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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 DIRECTORS**

A notice convening an annual general meeting of China Lesso Group Holdings Limited to be held at Hankow II, 6th Floor, The Peninsula, Salisbury Road, Kowloon, Hong Kong at 10 a.m. on Friday, 30 May 2014, is set out on pages 12 to 16 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.

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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 to be held at Hankow II, 6th Floor, The Peninsula, Salisbury Road, Kowloon, Hong Kong at 10 a.m. on Friday, 30 May 2014, the notice of which is set out on pages 12 to 16 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Code”	the Hong Kong Code on Takeovers and Mergers
“Company”	China Lesso Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“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 31 May 2013 to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at 31 May 2013
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 31 May 2013 to repurchase Shares not exceeding 10% of the nominal value of share capital of the Company in issue as at 31 May 2013
“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”	14 April 2014, being the latest practicable date for ascertaining certain information referred to in this circular prior to the bulk-printing of this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 nominal value of the issued share capital of the Company as at the date of passing of the relevant resolution granting the Proposed Repurchase Mandate
“Retiring Directors”	Mr. Zuo Manlun, Ms. Zuo Xiaoping, Mr. Lai Zhiqiang, Mr. Chen Guonan and Dr. Lin Shaoquan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shunde Liansu Industrial”	Foshan Shunde Liansu Industrial Co., Ltd.
“Shareholder(s)”	registered holder(s) of Shares
“Share(s)”	ordinary share(s) of HK\$0.05 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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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
Mr. Zuo Manlun
Ms. Zuo Xiaoping
Mr. Lai Zhiqiang
Mr. Kong Zhaocong
Mr. Chen Guonan
Dr. Lin Shaoquan
Mr. Huang Guirong
Mr. Luo Jianfeng

Non-executive Director:

Mr. Lin Dewei

Independent non-executive Directors:

Dr. Bai Chongen
Mr. Fung Pui Cheung
Mr. Wong Kwok Ho Jonathan
Mr. Cheung Man Yu
Mr. Gao Lixin

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 3, 12th Floor,
Tower 2,
South Seas Centre
75 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

17 April 2014

*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 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

* *for identification purpose only*

LETTER FROM THE BOARD

aggregate nominal value of the share capital of the Company 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 general mandate to issue Shares by adding to it the aggregate nominal value of the issued Shares repurchased under the Proposed Repurchase Mandate and (d) the proposed re-election of the Retiring Directors.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 31 May 2013, 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 5A(d) and 5B(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 nominal value of the share capital of the Company in issue (which shall amount to 3,087,880,590 Shares based on the issued share capital of the Company as at the Latest Practicable Date) as at the date of passing the relevant resolution granting this mandate, and the Proposed Repurchase Mandate as set out in resolutions 5A(a), (b), (c) and (e) and resolutions 5B(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 5C 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 5A by adding to it the aggregate nominal value of the issued Shares repurchased under the Proposed Repurchase Mandate.

PROPOSED DIRECTORS FOR RE-ELECTION

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.

LETTER FROM THE BOARD

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

Executive Directors

Mr. Zuo Manlun (左滿倫), aged 41, is the chief executive of the Group and was appointed as an executive Director on 27 February 2010. He is also a director/general manager/supervisor of various companies in the Group. He is primarily responsible for the management of the daily business operations of the Group. Mr. Zuo has approximately 14 years of experience in the plastic pipe industry. Mr. Zuo joined the Group in December 1999 and has held various positions in operation management since joining the Group. Mr. Zuo won several awards including “Outstanding Worker of the Plastic Industry in the PRC” by China Plastics Processing Industry Association in 2009. Mr. Zuo is the brother-in-law of Mr. Wong Luen Hei and the younger brother of Ms. Zuo Xiaoping. Mr. Zuo has entered into various service contracts with the Group for a term of three years commencing from 1 January 2014 until terminated by not less than three months’ notice in writing served by either party on the other. The total remuneration of Mr. Zuo is approximately HK\$653,750 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. Zuo is deemed to be interested in 3,842,000 Shares, representing approximately 0.12% of the issued share capital of the Company as at the Latest Practicable Date.

Ms. Zuo Xiaoping (左笑萍), aged 47, is a vice president of the Group and was appointed as an executive Director on 27 February 2010. She is also a director/supervisor of various companies in the Group. She is primarily responsible for procurement control and logistics management of the Group. Ms. Zuo has approximately 17 years of experience in the plastic pipe industry. Ms. Zuo served as a director of Shunde Liansu Industrial from December 1996. In 1999, upon establishing the Group together with Mr. Wong Luen Hei, she held various positions in procurement. Ms. Zuo is the spouse of Mr. Wong Luen Hei and the elder sister of Mr. Zuo Manlun. Ms. Zuo has entered into a service contract with the Group for a term of three years commencing from 1 January 2014 until terminated by not less than three months’ notice in writing served by either party on the other. The remuneration of Ms. Zuo is HK\$720,000 annually with discretionary bonus, which is determined by references to market rates and factors such as her work load, responsibility and job complexity are taken into account. Pursuant to the SFO, Ms. Zuo is deemed to be interested in 2,120,793,000 Shares, representing approximately 68.68% of the issued share capital of the Company as at the Latest Practicable Date.

LETTER FROM THE BOARD

Mr. Lai Zhiqiang (賴志強), aged 47, is a vice president of the Group and was appointed as an executive Director on 27 February 2010. He is also a director of various companies in the Group. He is primarily responsible for the production and technical management of the Group. Mr. Lai has approximately 17 years of experience in the plastic pipe industry and served as a workshop manager of Shunde Liansu Industrial from December 1996 to November 1999. Mr. Lai joined the Group in December 1999 and has held various positions in production management since joining the Group. Mr. Lai has entered into a service contract with the Group for a term of three years commencing from 1 January 2014 until terminated by not less than three months' notice in writing served by either party on the other. The remuneration of Mr. Lai is RMB300,000 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. Lai is deemed to be interested in 1,733,000 Shares, representing approximately 0.05% of the issued share capital of the Company as at the Latest Practicable Date.

Mr. Chen Guonan (陳國南), aged 46, is a vice president of the Group and was appointed as an executive Director on 27 February 2010. He is also a director of various companies in the Group. He is primarily responsible for the management of the quality control of the Group. Mr. Chen has approximately 24 years of experience in the plastic pipe industry. Mr. Chen joined the Group in December 1999 and has held various positions in production management and engineering since joining the Group. Prior to joining the Group, Mr. Chen was a manufacturing engineer in the technology department at Guangdong Province Zhaoqing Gaojiang Plastic Products Co., Limited from July 1989 to July 1993. From July 1993 to September 1999, he was a deputy factory manager at Foshan City Dongjian Plastic Materials Factory. Mr. Chen served as a manager in the production department of Shunde Liansu Industrial from September 1999 to November 1999. Mr. Chen has been a deputy secretary general of Plastic Pipe Special Committee of China Plastics Processing Industry Association since 2005. Mr. Chen obtained a bachelor degree in polymer chemical from South China University of Technology in July 1989. Mr. Chen has entered into a service contract with the Company for a term of three years commencing from 1 January 2014 until terminated by not less than three months' notice in writing served by either party on the other. The remuneration of Mr. Chen is HK\$300,000 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. Chen is deemed to be interested in 1,927,000 Shares, representing approximately 0.06% of the issued share capital of the Company as at the Latest Practicable Date.

Dr. Lin Shaoquan (林少全), aged 38, is a vice president of the Group and was appointed as an executive Director on 27 February 2010. He is also a director of various companies in the Group. Dr. Lin is primarily responsible for the research and development and overseas sales of the Group. Dr. Lin has approximately 11 years of experience in the plastic pipe industry. Dr. Lin joined the Group in July 2002 and has held various positions in research and development and overseas sales since joining the Group. Over the years, Dr. Lin has won various awards including "National May First Labor Medal" by All China Federation of Trade Unions in 2006.

LETTER FROM THE BOARD

Dr. Lin received a doctorate degree in polymer chemical and physics from Sun Yat-sen University in June 2002. Dr. Lin has entered into a service contract with the Group for a term of three years commencing from 1 January 2014 until terminated by not less than three months' notice in writing served by either party on the other. The total remuneration of Dr. Lin is approximately RMB910,900 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, Dr. Lin is deemed to be interested in 1,327,000 Shares, representing approximately 0.04% of the issued share capital of the Company as at the Latest Practicable Date.

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 the Shareholders 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)(v) of the Listing Rules.

DECLARATION OF FINAL DIVIDEND

The Board has recommended to declare a final dividend of HK12 cents per Share for the year ended 31 December 2013. 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 Friday, 20 June 2014 to Shareholders whose names appear on the Company's register of members on Wednesday, 11 June 2014.

The register of members of the Company will be closed from Monday, 9 June 2014 to Wednesday, 11 June 2014, 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 Friday, 6 June 2014.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Hankow II, 6th Floor, The Peninsula, Salisbury Road, Kowloon, Hong Kong at 10 a.m. on Friday, 30 May 2014 is set out on pages 12 to 16 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.

LETTER FROM THE BOARD

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 nominal value of the share capital of the Company 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 nominal value of issued Shares repurchased under the Proposed Repurchase Mandate and (iv) the proposed re-election of the Retiring Directors 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.

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

APPENDIX EXPLANATORY STATEMENT OF PROPOSED REPURCHASE MANDATE

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 constitutive documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,087,880,590 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 308,788,059 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 2013, 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.

APPENDIX EXPLANATORY STATEMENT OF PROPOSED REPURCHASE MANDATE
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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 twelve months immediately preceding the Latest Practicable Date:

Month	Highest trading price per Share <i>HK\$</i>	Lowest trading price per Share <i>HK\$</i>
2013		
April	4.60	3.93
May	4.92	4.30
June	4.54	3.42
July	4.25	3.55
August	4.83	4.10
September	5.08	4.59
October	5.18	4.65
November	5.44	4.67
December	5.52	5.03
2014		
January	5.46	4.71
February	5.10	4.54
March	4.74	4.03
April (up to the Latest Practicable Date)	4.88	4.29

GENERAL

As at the Latest Practicable Date, to the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their associates (as defined in the Listing Rules) intended to sell any Shares to the Company or its subsidiaries 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 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.

APPENDIX EXPLANATORY STATEMENT OF PROPOSED REPURCHASE MANDATE

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 2,126,423,000 Shares, representing approximately 68.86% of the issued share capital of the Company. 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 approximately 76.51% of the issued share capital of the Company 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 General 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 issued share capital 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 during the six 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 Hankow II, 6th Floor, The Peninsula, Salisbury Road, Kowloon, Hong Kong at 10 a.m. on Friday, 30 May 2014 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 2013;
2. To declare a final dividend of HK12 cents per share of the Company for the year ended 31 December 2013;
3. To re-elect directors of the Company (the “**Directors**”) and to authorise the board of Directors (the “**Board**”) to fix the remuneration of Directors;
4. To re-appoint Ernst & Young, certified public accountants, as independent auditor of the Company and to authorise the Board to fix its remuneration;
5. 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 additional shares of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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 nominal value of the share capital 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 nominal value of the share capital of the Company 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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;

“**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 the shares of the Company (“**Shares**”) on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases, 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 nominal value of Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal value of the share capital of the Company 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

NOTICE OF ANNUAL GENERAL MEETING

- (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.”
- C. “**THAT** conditional upon the passing of Resolutions 5A and 5B 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 5A above be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5B above, provided that such amount shall not exceed 10% of the aggregate nominal value of the share capital 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, 17 April 2014

NOTICE OF ANNUAL GENERAL MEETING

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 3, 12th Floor
Tower 2
South Seas Centre
75 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

Notes:

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.
4. The register of members of the Company will be closed from Tuesday, 27 May 2014 to Friday, 30 May 2014, 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 Monday, 26 May 2014.
5. The register of members of the Company will be closed from Monday, 9 June 2014 to Wednesday, 11 June 2014, 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 Friday, 6 June 2014.

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; the non-executive Director is Mr. Lin Dewei; and the independent non-executive Directors are Dr. Bai Chongen, Mr. Fung Pui Cheung, Mr. Wong Kwok Ho Jonathan, Mr. Cheung Man Yu and Mr. Gao Lixin.