

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in China Lesso Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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**LESSO 联塑**  
**CHINA LESSO GROUP HOLDINGS LIMITED**  
**中國聯塑集團控股有限公司\***  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2128)**

**PROPOSED GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China Lesso Group Holdings Limited to be held at JW Marriott Ballroom (Salon 1-3), Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on Tuesday, 15 June 2021, is set out on pages 15 to 19 of this circular. A form of proxy is also enclosed. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not prevent Shareholders from subsequently attending and voting at the Annual General Meeting if they so wish.

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

The Company will implement the following precautionary measures at the Annual General Meeting for prevention of coronavirus disease 2019 (“**COVID-19**”):

- mandatory use of surgical face masks by each attendee throughout the Annual General Meeting;
- compulsory body temperature screening and health declaration;
- appropriate distancing and spacing in line with the guidance from the Hong Kong government will be maintained and as such, the Company may limit the number of attendees on a “first-come-first served” basis at the Annual General Meeting as may be necessary to avoid over-crowding.

Any person who does not comply with the precautionary measures will be denied entry into the Annual General Meeting venue or be required to leave the Annual General Meeting venue immediately. In light of the continuing risks posed by the COVID-19 pandemic, Shareholders are strongly encouraged to exercise their voting rights at the Annual General Meeting by appointing the chairman of the Annual General Meeting as proxy to vote according to their indicated voting instructions as an alternative to attending the Annual General Meeting in person. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate. Shareholders are advised to read page 19 to this circular for further details.

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## DEFINITIONS

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

|                               |   |
|-------------------------------|---|
| “Annual General Meeting”      | the annual general meeting of the Company convened to be held at JW Marriott Ballroom (Salon 1–3), Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on Tuesday, 15 June 2021, the notice of which is set out on pages 15 to 19 of this circular, or any adjournment thereof |
| “Board”                       | the board of Directors  |
| “Code”                        | the Codes on Takeovers and Mergers and Share Buy-backs  |
| “Company”                     | China Lesso Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange  |
| “Declaration of Dividend”     | the declaration of a final dividend of HK38 cents per Share for the year ended 31 December 2020   |
| “Director(s)”                 | the director(s) of the Company  |
| “Existing Issue Mandate”      | a general mandate granted to the Directors at the annual general meeting of the Company held on 22 May 2020 to allot, issue and deal with Shares not exceeding 20% of the aggregate number of Shares in issue as at 22 May 2020   |
| “Existing Repurchase Mandate” | a general mandate granted to the Directors at the annual general meeting of the Company held on 22 May 2020 to repurchase Shares not exceeding 10% of the aggregate number of Shares in issue as at 22 May 2020   |
| “Group”                       | the Company and its subsidiaries  |
| “HK\$”                        | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong” or “HK”           | the Hong Kong Special Administrative Region of the People’s Republic of China   |
| “Latest Practicable Date”     | 20 April 2021, being the latest practicable date for ascertaining certain information referred to in this circular prior to the bulk-printing of this circular  |
| “Listing Rules”               | the Rules Governing the Listing of Securities on the Stock Exchange   |

## DEFINITIONS

|                               |   |
|-------------------------------|---|
| “PRC”                         | the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Administrative Region of the PRC and Taiwan  |
| “Proposed Repurchase Mandate” | a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution granting the Proposed Repurchase Mandate |
| “Retiring Directors”          | Mr. Luo Jianfeng, Mr. Lin Dewei, Ms. Lan Fang, Dr. Tao Zhigang and Ms. Lu Jiandong  |
| “SFO”                         | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)   |
| “Shareholder(s)”              | registered holder(s) of the Shares  |
| “Share(s)”                    | ordinary share(s) of the Company  |
| “Stock Exchange”              | The Stock Exchange of Hong Kong Limited   |
| “%”                           | per cent  |

\* *The English or Chinese translations in this circular, where indicated, denote for identification purposes only.*

**LESSO 联塑**  
**CHINA LESSO GROUP HOLDINGS LIMITED**  
**中國聯塑集團控股有限公司\***  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2128)**

*Executive Directors:*

Mr. Wong Luen Hei (*Chairman*)  
Mr. Zuo Manlun (*Chief executive*)  
Ms. Zuo Xiaoping  
Mr. Lai Zhiqiang  
Mr. Kong Zhaocong  
Mr. Chen Guonan  
Dr. Lin Shaoquan  
Mr. Huang Guirong  
Mr. Luo Jianfeng  
Mr. Lin Dewei

*Independent non-executive Directors:*

Mr. Wong Kwok Ho Jonathan  
Ms. Lan Fang  
Dr. Tao Zhigang  
Mr. Cheng Dickson  
Ms. Lu Jiandong

*Registered office:*

Maples Corporate Services Limited  
PO Box 309  
Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

*Principal place of business  
in Hong Kong:*

Unit 1A, 10th Floor,  
Tower 2,  
South Seas Centre  
75 Mody Road  
Tsim Sha Tsui East  
Kowloon, Hong Kong

26 April 2021

*To the Shareholders and, for information only,  
holders of options of the Company*

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

**INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information of the resolutions to be proposed at the Annual General Meeting for the approval of (a) granting the Directors a general mandate to allot, issue and deal with Shares of up to 20% of the aggregate number of Shares in issue as at the date of passing the relevant resolution granting such mandate; (b) granting the Directors the Proposed Repurchase Mandate; (c) the extension of the

## LETTER FROM THE BOARD

general mandate to issue Shares by adding to it the aggregate number of the issued Shares repurchased under the Proposed Repurchase Mandate; (d) the proposed re-election of Retiring Directors and (e) the Declaration of Dividend.

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 22 May 2020, ordinary resolutions were passed granting the Existing Issue Mandate and the Existing Repurchase Mandate to the Directors.

In accordance with the provisions of the Listing Rules and the terms of the Existing Issue Mandate and the Existing Repurchase Mandate, the Existing Issue Mandate and the Existing Repurchase Mandate shall lapse if, among other matters, they are revoked or varied by ordinary resolutions of the Shareholders in general meeting.

Resolutions set out as resolutions 6A(d) and 6B(c) in the notice of the Annual General Meeting will be proposed at the Annual General Meeting to revoke the Existing Issue Mandate and the Existing Repurchase Mandate, respectively. New general mandate to allot, issue and deal with Shares of up to 20% of the aggregate number of Shares in issue (which shall amount to 3,102,418,400 Shares based on the number of issued Shares as at the Latest Practicable Date assuming there being no change to the number of issued Shares since the Latest Practicable Date) as at the date of passing the relevant resolution granting this mandate, as set out in resolutions 6A(a), (b), (c) and (e) and the Proposed Repurchase Mandate as set out in resolutions 6B(a), (b) and (d) will also be proposed at the Annual General Meeting. Such mandates shall continue until the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or (iii) the revocation or variation of the authority given under such mandate by ordinary resolution of Shareholders in general meeting. With reference to the proposed new general mandates, the Directors wish to state that they have no immediate plans to issue or repurchase any Shares pursuant to the relevant mandates.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Repurchase Mandate is set out in the Appendix of this circular. The 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 resolution in relation to the Proposed Repurchase Mandate at the Annual General Meeting.

Resolutions set out as resolution 6C in the notice of the Annual General Meeting will also be proposed at the Annual General Meeting to extend the general mandate to issue Shares under resolution 6A by adding to it the aggregate number of the issued Shares repurchased under the Proposed Repurchase Mandate.

## LETTER FROM THE BOARD

### PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In March 2021, the nomination committee of the Company (the “**Nomination Committee**”), after having reviewed the profile of the Retiring Directors who have offered themselves for re-appointment at the Annual General Meeting to consider their suitability in light of the structure, size and composition of the Board, nominated the Retiring Directors to the Board for it to recommend to Shareholders for re-election as Directors at the Annual General Meeting. Ms. Lan Fang and Dr. Tao Zhigang who are members and present at the meeting of the Nomination Committee, abstained from voting at the meeting of the Nomination Committee when his/her nomination was being considered. The Board accepted the nomination by the Nomination Committee and recommended the Retiring Directors to stand for election by the Shareholders at the Annual General Meeting.

The nominations were made in accordance with the nomination policy of the Company and the objective criteria (including but not limited to: (a) attributes complementary to the Board, (b) business experience, board expertise and skills, (c) availability, (d) motivation, (e) integrity, (f) independence and (g) diversity (in all aspects), with due regard for the benefits of diversity as set out under the board diversity policy of the Company). The Nomination Committee had also taken into account the respective contributions of the Retiring Directors to the Board and their commitments to their roles.

In recommending each of Ms. Lan Fang, Dr. Tao Zhigang and Ms. Lu Jiandong to stand for re-election as an independent non-executive Director, the Nomination Committee has considered the following backgrounds and attributes of the nominees concerned:

- a. Ms. Lan Fang has been an independent non-executive director of the Company since 1 January 2015 and thus has served the Company for more than 6 years. Ms. Lan has been the President of Guangdong Construction and Decoration Materials Association since March 2008 and the President of Guangdong Construction and Decoration Design Association since August 2014. She has accumulated over 23 years of experience with respect to the administration of social organization and in the industry of construction and decoration materials, which is an area of expertise complementary to the business and operations of the Company. Ms. Lan has confirmed to the Company that she would be able to continue to devote sufficient time to the Board, and she does not have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company.
- b. Dr. Tao Zhigang has been an independent non-executive director of the Company since 1 September 2015 and thus has served the Company for more than 5 years. Dr. Tao is Professor of Economics and Strategy in the Faculty of Business and Economics and the director of the Institute for China and Global Development, the University of Hong Kong. The Directors noted the positive contribution of Dr. Tao and his in-depth academic knowledge of economics and formulation of strategies, which greatly complement the expertise and skills of the Board. Dr. Tao has confirmed to the Company that he would be able to continue to devote sufficient time to the Board, and he does not have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company.

## LETTER FROM THE BOARD

- c. Ms. Lu Jiandong has more than 15 years of experience in investment banking, and she has extensive management and capital markets experiences with deep knowledge about corporate finance, accounting and operations. She is currently the director and chief financial officer of Rise Education Cayman Ltd (Ticker: REDU), which is listed on NASDAQ. In light of Ms. Lu's previous working experience, qualification, expertise and skills in the area of investment banking and capital markets, the Directors believe that the Board would greatly benefit with Ms. Lu's continual service as an independent non-executive director of the Company. Ms. Lu has also confirmed to the Company that she would be able to continue to devote sufficient time to the Board, and she does not have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company.

The Nomination Committee considered that in view of their diverse and different educational backgrounds and professional knowledge and experience in the respective fields as mentioned in this circular, Ms. Lan Fang, Dr. Tao Zhigang and Ms. Lu Jiandong as independent non-executive Directors will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity (in particular in terms of skills) of the Board appropriate to the requirements of the Company's business.

The Nomination Committee also assessed and reviewed the annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules of each of Ms. Lan Fang, Dr. Tao Zhigang and Ms. Lu Jiandong, and re-affirmed the independency of each of them.

According to the Company's articles of association, the Retiring Directors shall retire from office and then be eligible for re-election at the Annual General Meeting.

Brief biography of each of the Retiring Directors to be re-elected at the Annual General Meeting are set out below:

### **Executive Directors**

**Mr. Luo Jianfeng**, aged 49, was appointed as an executive director of the Company on 2 April 2010. He is also a director/general manager/supervisor of various companies within the Group. Mr. Luo has approximately 28 years of experience in accounting and worked at Shunde City Accounting Firm from July 1993 to March 1996, Guangdong Dezheng Accounting Firm with Limited Liability from April 1996 to December 2001 and Guangdong Gongcheng Accounting Firm from January 2002 to December 2007. Mr. Luo worked for Foshan City Zhongzhengcheng Accounting Firm Co., Limited as a certified public accountant from January 2008 to April 2016. Mr. Luo is currently an executive director of Xingfa Aluminium Holdings Limited (stock code: 98), which is listed on the Stock Exchange. Mr. Luo is a member of The Chinese Institute of Certified Public Accountants. Mr. Luo obtained a bachelor's degree in economics from Guangdong University of Business Studies in June 1993.

## LETTER FROM THE BOARD

Mr. Luo has entered into a service contract with the Group for a term of 3 years with effect from 1 January 2021 until terminated by not less than 3 months' notice in writing served by either party on the other. The remuneration of Mr. Luo is HK\$2,600,000 annually with discretionary bonus, which is determined by references to market rates and factors such as his work load, responsibility and job complexity are taken into account. Pursuant to the SFO, Mr. Luo is interested in (i) 1,927,000 Shares, representing approximately 0.06% of the issued Shares; (ii) subscribed capital contribution of RMB1,568,626 of Jiangsu Yongbao Environmental Technology Co., Ltd.\* (江蘇永葆環保科技有限公司) (an associated corporation of the Company), representing approximately 3.30% of the registered capital of such associated corporation; and (iii) 6,846 shares of EDA Cloud Technology Holdings Limited (an associated corporation of the Company) that may be transferred to Mr. Luo upon the exercise of certain options, representing approximately 6.85% of the issued shares of such associated corporation, as at the Latest Practicable Date.

**Mr. Lin Dewei**, aged 60, has been re-designated as an executive director of the Company on 11 July 2018. Mr. Lin was appointed as a non-executive director of the Company on 27 February 2010. He is also a director/supervisor of various companies within the Group. Mr. Lin has more than 25 years of experience in the legal field and worked as a part-time lawyer at various law firms in the PRC between 1995 and 2001. In 2001, Mr. Lin practised as a lawyer at Guangdong Everwin Law Office and became a partner at the firm in 2004. Mr. Lin practised as a lawyer at Guangdong Yogo Law Firm from 2013 to 2020. Mr. Lin is currently a non-executive director of HC Group Inc. (stock code: 2280), which is listed on the Stock Exchange. Mr. Lin obtained a bachelor's degree in physics from South China University of Technology in July 1982. Mr. Lin received a certificate of lawyer qualification in the PRC in January 1990.

Mr. Lin has entered into a service contract with the Group for a term of 3 years with effect from 1 January 2021 until terminated by not less than 3 months' notice in writing served by either party on the other. The remuneration of Mr. Lin is HK\$2,600,000 annually with discretionary bonus, which is determined by references to market rates and factors such as his work load, responsibility and job complexity are taken into account. Mr. Lin does not have any interests in Shares pursuant to the SFO.

### **Independent Non-executive Directors**

**Ms. Lan Fang**, aged 45, was appointed as an independent non-executive director of the Company on 1 January 2015. Ms. Lan has been the President of Guangdong Construction and Decoration Materials Association since March 2008 and the President of Guangdong Construction and Decoration Design Association since August 2014. Ms. Lan graduated from Guangdong University of Technology with a college diploma in June 1996 and then pursued further studies in the EMBA CEO training programme of Sun Yat-sen University and the business management CEO training programme of Tsinghua University. She worked as the chairman of the materials committee of Guangzhou Architecture & Decoration Association from February 1998 to October 2006. Ms. Lan has accumulated over 23 years of experience with respect to the administration of social organisation and in the industry of construction and decoration materials.

## LETTER FROM THE BOARD

Ms. Lan has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Ms. Lan has not entered into any service agreement or contract of employment with the Company. Ms. Lan was appointed for a term of 3 years with effect from 1 January 2021, but her appointment is subject to rotation and re-election at general meetings of the Company in accordance with the articles of association of the Company. Ms. Lan receives a remuneration of HK\$360,000 annually for her directorship with the Company. The emoluments were mutually agreed upon between the Board and Ms. Lan with reference to her duties and responsibilities towards the Company and prevailing market conditions. Ms. Lan does not have any interests in Shares pursuant to the SFO.

**Dr. Tao Zhigang**, aged 55, was appointed as an independent non-executive director of the Company on 1 September 2015. Dr. Tao is Professor of Economics and Strategy in the Faculty of Business and Economics and the director of the Institute for China and Global Development, the University of Hong Kong. Prior to joining the University of Hong Kong in 1998, he taught at Hong Kong University of Science and Technology from 1992 to 1998. Dr. Tao received his B.Sc. in management science from Fudan University in 1986, and PhD in economics from Princeton University in 1992. Dr. Tao is currently an independent non-executive director of Huadian Fuxin Energy Corporation Limited (stock code: 816), which is listed on the Stock Exchange. Dr. Tao is senior fellow at Tsinghua University's National Center for Economic Research, senior fellow at Tsinghua University's Center for China in the World Economy, and special-term professor at Fudan University School of Management. He is also co-director of the Asia-Pacific Competitiveness Program of Hong Kong Institute of Economics and Business Strategy.

Dr. Tao has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Dr. Tao has not entered into any service agreement or contract of employment with the Company. Dr. Tao was appointed for a term of 3 years with effect from 1 January 2021, but his appointment is subject to rotation and re-election at general meetings of the Company in accordance with the articles of association of the Company. Dr. Tao receives a remuneration of HK\$360,000 annually for his directorship with the Company. The emoluments were mutually agreed upon between the Board and Dr. Tao with reference to his duties and responsibilities towards the Company and prevailing market conditions. Pursuant to the SFO, Dr. Tao is interested in 30,000 Shares, representing approximately 0% of the issued Shares as at the Latest Practicable Date.

**Ms. Lu Jiandong**, aged 51, was appointed as an independent non-executive director of the Company on 1 September 2020. Ms. Lu is currently the director and chief financial officer of Rise Education Cayman Ltd ("**Rise**") (Ticker: REDU), which is listed on NASDAQ. Ms. Lu has served multiple positions in Rise since October 2017, including as an independent director and the chief operating officer. Prior to Rise, Ms. Lu served as an executive director in a subsidiary of the Company from January 2018 to July 2018. With over 15 years of experience in investment banking, Ms. Lu has extensive management and capital markets experiences with deep knowledge about corporate finance, accounting and operations. Ms. Lu served as a managing director in the Global Real Asset Asia Fund of J.P. Morgan Asset Management Real Assets (Asia) Limited from May 2016 to March

## LETTER FROM THE BOARD

2017, and as a managing director and chief operating officer in J.P. Morgan First Capital Securities Co. Ltd. from April 2012 to March 2015. Ms. Lu joined J.P. Morgan Securities (Asia Pacific) Limited in August 2001 and became a managing director in May 2011. Ms. Lu served as a senior representative at John Hancock Mutual Life Insurance Company Beijing Representative Office from July 1994 to June 1999, and she also served as a public officer and chief translator in The Chinese People's Friendship Association with Foreign Countries from August 1991 to July 1994. Ms. Lu obtained a master degree in business administration from The Wharton School of the University of Pennsylvania in May 2001 and a Bachelor's degree in economics from Beijing International Studies University in July 1991.

Ms. Lu has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Ms. Lu has not entered into any service agreement or contract of employment with the Company. Ms. Lu was appointed for a term of 3 years with effect from 1 January 2021, but her appointment is subject to rotation and re-election at general meetings of the Company in accordance with the articles of association of the Company. Ms. Lu receives a remuneration of HK\$360,000 annually for her directorship with the Company. The emoluments were mutually agreed upon between the Board and Ms. Lu with reference to her duties and responsibilities towards the Company and prevailing market conditions. Ms. Lu does not have any interests in Shares pursuant to the SFO.

Save as disclosed above, there are no other matters relating to the re-election of the Retiring Directors that need to be brought to the attention of holders of securities of the Company and there is no information which is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

### **DECLARATION OF FINAL DIVIDEND**

The Board has recommended to declare a final dividend of HK38 cents per Share for the year ended 31 December 2020. Subject to the passing of the resolution set out in resolution numbered 2 in the notice of the Annual General Meeting, the proposed final dividend will be paid on or about Monday, 19 July 2021 to Shareholders whose names appear on the Company's register of members on Friday, 25 June 2021.

The register of members of the Company will be closed from Wednesday, 23 June 2021 to Friday, 25 June 2021, both dates inclusive, during such period no transfer of Shares will be registered. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 22 June 2021.

## LETTER FROM THE BOARD

### ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at JW Marriott Ballroom (Salon 1–3), Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on Tuesday, 15 June 2021 is set out on pages 15 to 19 of this circular.

There is enclosed a form of proxy for use at the Annual General Meeting. Whether or not the Shareholders intend to be present at the Annual General Meeting, they are requested to complete the form of proxy and return it to the office of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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 prevent the Shareholders from attending, and voting at the Annual General Meeting if they so wish.

### RECOMMENDATION

The Directors consider that the proposed resolutions for (i) granting the Directors a general mandate to allot, issue and deal with Shares of up to 20% of the aggregate number of Shares in issue as at the date of passing the relevant resolution granting such mandate; (ii) granting the Directors the Proposed Repurchase Mandate; (iii) the extension of the mandate in (i) above by adding to it the aggregate number of issued Shares repurchased under the Proposed Repurchase Mandate, (iv) the proposed re-election of the Retiring Directors and (v) the Declaration of Dividend are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all resolutions as set out in the notice 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.

### GENERAL INFORMATION

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

Yours faithfully,  
for and on behalf of the Board  
**China Lesso Group Holdings Limited**  
**Wong Luen Hei**  
*Chairman*

*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Proposed Repurchase Mandate.*

## **SOURCE OF FUNDS**

Repurchases must be funded out of fund legally available for the purpose and in accordance with the Company's constitutional documents and the laws of the jurisdiction in which the Company was incorporated or otherwise established.

## **ISSUED SHARES**

As at the Latest Practicable Date, the number of issued Shares comprised 3,102,418,400 Shares. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares will be issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 310,241,840 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or articles of association of the Company or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

## **REASONS FOR REPURCHASES**

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

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that there may be adverse impact on the working capital or gearing position of the Company, as compared with the positions disclosed in the audited accounts contained in the annual report of the Company for the financial year ended 31 December 2020, in the event that the proposed Share repurchase was to be carried out in full at any time during the proposed repurchase period. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing levels.

**SHARE PRICES**

The following table shows the highest and lowest prices at which the Shares had been traded on the Stock Exchange in each of the 12 months immediately preceding the Latest Practicable Date:

| <b>Month</b>                              | <b>Highest<br/>trading price<br/>per Share<br/><i>HK\$</i></b> | <b>Lowest<br/>trading price<br/>per Share<br/><i>HK\$</i></b> |
|---|--|---|
| <b>2020</b>                               |  |   |
| April                                     | 11.34  | 8.74  |
| May                                       | 11.52  | 9.20  |
| June                                      | 11.18  | 9.00  |
| July                                      | 15.66  | 10.10   |
| August                                    | 16.88  | 13.64   |
| September                                 | 15.80  | 13.04   |
| October                                   | 14.48  | 12.38   |
| November                                  | 14.50  | 12.20   |
| December                                  | 13.98  | 11.38   |
| <b>2021</b>                               |  |   |
| January                                   | 14.04  | 11.50   |
| February                                  | 16.56  | 12.80   |
| March                                     | 17.62  | 14.16   |
| April (up to the Latest Practicable Date) | 20.20  | 16.90   |

**GENERAL**

As at the Latest Practicable Date, 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) intended to sell any Shares to the Company in the event that the Proposed Repurchase Mandate is approved.

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

As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) had notified the Company that he had an intention to sell any Shares to the Company, or had undertaken not to do so, in the event that the Proposed Repurchase Mandate is approved.

If as a result of a repurchase of Shares, 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 the Code. Accordingly, a Shareholder, or group of Shareholders acting in concert

(as defined in the Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date and so far as was known to the Directors, Mr. Wong Luen Hei, an executive Director and the parties acting in concert (as defined in the Code) with him were interested in a total of 2,132,407,000 Shares, representing 68.73% of the aggregate number of issued Shares. On the basis that no further Shares will be issued or repurchased after the Latest Practicable Date, in the event that the Directors exercise the Proposed Repurchase Mandate in full, the shareholdings of Mr. Wong Luen Hei and the parties acting in concert (as defined in the Code) with him in the Company would be increased to 76.37% of the aggregate number of issued Shares as reduced by the exercise of the Proposed Repurchase Mandate in full. Mr. Wong Luen Hei and parties acting in concert with him would not be required under Rule 26 of the Code to make a mandatory offer pursuant to such increase. The Directors have no present intention to exercise in full the power to repurchase Shares proposed to be granted pursuant to the Proposed Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued shares would be held in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares being held in public hands.

The Company had not repurchased any Shares on the Stock Exchange or otherwise during the 6 months immediately preceding the Latest Practicable Date.

**LESSO 联塑**  
**CHINA LESSO GROUP HOLDINGS LIMITED**  
**中國聯塑集團控股有限公司\***  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2128)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**Meeting**”) of China Lesso Group Holdings Limited (the “**Company**”) will be held at JW Marriott Ballroom (Salon 1–3), Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on Tuesday, 15 June 2021 for the following purposes:

**ORDINARY RESOLUTIONS**

To consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions of the Company.

1. To receive and consider the audited financial statements and the reports of the directors and independent auditor of the Company for the year ended 31 December 2020;
2. To declare a final dividend of HK38 cents per share of the Company for the year ended 31 December 2020;
3. To re-elect each of the Retiring Directors, namely (a) Mr. Luo Jianfeng, (b) Mr. Lin Dewei, (c) Ms. Lan Fang, (d) Dr. Tao Zhigang and (e) Ms. Lu Jiandong (the “**Retiring Directors**”);
4. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the directors of the Company (the “**Directors**”);
5. To re-appoint Ernst & Young, certified public accountants, as independent auditor of the Company and to authorise the Board to fix its remuneration;
6. As special business, to consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions of the Company:

A. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with shares of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights

## NOTICE OF ANNUAL GENERAL MEETING

to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined);
  - (ii) the exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or right to acquire Shares; and
  - (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company;

shall not exceed 20% of the aggregate number of Shares in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose 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 law or the articles of association of the Company to be held; or

## NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in 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 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 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

**B. “THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company (“**Shares**”) on The Stock Exchange of Hong Kong Limited or on any other stock exchange recognised for this purpose by the Securities and Futures Commission 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, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of the Shares in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose 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 law or the articles of association of the Company to be held; or
  - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

- C. “**THAT** conditional upon the passing of Resolutions 6A and 6B as set out in the notice of this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to Resolution 6A above be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to Resolution 6B above, provided that such amount shall not exceed 10% of the aggregate number of the shares of the Company in issue as at the date of passing of this Resolution.”

By order of the Board  
**China Lesso Group Holdings Limited**  
**Wong Luen Hei**  
*Chairman*

Hong Kong, 26 April 2021

*Registered office:*

Maples Corporate Services Limited  
PO Box 309  
Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

*Principal place of business in Hong Kong:*

Unit 1A, 10th Floor  
Tower 2  
South Seas Centre  
75 Mody Road  
Tsim Sha Tsui East  
Kowloon, Hong Kong

*Note:*

1. Any member entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, this proxy form together with any power of attorney or other authority under which it is signed or a certified copy of such power of attorney must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof, (as the case may be).
3. In the case of joint holders, the vote of the senior who tenders a vote, whether present in person or by proxy, will be accepted to the exclusion of the vote(s) of other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

## NOTICE OF ANNUAL GENERAL MEETING

4. The register of members of the Company will be closed from Thursday, 10 June 2021 to Tuesday, 15 June 2021, both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 9 June 2021.
5. The register of members of the Company will be closed from Wednesday, 23 June 2021 to Friday, 25 June 2021, both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 22 June 2021.
6. The health and safety of our shareholders, staff and stakeholders are of paramount importance to us. The Company will implement the following precautionary measures at the Meeting for prevention of Coronavirus disease 2019 (“**COVID-19**”):
  - All attendees will be required to wear surgical face masks before they are permitted to attend, and during their attendance of, the Meeting. Attendees are advised to maintain appropriate social distance with each other at all times.
  - There will be compulsory body temperature screening for all attendees before entering the Meeting venue. Any person who has any COVID-19 symptoms or otherwise unwell will be denied entry into the Meeting venue or be required to leave the venue immediately.
  - Attendees may be asked if (a) he/she has travelled outside of Hong Kong within 14 days immediately before the Meeting (“**recent travel history**”); (b) he/she is subject to any Hong Kong government prescribed quarantine requirement; and (c) he/she has any flu-like symptoms or close contact with any person under quarantine or with recent travel history. Any person who responds positively to any of these questions will be denied entry into the Meeting venue or be required to leave the venue immediately.
  - Appropriate distancing and spacing in line with the guidance from the Hong Kong government will be maintained and as such, the Company may limit the number of attendees on a “first-come-first served” basis at the Meeting as may be necessary to avoid over-crowding.
7. Any person who does not comply with the precautionary measures will be denied entry into the Meeting venue or be required to leave the Meeting venue immediately. In light of the continuing risks posed by the COVID-19 pandemic, shareholders of the Company are strongly encouraged to exercise their voting rights at the Meeting by appointing the chairman of the Meeting as proxy to vote according to their indicated voting instructions as an alternative to attending the Meeting in person.
8. In light of the travelling restrictions imposed by various jurisdictions including Hong Kong to prevent the spread of COVID-19, certain Directors may attend the Meeting through video conference or similar electronic means.
9. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.
10. If any shareholder of the Company chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong or to our email at [ir@lesso.com](mailto:ir@lesso.com).
11. The Company seeks the understanding and cooperation of all our shareholders to minimise the risk of community spread of COVID-19.

*As at the date of this notice, the executive Directors are Mr. Wong Luen Hei, Mr. Zuo Manlun, Ms. Zuo Xiaoping, Mr. Lai Zhiqiang, Mr. Kong Zhaocong, Mr. Chen Guonan, Dr. Lin Shaoquan, Mr. Huang Guirong, Mr. Luo Jianfeng and Mr. Lin Dewei; and the independent non-executive Directors are Mr. Wong Kwok Ho Jonathan, Ms. Lan Fang, Dr. Tao Zhigang, Mr. Cheng Dickson and Ms. Lu Jiandong.*