
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer 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 Dafeng Port Heshun Technology Company 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, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8310)

(1) RE-ELECTION OF RETIRING DIRECTORS (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES (3) EXTENSION OF GENERAL MANDATE TO ISSUE SHARES AND (4) NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of the Company to be held at Room 1703, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Thursday, 13 May 2021 at 3:00 p.m. is set out on pages 15 to 18 of this circular.

Whether or not you are able to attend the annual general meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM of The Stock Exchange of Hong Kong Limited website at www.hkexnews.hk for 7 days from the date of its publication and on the Company’s website at www.dfport.com.hk.

PRECAUTIONARY MEASURES FOR AGM

We will implement the following measures to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the AGM, including:

- compulsory body temperature checks and health declarations
- recommended wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

30 March 2021

CHARACTERISTICS OF GEM

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Re-election of Retiring Directors	4
3. General Mandate to Issue Shares	4
4. General Mandate to Repurchase Shares	5
5. Extension of Issue Mandate	5
6. AGM	5
7. Responsibility of the Directors	6
8. Recommendation	6
9. General Information	6
Appendix I — Particulars of Retiring Directors for Re-election	7
Appendix II — Explanatory Statement for the Repurchase Mandate	11
Notice of Annual General Meeting	15

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Room 1703, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Thursday, 13 May 2021 at 3:00 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Dafeng Port Heshun Technology Company Limited (大豐港和順科技股份有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandates”	the Issue Mandate and the Repurchase Mandate
“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
“Issue Mandate”	a general and unconditional mandate proposed to be granted at the AGM to Directors to exercise all the powers of the Company to allot, issue and deal with Shares up to 20% of the issued share capital of the Company as at the date of passing such resolution
“Latest Practicable Date”	24 March 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“PRC”	the People’s Republic of China

DEFINITIONS

“Repurchase Mandate”	a general and unconditional repurchase mandate proposed to be granted at the AGM to the Directors to exercise all the powers of the Company to repurchase Shares up to 10% of the issued share capital of the Company as at the date of passing such resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(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
“%”	per cent.



Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8310)

Executive Directors:

Mr. Tao Ying (*Chairman*)
Mr. Chen Wenxiang
Ms. Leng Panpan

Non-executive Directors:

Mr. Ji Longtao
Mr. Yang Yue Xia
Mr. Miao Zhibin

Independent non-executive Directors:

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

Registered office:

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 1009, Exchange Tower
33 Wang Chiu Road
Kowloon Bay, Kowloon
Hong Kong

30 March 2021

To the Shareholders

Dear Sir or Madam,

(1) RE-ELECTION OF RETIRING DIRECTORS
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(3) EXTENSION OF GENERAL MANDATE TO ISSUE SHARES
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM which include, *inter alia*, (i) the re-election of retiring Directors; (ii) the General Mandates to issue and repurchase Shares; and (iii) the extension of the Issue Mandate.

LETTER FROM THE BOARD

2. RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 83(3) of the Articles, Mr. Miao Zhibin as a non-executive Director will hold office until the AGM and, being eligible, offer himself for re-election at the AGM.

In accordance with article 84(1) of the Articles, Dr. Bian Zhaoxiang, Mr. Lau Hon Kee and Mr. Yu Xugang as independent non-executive Director will retire from office by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

Details of the above retiring Directors who are subject to re-election at the AGM are set out in Appendix I to this circular in accordance with the relevant requirements of the GEM Listing Rules.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 29 June 2020, the Directors were granted a general mandate to allot, issue and deal with Shares (the “**2020 General Mandate**”). The 2020 General Mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors a new general and unconditional mandate to allot, issue and otherwise deal with the Shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution.

The Directors have no present intention to exercise the Issue Mandate (if granted to the Directors at the AGM).

The Issue Mandate allows the Company to allot, issue and otherwise deal with the Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles or the laws of the Cayman Islands; or (iii) the date upon which such authority is revoked, renewed or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the “**Relevant Period**”).

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,288,000,000 Shares. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the basis that no further Shares will be allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 257,600,000 Shares under the Issue Mandate, representing 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM.

LETTER FROM THE BOARD

4. GENERAL MANDATE TO REPURCHASE SHARES

The Company's existing mandate to repurchase Shares (the "**Existing Repurchase Mandate**") was approved by the Shareholders at the annual general meeting held on 29 June 2020. The Existing Repurchase Mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors a new general and unconditional mandate to repurchase Shares representing up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution. The Repurchase Mandate allows the Company to make purchases only during the Relevant Period.

The Directors have no present intention to exercise the Repurchase Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,288,000,000 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares will be allotted and issued or repurchased prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 128,800,000 Shares under the Repurchase Mandate, representing 10% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is set out in Appendix II to this circular to provide the Shareholders with the necessary information regarding the Repurchase Mandate.

5. EXTENSION OF ISSUE MANDATE

Conditional upon the passing of the resolutions to grant the General Mandates, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate.

6. AGM

A notice convening the AGM is set out on pages 15 to 18 of this circular. The AGM will be held at Room 1703, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Thursday, 13 May 2021 at 3:00 p.m. for the purpose of considering and, if thought fit, approving the resolutions as set out therein. According to Rule 17.47(4) of the GEM Listing Rules, the voting at the AGM will be taken by poll.

A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

LETTER FROM THE BOARD

7. RESPONSIBILITY OF THE DIRECTORS

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

8. RECOMMENDATION

The Board considers that the proposed resolutions in relation to the re-election of retiring Directors, the granting of the General Mandates and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders vote in favour of all the resolutions to be proposed at the AGM.

9. GENERAL INFORMATION

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Dafeng Port Heshun Technology Company Limited
Tao Ying
Chairman

The biographical details of the retiring Directors eligible for re-election at the AGM are set out as follows:

NON-EXECUTIVE DIRECTOR

Mr. Miao Zhibin (“**Mr. Miao**”), aged 51, has been re-designated as a non-executive Director and has resigned as the chief executive officer on 28 December 2020. He was an executive Director and the chief executive officer from 28 December 2018 to 27 December 2020. He was a non-executive Director from 26 June 2018 to 27 December 2018. Mr. Miao has been working as the general manager in 上海信志能源有限公司 (Shanghai Xinzhi Energy Co., Limited*) since 2004. Mr. Miao is also the legal representative, the chairman and the general manager of 江蘇大豐港海融海運有限公司 (Jiangsu Dafeng Port Hairong Shipping Co., Limited*), an associate of one of the controlling shareholders of the Company, namely 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*). Mr. Miao graduated from Tsinghua University School of Information Management System with a bachelor degree in the People’s Republic of China (“**PRC**”) in 1992. He later obtained a master degree in business administration from the University of International Business and Economics in the PRC in 1995.

Mr. Miao has entered into a new service contract with the Company as a non-executive Director with effect from 28 December 2020 and ends on 27 December 2021 subject to termination in certain circumstances as stipulated in his service contract. His appointment shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

Under the said service contract, Mr. Miao is entitled to an annual remuneration of HK\$240,000 which has been reviewed by the remuneration committee of the Company and determined with reference to his duties and responsibilities as well as remuneration benchmarks in the industry and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. Miao did not (i) hold any positions in other members of the Group; (ii) hold any directorship in other listed companies in Hong Kong or overseas during the past three years; (iii) hold other major appointments and professional qualifications; (iv) have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company; and (v) have any interests in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Miao as a non-executive Director, there is no other information that should be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Bian Zhaoxiang (“**Dr. Bian**”), aged 54, has been appointed as an independent nonexecutive Director since 15 May 2015. He had been educated in 南京中醫藥大學 (Nanjing University of Traditional Chinese Medicine*), 北京中醫藥大學 (Beijing University of Traditional Chinese Medicine and Pharmacology*) and 廣州中醫藥大學 (Guangzhou University of Traditional Chinese Medicine*) and was conferred the Ph.D. degree in Integrated Chinese and Western Medicine. Currently, Dr. Bian serves as a director of the clinical division of the School of Chinese Medicine, and an associate vice president of the Hong Kong Baptist University. He has engaged in clinical and basic research in digestive diseases and involved in publication of many experimental and clinical researches. He has been awarded a second prize of National Science and Technology Award of China in 1999.

Dr. Bian has entered into a service contract with the Company as an independent non-executive Director for a term of three years commenced on 15 May 2020 subject to termination in certain circumstances as stipulated in his service contract. His appointment shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Under the said service contract, Dr. Bian is entitled to an annual director’s fee of HK\$120,000, which was determined with reference to his duties and responsibilities within the Group.

Save as disclosed above, as at the Latest Practicable Date, Dr. Bian did not (1) hold any position in other members of the Group; (2) hold any directorship in listed public companies in Hong Kong or overseas during the past three years; (3) have other major appointments and professional qualifications; (4) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (5) have any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, the Company considers that in relation to the re-election of Dr. Bian as an independent non-executive Director, there is no other information that should be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Lau Hon Kee (“**Mr. Lau**”), BComm, MPA, FCPA, CPA (Aust.), aged 50, has been appointed as an independent non-executive Director since 31 May 2016. He was the financial controller and company secretary of 山東羅欣藥業集團股份有限公司 (Shandong Luoxin Pharmaceutical Group Stock Co. Ltd*) (a company listed on the Stock Exchange with stock code: 8058) until 31 December 2017 and a joint company secretary of Zhejiang Tengy Environmental Technology Co., Ltd (a company listed on the Stock Exchange with stock code: 1527) until 31 January 2018. Mr. Lau has been an independent non-executive director of Astrum Financial Holdings Limited (a company listed on the Stock Exchange with stock code: 8333) since 23 June 2016. Mr. Lau was an independent non-executive director of Strong Petrochemical Holdings Limited (a company listed on the Stock Exchange with stock code: 852) from November 2008 to January 2012. Mr. Lau obtained a bachelor’s degree in commerce from the Australian National University in April 1994 and a

master's degree in professional accounting from the Hong Kong Polytechnic University in October 2009. Mr. Lau is a Certified Practising Accountant of CPA (Aust.) and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since 1999. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants since 2006 and FCPA of CPA (Aust.) since 2020.

Mr. Lau has entered into a service contract with the Company as an independent nonexecutive Director for a term of three years commenced on 31 May 2020 subject to termination in certain circumstances as stipulated in his service contract. His appointment shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

Under the said service contract, Mr. Lau is entitled to an annual director's fee of HK\$180,000, which was determined with reference to his duties and responsibilities within the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Lau did not (1) hold any position in other members of the Group; (2) hold any directorship in listed public companies in Hong Kong or overseas during the past three years; (3) have other major appointments and professional qualifications; (4) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (5) have any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Lau as an independent non-executive Director, there is no other information that should be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Yu Xugang (“**Mr. Yu**”), aged 52, has been appointed as an independent nonexecutive Director since 31 May 2016. He has been acted as an independent non-executive director of Central China Securities Co., Ltd. (a company listed on the Stock Exchange with stock code: 1375) since December 2015. Mr. Yu was an independent director of Hebei Baoshuo Company Limited (a company listed on the Shanghai Stock Exchange with stock code: 600155) since December 2016. He was a partner at Beijing Dentons Law Offices, LLP from August 2001 to December 2003 and has been promoted to a senior partner at Beijing Dentons Law Offices, LLP since January 2004. Mr. Yu was an independent director of Da Cheng Fund Management Company Limited from August 2008 to August 2011. Mr. Yu was an independent director of Inner Mongolia Baotou Steel Union Co., Ltd (a company listed on the Shanghai Stock Exchange with stock code: 600010), from August 2009 to August 2015, and an independent director of Hubei Shuangjian Blower Company Limited (a company listed on National Equities Exchange and Quotations with stock code: 833468) from October 2012 to October 2015. Mr. Yu obtained a bachelor's degree in law from the China University of Political Science and Law in 1990, a master's degree in international economic law from the Peking University in July 1998 and a doctorate degree in law from the Peking University in July 2001.

Mr. Yu has entered into a service contract with the Company as an independent nonexecutive Director for a term of three years commenced on 31 May 2020 subject to termination in certain circumstances as stipulated in his service contract. His appointment shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

Under the said service contract, Mr. Yu is entitled to an annual director's fee of HK\$120,000, which was determined with reference to his duties and responsibilities within the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yu did not (1) hold any position in other members of the Group; (2) hold any directorship in listed public companies in Hong Kong or overseas during the past three years; (3) have other major appointments and professional qualifications; (4) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (5) have any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Yu as an independent non-executive Director, there is no other information that should be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

* *For identification purpose only*

This appendix serves as an explanatory statement, as required under the GEM Listing Rules to provide the requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to maximum of 10% of the issued share capital of the Company as at the date of approval for the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 1,288,000,000. Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 128,800,000 Shares, being 10% of the entire issued share capital of the Company as at the date of passing the resolution.

REASONS FOR REPURCHASE

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

FUNDING OF REPURCHASE

Repurchase by the Company must be funded out of funds legally available for such purpose in accordance with the Articles, the applicable laws and regulations of the Cayman Islands and the GEM Listing Rules. A listed company is prohibited from repurchasing its own securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Subject to the foregoing, any repurchase by the Company may be made out of its profits, share premium, or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase and in the case of any premium payable on a repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company. Subject to the Companies Law of the Cayman Islands and if so authorised by the Articles, a repurchase may also be made out of the capital of the Company. Repurchase to be made pursuant to the Repurchase Mandate would be financed out of funds legally available for the purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

IMPACT OF REPURCHASE

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 31 December 2020, being the date of the Company's latest published audited consolidated financial statements. However, 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 Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

DIRECTORS' INTENTION TO SELL SHARES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell Shares to the Company or its subsidiaries.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

CONNECTED PARTIES

The GEM Listing Rules prohibit a company from knowingly purchasing securities on GEM from a "core connected person", that is, a Director, chief executive or substantial Shareholder of the Company or any of its subsidiaries or their respective close associates, and a core connected person (as defined in the GEM Listing Rules) is prohibited from knowingly selling his/her/its securities of the Company to the Company.

As at the Latest Practicable Date, no core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF THE TAKEOVERS CODE

If, as a result of a securities repurchase pursuant to 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 purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and the provision may apply as a result of any such increase. The Directors are not aware of any consequences of repurchase which would arise under the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders had interests representing 5% or more of the issued share capital of the Company:

Entity name	Number of Shares held	Nature of interest	Approximate % of total issued Shares
Dafeng Port Overseas (Note 1)	740,040,000	Beneficial owner and have provided an interest in the shares as security to a person other than a qualified lender	57.46%
Jiangsu Dafeng (Note 2)	740,040,000	Interest of controlled corporation	57.46%
江蘇鹽城港控股集團有限公司(Jiangsu Yancheng Harbor Holdings Limited*) (“ Jiangsu Yancheng ”) (Note 2)	740,040,000	Interest of controlled corporation	57.46%
鹽城市人民政府 (the People’s Government of Yancheng City*) (“ PGYC ”) (Note 2)	740,040,000	Interest of controlled corporation	57.46%
Mr. Jiang Wen (Note 3)	75,910,000	Beneficial owner, interest of controlled corporation and interest of spouse	5.89%
Ms. Li Qiu Hua (Note 4)	75,910,000	Beneficial owner and interest of spouse	5.89%

Notes:

- Dafeng Port Overseas, a company incorporated in Hong Kong with limited liability, is owned as to 40% by Jiangsu Dafeng, which in turn is wholly owned by Jiangsu Yancheng, 40.2% of which is owned by PGYC.
- Jiangsu Dafeng, Jiangsu Yancheng and PGYC are deemed to be interested in the Shares of the Company held by Dafeng Port Overseas under the SFO.
- Mr. Jiang Wen, the director, the general manager and the legal representative of Qianhai Mingtian which is an indirect subsidiary of the Company, directly and beneficially owns 51,790,000 Shares. Ms. Li Qiu Hua, the spouse of Mr. Jiang Wen, directly and beneficially owns 10,520,000 Shares. Jing Ji (Holdings) Co., Limited, a company wholly-owned by Mr. Jiang Wen, directly and beneficially owns 13,600,000 Shares. As such, under the SFO, Mr. Jiang Wen is deemed, or taken to be, interested in 75,910,000 Shares.

4. Ms. Li Qiu Hua directly and beneficially owns 10,520,000 Shares. As Mr. Jiang Wen's spouse, she is, under the SFO, deemed to be, or taken to be, interested in the same number of Shares in which Mr. Jiang Wen is interested.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25% of the total issued share capital of the Company, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

SHARE PRICE

The highest and lowest prices at which the Shares have been traded on the GEM in each of the 12 months immediately preceding (and including) the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
May	0.3900	0.1990
June	0.4500	0.2050
July	0.2490	0.1880
August	0.1890	0.1480
September	0.1570	0.1230
October	0.2370	0.1300
November	0.7000	0.2180
December	0.2950	0.2250
2021		
January	0.3000	0.2010
February	0.2450	0.1800
March(up to the Latest Practicable Date)	0.2190	0.2100

SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares (whether on the GEM or otherwise) during the six months immediately preceding the Latest Practicable Date.



Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8310)

NOTICE IS HEREBY GIVEN that the annual general meeting of Dafeng Port Heshun Technology Company Limited (the “**Company**”) will be held at Room 1703, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Thursday, 13 May 2021 at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020 and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2020.
2.
 - (a) To re-elect Mr. Miao Zhibin as a non-executive Director;
 - (b) To re-elect Dr. Bian Zhaoxiang as an independent non-executive Director;
 - (c) To re-elect Mr. Lau Hon Kee as an independent non-executive Director;
 - (d) To re-elect Mr. Yu Xugang as an independent non-executive Director; and
 - (e) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Mazars CPA Limited as the auditor of the Company and its subsidiaries and to authorise the Board to fix its remuneration.

To consider as special business and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions:

4. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company (“**Shares**”) or securities

NOTICE OF ANNUAL GENERAL MEETING

convertible into the Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements or options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval given in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into the Shares) which might require the exercise of aforesaid powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) and (b) of this resolution, otherwise than pursuant to:
 - i. a Rights Issue (as hereinafter defined); or
 - ii. any issue of Shares upon exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into the Shares; or
 - iii. the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
 - iv. any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares pursuant to the articles of association of the Company in force from time to time,

shall not in total exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution,

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earlier 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 of the Cayman Islands to be held; or
- iii. the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, renewing or varying of the authority set out in this resolution.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on GEM of the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in accordance with rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the articles of association of the Company and all applicable laws of the Cayman Islands and/or other applicable laws in this regards, be and the same is hereby generally and unconditional approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the Shares repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the time of the passing of this resolution until whichever is the earlier 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; or
 - iii. the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, renewing and varying the authority set out in this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of Resolutions numbered 4 and 5 set out in the notice of the annual general meeting at which this resolution is considered, the general mandate granted to the Directors to allot, issue or otherwise deal with additional Shares pursuant to Resolution numbered 4 above of which this resolution forms part be and is hereby extended by the addition thereto of the aggregate nominal amount of the Shares which may be repurchased or agreed to be repurchased by the Company under the authority granted pursuant to the Resolution numbered 5 above, provided that such amount of Shares so repurchased by the Company shall not exceed 10% of aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By order of the Board
Dafeng Port Heshun Technology Company Limited
Tao Ying
Chairman

Hong Kong, 30 March 2021

Notes:

- (1) Any member of the Company entitled to attend and vote at the annual general meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her and so appointed shall have the same right as the member to speak at the meeting. A member who is the holder of two or more Shares of the Company may appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the annual general meeting is enclosed herewith.
- (3) The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
- (4) The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the annual general meeting or any adjourned meeting (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the annual general meeting or at any adjourned meeting (as the case may be) should they so wish.
- (5) Where there are joint registered holders of any Share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such Share shall be accepted to exclusion of the votes of the other joint holders.
- (6) In order to ascertain the entitlement of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 7 May 2021 to Thursday, 13 May 2021, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 6 May 2021.