for the repurchase of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the Company shall be able to repay its debts as they fall due in the ordinary course of business.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase Shares in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate is to be exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is exercised.

The Directors have undertaken to the Stock Exchange that, so far as the relevant requirements are applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association, the Cayman Companies Law and other applicable laws of the Cayman Islands.

No core connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares in accordance with the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Brilliant Brother Limited held 286,439,934 Shares, representing approximately 51.15% of the total number of Shares in issue. Brilliant Brother Limited is owned as to 100% by Mr. Liu Jiang.

The Listing Rules prohibit a repurchase if the repurchase of Shares on the Stock Exchange would lead to less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Highest traded price HK\$	Lowest traded price HK\$
2022		
April	4.22	4.00
May	4.02	3.78
June	4.03	3.76
July	3.99	3.66
August	3.71	3.50
September	4.10	3.60
October	4.08	2.83
November	3.90	2.99
December	3.77	3.01
2023		
January	3.70	3.30
February	3.65	3.51
March	3.70	3.50
April (up to the Latest Practicable Date)	3.66	3.40

NOTICE OF ANNUAL GENERAL MEETING



HEVOL SERVICES GROUP CO. LIMITED 和泓服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6093)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Hevol Services Group Co. Limited (the “**Company**”) will be held at 16th Floor, Block D, Newlogo International Building, No. 18A Zhongguancun South Street, Haidian District, Beijing, People’s Republic of China on Wednesday, 31 May 2023 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider, and adopt the Company’s audited consolidated financial statements and the reports of the Directors and auditors for the year ended 31 December 2022.
2.
 - (i) To re-elect Ms. Hu Hongfang as an executive Director;
 - (ii) To re-elect Dr. Li Yongrui as an independent non-executive Director; and
 - (iii) To re-elect Mr. Qian Hongji as an independent non-executive Director.
3. To authorise the board of directors to fix the remuneration of the Directors.
4. To re-appoint BDO Limited as auditors and authorise the Board of Directors to fix their remuneration.
5. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

“THAT:

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the total number of shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend 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 in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:
 - (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) “**Rights Issue**” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”;

6. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

“**THAT:**

- (i) subject to paragraph (ii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the total number of shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the total number of shares of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

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

NOTICE OF ANNUAL GENERAL MEETING

- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”;
and

7. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

“**THAT** conditional upon the resolutions numbered 5 and 6 set out in the notice convening this meeting being passed, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might be required for the exercise of such powers pursuant to the ordinary resolution numbered 5 set out in the notice convening this meeting be and is hereby extended by the addition to the total number of shares of the Company which may be allotted by the Directors pursuant to such general mandate in the resolution numbered 5 by such number of shares bought back by the Company under the authority granted pursuant to ordinary resolution numbered 6 set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the total number of shares of the Company in issue at the date of passing of the said resolutions.”

By order of the Board
Hevol Services Group Co. Limited
Wang Wenhao
Executive Director

Hong Kong, 28 April 2023

Registered office:

Ugland, House
P.O. Box 309
Grand Cayman, KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Room 2609, China Resources Building
26 Harbour Road
Wanchai, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Ordinary resolution numbered 7 will be proposed to the shareholders for approval provided that ordinary resolutions numbered 5 and 6 above are passed by the shareholders.
- (ii) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote on behalf of him/her; a proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited the Company's 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, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) For determining the entitlement to attend and vote at the above meeting, the transfer books and register of members will be closed from Thursday, 25 May 2023 to Wednesday, 31 May 2023 both days inclusive, during which period no share transfers can be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 24 May 2023.
- (vi) In respect of ordinary resolutions numbered 2(i) to 2(iii) above, Ms. Hu Hongfang, Dr. Li Yongrui and Mr. Qian Hongji shall retire and being eligible, will offer themselves for re-election at the above meeting. The biographical details of the above retiring directors are set out in Appendix I to the accompanied circular dated 28 April 2023.
- (vii) In respect of the ordinary resolution numbered 5 above, the directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.
- (viii) In respect of ordinary resolution numbered 6 above, the directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. The Explanatory Statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 28 April 2023.

As at the date hereof the Board comprises two executive Directors, namely Ms. Hu Hongfang and Mr. Wang Wenhao, two non-executive Directors, namely Mr. Liu Jiang and Mr. Zhou Wei, and four independent non-executive Directors, namely Dr. Chen Lei, Mr. Fan Chi Chiu, Dr. Li Yongrui and Mr. Qian Hongji.