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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)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China Lesso Group Holdings Limited to be held at Opera III, B3 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 10 May 2023, 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.

18 April 2023

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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 Opera III, B3 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 10 May 2023, 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 HK30 cents per Share for the year ended 31 December 2022
“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 17 June 2022 to allot, issue and deal with Shares not exceeding 20% of the aggregate number of Shares in issue as at 17 June 2022
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 17 June 2022 to repurchase Shares not exceeding 10% of the aggregate number of Shares in issue as at 17 June 2022
“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”	11 April 2023, 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

“Memorandum and Articles of Association”	the memorandum and articles of association of the Company adopted by special resolution passed on 17 June 2022 and as amended from time to time
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau 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. Zuo Manlun, Ms. Zuo Xiaoping, Mr. Lai Zhiqiang, Mr. Chen Guonan and Mr. Huang Guirong
“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
“Shunde Liansu Industrial”	Foshan Shunde Liansu Industrial Co., Ltd.*
“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:

Third Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
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

18 April 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS
NOTICE OF ANNUAL GENERAL MEETING**

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

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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 number of the issued Shares repurchased under the Proposed Repurchase Mandate; (d) the re-election of Retiring Directors; (e) the appointment of independent non-executive Directors; and (f) the Declaration of Dividend.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 17 June 2022, 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 8A(d) and 8B(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 (being 3,102,418,400 Shares as the aggregate 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 8A(a), (b), (c) and (e) and the Proposed Repurchase Mandate as set out in resolutions 8B(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 Memorandum and Articles of Association 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 8C 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 8A by adding to it the aggregate number of the issued Shares repurchased under the Proposed Repurchase Mandate.

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RE-ELECTION OF RETIRING DIRECTORS

In March 2023, 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. Mr. Zuo Manlun who is a member and present at the meeting of the Nomination Committee, abstained from voting at the meeting of the Nomination Committee when his respective 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.

According to the Memorandum and Articles of Association, the Retiring Directors shall retire from office and then be eligible for re-election at the Annual General Meeting. Mr. Lin Dewei, Ms. Lan Fang and Mr. Wong Kwok Ho Jonathan shall retire from office with effect from the conclusion of the Annual General Meeting and neither of them will offer for re-election. Each of Mr. Lin Dewei, Ms. Lan Fang and Mr. Wong Kwok Ho Jonathan has confirmed that he/she has no disagreement with the Board and there are no other matters that need to be brought to the attention of the Shareholders in relation to his/her retirement.

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

Executive Directors

Mr. Zuo Manlun, aged 50, 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 within the Group. He is primarily responsible for the management of the daily business operations of the Group. Mr. Zuo has approximately 23 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 is currently a non-executive director of Xingfa Aluminium Holdings Limited (stock code: 98), which is listed on the Stock Exchange. Mr. Zuo won several awards including “Outstanding Worker of the Plastic Industry in the PRC” by China Plastics Processing Industry Association in 2009 and was awarded as “Senior Plastic Product Engineer (Technical Entrepreneur)” by the Guangdong Human Resources and Social Security Department in 2019. Mr. Zuo completed a programme of EMBA from Sun Yat-Sen University in April 2001. Mr. Zuo is the brother-in-law of Mr. Wong Luen Hei and the younger brother of Ms. Zuo Xiaoping.

LETTER FROM THE BOARD

Mr. Zuo has entered into a service contract with the Group for a term of 3 years commencing 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. Zuo is approximately HK\$6,000,000 annually with discretionary bonus, which is determined with reference to the market rates and factors such as his workload, responsibility and job complexity. Pursuant to the SFO, Mr. Zuo is interested in 4,642,000 Shares, representing approximately 0.15% of the issued Shares as at the Latest Practicable Date.

Ms. Zuo Xiaoping, aged 56, 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 within the Group. She is primarily responsible for procurement control and logistics management of the Group. Ms. Zuo has approximately 26 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 3 years commencing 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 Ms. Zuo is HK\$2,600,000 annually with discretionary bonus, which is determined with reference to market rates and factors such as her workload, responsibility and job complexity. Pursuant to the SFO, Ms. Zuo, is deemed to be interested in 2,124,793,000 Shares, representing approximately 68.49% of the issued Shares as at the Latest Practicable Date.

Mr. Lai Zhiqiang, aged 56, 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 within the Group. He is primarily responsible for the production and technical management of the Group. Mr. Lai has approximately 26 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 no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Mr. Lai has entered into service contracts with various companies within the Group each for a term of 3 years commencing 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. Lai is HK\$2,600,000 annually with discretionary bonus, which is determined with reference to market rates and factors such as his workload, responsibility and job complexity. Mr. Lai does not have any interests in Shares pursuant to the SFO.

Mr. Chen Guonan, aged 55, 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 within the Group. He is primarily responsible for the management and production of certain companies in the Group. Mr. Chen has approximately 33 years of experience in the plastic pipe industry. Mr. Chen joined the Group in December 1999 and has held

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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's degree in polymer chemical from South China University of Technology in July 1989.

Mr. Chen has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Mr. Chen has entered into service contracts with various companies within the Group each for a term of 3 years commencing 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. Chen is HK\$2,600,000 annually with discretionary bonus, which is determined with reference to market rates and factors such as his workload, responsibility and job complexity. Mr. Chen does not have any interests in Shares pursuant to the SFO.

Mr. Huang Guirong, 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/general manager/supervisor of various companies within the Group. Mr. Huang is primarily responsible for the overall management of the factories and production facilities of the Group and has approximately 26 years of experience in the plastic pipe industry. Mr. Huang joined the Group in December 1999 and has held various positions in production management since joining the Group. Prior to joining the Group, Mr. Huang served as a deputy factory manager at Foshan City Dongjian Plastic Materials Factory from 1996 until 1999 and served as a deputy manager of the plastic production department of Shunde Liansu Industrial from June 1999 to November 1999. Mr. Huang completed a programme of marketing from Hubei University of Technology from September 2001 to July 2005.

Mr. Huang has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Mr. Huang has entered into a service contract with the Group for a term of 3 years commencing 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. Huang is HK\$2,600,000 annually with discretionary bonus, which is determined with reference to market rates and factors such as his workload, responsibility and job complexity. Mr. Huang 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.

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APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

With Ms. Lan Fang's retirement from office, Ms. Lan shall also retire as a member of the Nomination Committee. With Mr. Wong Kwok Ho Jonathan's retirement from office, Mr. Wong shall also retire as a member of each of the Nomination Committee, audit committee (the "**Audit Committee**") and remuneration committee (the "**Remuneration Committee**") of the Company.

In March 2023, the Nomination Committee reviewed the profile of Mr. Hong Ruijiang ("**Mr. Hong**") and Ms. Lee Vanessa ("**Ms. Lee**"). The proposals have followed the procedures for election of Directors set out in the Memorandum and Articles of Association and the nomination policy for the Directors. Each of Mr. Hong and Ms. Lee is nominated by the Nomination Committee as a candidate for independent non-executive Director to replace Mr. Wong Kwok Ho Jonathan and Ms. Lan Fang respectively. The Board accepted the nomination by the Nomination Committee and recommended Mr. Hong and Ms. Lee 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).

Each of Mr. Hong and Ms. Lee has confirmed that he/she has satisfied the independence criteria as stipulated in Rule 3.13 of the Listing Rules. The Company has assessed their independence and considered that they meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent individuals in accordance with the terms of the guidelines. In addition, the Company is of the view that, with their extensive experience and knowledge, Mr. Hong and Ms. Lee will devote themselves in improving the corporate governance of the Company.

The Board is of the view that Mr. Hong and Ms. Lee will provide objective, independent and sufficient opinions and analysis on the operation and management affairs of the Company based on their capabilities and experience as set out in the biographical details, and therefore will promote the effective operation and the diversity of the Board.

Biographical details of Mr. Hong and Ms. Lee are as follows:

Mr. Hong Ruijiang, aged 57, will be appointed as an independent non-executive Director, a member of the Nomination Committee and the Remuneration Committee subject to the approval of the Shareholders at the Annual General Meeting. Mr. Hong is a professor and doctoral advisor of the School of Physics, Sun Yat-sen University. He is also an executive deputy director of the Institute of Solar Energy Systems of Sun Yat-sen University. Prior to joining Sun Yat-Sen University in March 2009, Mr. Hong conducted doctoral research at the Fraunhofer Institute for Thin Film and Surface Technology in Germany from March 2001 to May 2004. From June 2004 to December 2006, he worked as a researcher at the Institute of Materials Engineering, University of Siegen. From July 1992 to February 2001, he worked as a researcher at Guangzhou Institute of Nonferrous Metals. He has been a Director of Energy and

LETTER FROM THE BOARD

Environmental Materials Professional Committee of Guangdong Materials Research Society since January 2013, and a resident chairman of Shenzhen Solar Energy Society since January 2010. He obtained a doctoral degree in engineering from University of Siegen in July 2004.

The main research areas cover new energy materials, solar photovoltaic technology and application. Mr. Hong hosted and participated in a number of national, provincial and municipal scientific research projects. The main research directions include polycrystalline silicon material growth mechanism and technology, high-efficiency crystalline silicon solar cell preparation technology, photovoltaic system integration technology, research on new solar energy utilisation and conversion materials, high-efficiency and low-cost copper indium gallium selenide (CIGS), and copper zinc tin sulfide (CZTS) thin-film solar cell technology. He has published more than 100 papers in Science Citation Index (SCI) journals and authored a monograph.

Mr. Hong has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Mr. Hong has not entered into any service agreement or contract of employment with the Company and other members of the Group. Mr. Hong does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date.

Subject to the approval of the Shareholders at the Annual General Meeting, Mr. Hong will be appointed for a term of 3 years with effect from the date of his appointment, but his appointment is subject to rotation and re-election at general meetings of the Company in accordance with the Memorandum and Articles of Association. Mr. Hong will receive a remuneration of HK\$360,000 annually for his directorship with the Company with reference to his duties and responsibilities towards the Company and prevailing market conditions. Mr. Hong does not have any interests in Shares pursuant to the SFO.

Ms. Lee Vanessa, aged 38, will be appointed as an independent non-executive Director, a member of the Nomination Committee and the Audit Committee subject to the approval of the Shareholders at the Annual General Meeting. She has 15 years of experience in investment and investment banking. She has been the managing director and co-head of technology and consumer department of VMS Investment Group (HK) Limited (“**VMS Group**”) with a focus on the Greater China region since January 2021, and is primarily responsible for strategising, sourcing, and executing investments in the technology and consumer sectors.

Prior to joining VMS Group, from June 2015 to November 2020, Ms. Lee worked at China Renaissance Securities (Hong Kong) Limited and last held the position of director in investment banking department, focusing on technology, media and telecom (TMT) and new economy companies’ private and public market transactions in Asia Pacific and Greater China. From March 2008 to May 2015, she worked at J.P. Morgan Chase & Co and last held the position of vice president in global investment banking department, managing corporate finance and investment banking practices in Asia Pacific and Greater China. She has served as a director at the board of Beijing Youpin Kumai Technology Company Limited (北京優品酷賣

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科技有限公司) since October 2021. She obtained a Bachelor's degree in finance and accounting from the State University of New York at Binghamton, the United States in December 2007.

Ms. Lee has been licensed by the Securities and Futures Commission as a representative to carry out Type 1 (dealing in securities) regulated activity since September 2021, and a responsible officer to carry out Type 6 (advising on corporate finance) between October 2016 and November 2020, Type 9 (asset management) and Type 4 (advising on securities) regulated activities since November 2021 and January 2022 respectively.

Ms. Lee has no relationship with any directors, senior management and substantial or controlling shareholders of the Company. Ms. Lee has not entered into any service agreement or contract of employment with the Company and other members of the Group. Ms. Lee does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date.

Subject to the approval of the Shareholders at the Annual General Meeting, Ms. Lee will be appointed for a term of 3 years with effect from the date of her appointment, but her appointment is subject to rotation and re-election at general meetings of the Company in accordance with the Memorandum and Articles of Association. Ms. Lee will receive a remuneration of HK\$360,000 annually for her directorship with the Company with reference to her duties and responsibilities towards the Company and prevailing market conditions. Ms. Lee does not have any interests in Shares pursuant to the SFO.

Save as disclosed above, there is no information in relation to the proposed appointment of Mr. Hong and Ms. Lee that is required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules and there are no other matter that needs to be brought to the attention of holders of securities of the Company.

DECLARATION OF FINAL DIVIDEND

The Board has recommended to declare a final dividend of HK30 cents per Share for the year ended 31 December 2022. 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 Thursday, 25 May 2023 to Shareholders whose names appear on the Company's register of members on Friday, 19 May 2023.

The register of members of the Company will be closed from Wednesday, 17 May 2023 to Friday, 19 May 2023, 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, 16 May 2023.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Opera III, B3 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 10 May 2023 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 (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 mandate in (a) above by adding to it the aggregate number of issued Shares repurchased under the Proposed Repurchase Mandate; (d) the re-election of the Retiring Directors; (e) the appointment of independent non-executive Directors; and (f) 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.

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 I 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 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 the Memorandum and Articles of Association 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 2022, 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:

Month	Highest trading price per Share <i>HK\$</i>	Lowest trading price per Share <i>HK\$</i>
2022		
April	10.38	8.10
May	10.28	8.65
June	12.24	9.72
July	11.86	9.54
August	9.98	8.60
September	9.63	7.20
October	8.03	6.31
November	9.50	6.31
December	9.79	7.77
2023		
January	10.06	7.94
February	9.48	8.00
March	8.93	6.86
April (up to the Latest Practicable Date)	7.18	6.65

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.

APPENDIX I 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 2,132,507,000 Shares, representing 68.74% 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 Opera III, B3 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 10 May 2023 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 2022;
2. To declare a final dividend of HK30 cents per share of the Company for the year ended 31 December 2022;
3. To re-elect each of the Retiring Directors, namely (a) Mr. Zuo Manlun, (b) Ms. Zuo Xiaoping, (c) Mr. Lai Zhiqiang, (d) Mr. Chen Guonan and (e) Mr. Huang Guirong (the “**Retiring Directors**”);
4. To appoint Mr. Hong Ruijiang as an independent non-executive Director;
5. To appoint Ms. Lee Vanessa as an independent non-executive Director;
6. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the directors of the Company (the “**Directors**”);
7. To re-appoint Ernst & Young, certified public accountants, as independent auditor of the Company and to authorise the Board to fix its remuneration;
8. 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**”)

NOTICE OF ANNUAL GENERAL MEETING

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;

- (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 Memorandum and Articles of Association (as hereinafter defined);

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;

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 Memorandum and Articles of Association 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 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 Memorandum and Articles of Association 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.”

- C. “**THAT** conditional upon the passing of resolutions 8A and 8B 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 8A 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 8B 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, 18 April 2023

Registered office:

Third Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
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 Monday, 8 May 2023 to Wednesday, 10 May 2023, both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend, speak 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 Friday, 5 May 2023. Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 10 May 2023 are entitled to attend and vote at the Annual General Meeting.
5. The register of members of the Company will be closed from Wednesday, 17 May 2023 to Friday, 19 May 2023, 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, 16 May 2023.
6. 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.

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.