
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **China Lilang Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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LILANZ 利郎 CHINA LILANG LIMITED 中國利郎有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1234)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED RE-ELECTION OF DIRECTORS, PROPOSED ADOPTION OF AMENDED AND RESTATED ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 24th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 10:30 a.m. on Friday, 29 April 2022 is set out on pages 35 to 40 of this circular.

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE COVID-19 AT THE ANNUAL GENERAL MEETING

As set out on page 1 of this circular, measures will be taken at the AGM to facilitate the prevention and control of the COVID-19 epidemic, including:

- **Mandatory temperature checks**
- **Mandatory mask-wearing**
- **No corporate gifts and refreshments**

The Company encourages Shareholders, particularly those who are subject to quarantine in relation to COVID-19, to appoint the Chairman of the AGM as their proxy to vote at the AGM as an alternative to attending the AGM in person.

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PRECAUTIONARY MEASURES FOR THE COVID-19 AT THE ANNUAL GENERAL MEETING

In view of the COVID-19 epidemic, the following precautionary measures will be implemented at the AGM to ensure the health and safety of attending Shareholders, staff and other stakeholders:

- (1) Mandatory temperature check will be carried out for every attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry to the AGM venue and may not be allowed to attend the AGM.
- (2) All attendees must wear face masks inside the AGM venue at all times, and maintain a safe distance between seats.
- (3) No refreshments will be served, and there will be no corporate gifts.

In the interest of all stakeholders' health and safety and consistent with the guidelines for the prevention and control of COVID-19, the Company reminds all Shareholders that attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by completing proxy forms with voting instructions, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

The proxy form is attached to this circular and can also be downloaded from the "Investor Relations" section on the home page of the Company's website at www.lilanz.com.

If Shareholders choosing not to attend the AGM in person have any questions about the relevant resolutions, or about the Company or any other matters for communication with the Board, they can contact the Company by email to ir@lilanz.com.hk or fax to (852) 2526 6655.

DEFINITIONS

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

“Amendments”	the amendments and restatement of the Articles of Association to, among others, (i) bring the Articles of Association in line with amendments made to Listing Rules and applicable laws of the Cayman Islands; and (ii) make certain minor housekeeping amendments to the Articles of Association for the purpose of clarifying existing practice and making consequential amendments in line with the amendments to the Articles of Association
“Annual General Meeting”	the annual general meeting of the Company to be convened and held at 24th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 10:30 a.m. on Friday, 29 April 2022, the notice of which is set out on pages 35 to 39 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Associates”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“Companies Act”	the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Lilang Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	18 March 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Articles of Association”	the amended and restated articles of association of the Company incorporating the proposed Amendments proposed to be adopted by the Shareholders at the Annual General Meeting
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended and supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Option Scheme”	a scheme conditionally approved and adopted by an ordinary resolution passed at the extraordinary general meeting on 23 April 2019, under which an employee, a director or any shareholder of any member of the Group or any holder of any securities issued by any member of the Group may be granted a right to subscribe for Shares under the discretion of the Board

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD

LILANZ 利郎
CHINA LILANG LIMITED
中國利郎有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1234)

Executive Directors:

Mr. Wang Dong Xing
Mr. Wang Liang Xing
Mr. Wang Cong Xing
Mr. Cai Rong Hua
Mr. Hu Cheng Chu
Mr. Pan Rong Bin

Registered office:

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

Independent non-executive Directors:

Dr. Lu Hong Te
Mr. Nie Xing
Mr. Lai Shixian

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

Suite 3402, 34th Floor
Lippo Centre, Tower One
No. 89 Queensway
Hong Kong

25 March 2022

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

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED ADOPTION OF AMENDED AND
RESTATED ARTICLES OF ASSOCIATION AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include, inter alia, (a) ordinary resolutions on the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate; (b) ordinary resolutions relating to the proposed re-election of the Directors; and (c) the special resolution on the proposed adoption of the New Articles of Association.

LETTER FROM THE BOARD

GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the ordinary resolutions passed at the annual general meeting of the Company on 29 April 2021, the Directors were granted (a) a general mandate to allot, issue and deal with the Shares; and (b) a general mandate to repurchase Shares on the Stock Exchange. These general mandates will expire at the conclusion of the Annual General Meeting. For enhancing corporate governance, the Directors proposed to reduce the standard limit of Issue Mandate to be approved by Shareholders at the Annual General Meeting from 20% to 10%. At the Annual General Meeting, the following resolutions, among other matters, will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with the Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution. Based on 1,197,484,919 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased prior to the Annual General Meeting, the maximum number of Shares to be allotted and issued pursuant to the General Mandate will be 119,748,491;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

Each of the General Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (b) the date by which the next annual general meeting is required by the Companies Act or the Articles of Association to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

The Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options which have been or may be granted under the Share Option Scheme.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

According to Article 105(A) of the Articles of Association, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director who retires under this article shall then be eligible for re-election as Director. Mr. Wang Cong Xing, Mr. Hu Cheng Chu and Mr. Lai Shixian (the three Directors who have been longest in office since their last re-election) will retire as Directors and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

When nominating an Independent Non-executive Director who has served the Company for more than nine years, the Board will propose shareholders' vote by way of a separate resolution on any decision to re-elect such Independent Non-executive Director and include in the circular and/or explanatory statement accompanying the notice of the relevant general meeting to shareholders the reasons why the Board still considers such Director as independent and shall be re-elected. Mr. Lai Shixian who has served as an Independent Non-executive Director of the Company for over nine years, will retire from office and being eligible for re-election at the forthcoming annual general meeting of the Company to be held on 29 April 2022. Mr. Lai has thorough understanding of the Company's operations and business. As an Independent Non-executive Director, Mr. Lai has always contributed objectively in advising the Board and the senior management, expressing objective views, and giving valuable independent guidance to the Company in his capacity as Independent Non-executive Director over the years. He is currently the Chairman of the Remuneration Committee and a member of the Audit Committee. Mr. Lai has been continuously demonstrating firm commitments to his role. Mr. Lai always places great importance on high standards of corporate governance. Due to his over 20 years of experience in the consumer market, Mr. Lai is able to provide valuable and useful advices and guidance to the Company in the relevant industry. Mr. Lai has never been engaged in any executive management of the Group. Mr. Lai has provided confirmation of his independence according to Rule 3.13 of the Listing Rules. The Board, with the recommendation of the Nomination Committee of the Company, considers that Mr. Lai remains independent for the purpose of the Listing Rules despite the fact that he has served the Board for over nine years. In accordance with Code Provision A.4.3 of the CG Code, the Company will include in the notice and the circular of the forthcoming annual general meeting of the Company the reasons why the Board still considers Mr. Lai as independent and shall be re-elected.

Details of each of Mr. Wang Cong Xing, Mr. Hu Cheng Chu and Mr. Lai Shixian is set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF AMENDED AND RESTATED ARTICLES OF ASSOCIATION

Pursuant to the Consultation Conclusions on Listing Regime for Overseas Issuers published by the Stock Exchange in November 2021, the Listing Rules have been amended with effect from 1 January 2022 which requires, among others, listed issuers to adopt a uniform set of 14 “Core Standards” for shareholder protections. As such, the Board proposes the Amendments for the purposes of, among others, (i) bringing the Articles of Association in line with amendments made to Listing Rules and applicable laws of the Cayman Islands; and (ii) making certain minor housekeeping amendments to the Articles of Association for the purpose of clarifying existing practice and making consequential amendments in line with the Amendments, subject to the passing of the special resolution, with effect from the conclusion of the Annual General Meeting. Details of the proposed Amendments are set out in Appendix III of this circular.

The Company has been advised by its legal advisers that the proposed Amendments conform to the requirements of the Listing Rules and do not contravene the laws of the Cayman Islands, respectively. The Company also confirms that there is nothing unusual about the proposed Amendments to the Articles of Association for a company listed on the Stock Exchange.

The Board proposes to put forward to the Shareholders for approval at the Annual General Meeting a special resolution to adopt the New Articles of Association. The proposed adoption of the New Articles of Association is subject to the passing of a special resolution.

ACTIONS TO BE TAKEN

Set out on pages 35 to 39 of this circular is a notice convening the Annual General Meeting at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the proposed grant of each of the General Mandate, Repurchase Mandate and Extension Mandate; and
- (b) the proposed re-election of Directors.

A form of proxy for use at the Annual General Meeting is enclosed herewith. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

VOTING BY POLL

All the resolutions set out in the notice of the Annual General Meeting will be decided by poll in accordance with the Listing Rules. The chairman of the Annual General Meeting will explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every Share held which is fully paid or credited as fully paid.

After the conclusion of the Annual General Meeting, the polls results will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.lilanz.com.

RECOMMENDATIONS

The Board considers that the ordinary resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the Annual General Meeting.

GENERAL

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By order of the Board
China Lilang Limited
Wang Dong Xing
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,197,484,919 Shares in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no Shares will be issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 119,748,491 Shares, representing about 10% of the issued share capital of the Company on the date of passing of such resolution.

3. REASONS FOR REPURCHASES

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

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Act, other applicable laws of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Under the Companies Act, repurchases by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Act, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Act, out of capital.

5. GENERAL

There might be a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2021, being the date of its latest published audited consolidated financial statements, in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
March	5.95	4.97
April	5.26	5.00
May	5.10	4.71
June	5.22	4.80
July	6.75	4.72
August	5.25	4.74
September	5.10	4.51
October	4.78	4.39
November	4.50	4.22
December	4.45	4.15
2022		
January	4.56	4.28
February	4.65	4.31
March (up to and including the Latest Practicable Date)	4.41	3.80

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

8. CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Xiao Sheng International Limited held 661,500,000 shares representing 55.24% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of Xiao Sheng International Limited in the Company would be increased to approximately 61.38% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

10. SHARE PURCHASES MADE BY THE COMPANY

The Company has not repurchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following sets out the respective details of the Directors, the office of whom will end at the Annual General Meeting and who, being eligible, will offer themselves for re-election:

Mr. Wang Cong Xing (王聰星先生), aged 53, is the vice chairman and an executive Director of the Company. He was appointed as an executive Director on 2 January 2008. Mr. Wang has been with the Group since its establishment in April 1995 and is one of the founders of the Group. He is responsible for finance and information technology management for the Group. He is also responsible for the internal management system of the Group and supervising the implementation of the annual, quarterly and monthly financial plans of the Group. He completed an advanced programme of excellent corporate operation and management (卓越企業經營管理高級課程研修班) from the School of Continuing Education of Tsinghua University (清華大學繼續教育學院) in 2006. He has over 30 years of manufacturing and management experience in the menswear industry in the PRC.

In the three years preceding the Latest Practicable Date, Mr. Wang did not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Wang has entered into a service agreement with the Company for an initial fixed term of three years commencing from 4 September 2009 renewable automatically for successive terms of one year each upon expiry of the then current term of appointment until terminated by either party giving not less than six months' written notice to the other expiring at the end of the initial term of his appointment or any time thereafter. He is subject to the rotational retirement and re-election requirements at the annual general meetings of the Company pursuant to the Articles of Association. As at the Latest Practicable Date, he was entitled to an annual remuneration of RMB720,000 subject to an annual increment at the discretion of the Directors of not more than 8% of his annual salary immediately prior to such increase. He is also entitled to a guaranteed year-end bonus for a fixed sum equivalent to his salary for one month provided that, if he does not complete a full 12-month period of the term of the service contract at the time of payment of such bonus, he shall be entitled to a ratable proportion (apportioned on a time basis) of such bonus which he would have received if he had completed a whole 12-month period of the term of his service contract. In addition, he is entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of the audited consolidated or combined net profits attributable to the shareholders of the Company (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. The emolument of Mr. Wang is determined by the Board with reference to his duties, responsibilities, job complexity, prevailing market rates, performance and the results of the Group.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

As at the Latest Practicable Date, Mr. Wang was interested in 22,950,000 Shares in the Company. He was also interested in 2,550 shares in Xiao Sheng International Limited, an associated corporation (within the meaning of Part XV of the SFO) of the Company. Save as disclosed above, Mr. Wang did not have any interest in the Shares, underlying Shares or debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Wang is the brother of Mr. Wang Dong Xing and Mr. Wang Liang Xing, who are also executive Directors of the Company. He is also a director and one of the shareholders of Xiao Sheng International Limited and Ming Lang Investments Limited, the controlling shareholders (as defined in the Listing Rules) of the Company. Save as disclosed above, Mr. Wang was not related to any other Directors, senior management, substantial or controlling shareholders of the Company.

There is no other information which is discloseable nor is/was Mr. Wang involved in any other matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules.

There are no other matters concerning Mr. Wang that need to be brought to the attention of the Shareholders.

Mr. Hu Cheng Chu (胡誠初先生), aged 77, is an executive Director of the Company. He joined the Group in April 1998 and was appointed as an executive Director on 13 June 2008. He is responsible for brand management and public relation for the Group. Mr. Hu completed part-time professional political engineering course and professional administrative management course from Fudan University in 1988 and 1989, respectively, and an advanced programme of excellent corporate operation and management (卓越企業經營管理高級課程研修班) from the School of Continuing Education of Tsinghua University (清華大學繼續教育學院). He is currently the vice chairman of the Quanzhou Association of Professional Managers (泉州職業經理人協會) and a supervisor of the Association of China Brand Managers of the Brand China Industry Union (品牌中國產業聯盟之中國品牌經理人協會) and the honorary chairman of Fujian Micro Electronic Commerce Industry Association (福建省微電商行業協會). He was honoured as Jinjiang City Honorable Citizen (晉江市榮譽市民) in 2012 and also accredited as:

- one of the top 10 planners for corporate sales and marketing in the PRC for the year 2007 to 2008, and for the year 2009 to 2010 (2007-2008年及2009-2010年中國10大企業營銷策劃人);
- one of the top 10 brand managers in China for the year 2010 (2010中國十大品牌經理人);
- the China Great Wall outstanding advertising personage award for the year 2011 (2011年中國廣告主長城獎 — 人物獎之功勳獎);
- the excellent chief brand officer in China for the year 2013 (2013中國卓越首席品牌官);
- one of the top 10 planners for brand marketing of China's enterprises for the year 2015 (2015中國企業十大品牌營銷策劃人);

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

- the excellent brand officer in China for the year 2016 (2016中國卓越品牌官); and
- one of the top 10 planners for brand marketing in China for the year 2016 (2016中國十大品牌營銷策劃人)

In the three years preceding the Latest Practicable Date, Mr. Hu did not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Hu has entered into a service agreement with the Company for an initial fixed term of three years commencing from 4 September 2009 renewable automatically for successive terms of one year each upon expiry of the then current term of appointment until terminated by either party giving not less than six months' written notice to the other expiring at the end of the initial term of his appointment or any time thereafter. He is subject to the rotational retirement and re-election requirements at the annual general meetings of the Company pursuant to the Articles of Association. As at the Latest Practicable Date, he was entitled to an annual remuneration of RMB540,000 subject to an annual increment at the discretion of the Directors of not more than 8% of his annual salary immediately prior to such increase. He is also entitled to a guaranteed year-end bonus for a fixed sum equivalent to his salary for one month provided that, if he does not complete a full 12-month period of the term of the service contract at the time of payment of such bonus, he shall be entitled to a ratable proportion (apportioned on a time basis) of such bonus which he would have received if he had completed a whole 12-month period of the term of his service contract. In addition, he is entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of the audited consolidated or combined net profits attributable to the shareholders of the Company (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. The emolument of Mr. Hu is determined by the Board with reference to his duties, responsibilities, job complexity, prevailing market rates, performance and the results of the Group.

As at the Latest Practicable Date, Mr. Hu was interested in 4,500,000 Shares in the Company. He was also interested in 500 shares in Xiao Sheng International Limited, an associated corporation (within the meaning of Part XV of the SFO) of the Company. Save as disclosed above, Mr. Hu did not have any interest in the Shares, underlying Shares or debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Hu is one of the shareholders of Xiao Sheng International Limited and Ming Lang Investments Limited, the controlling shareholders (as defined in the Listing Rules) of the Company. Save as disclosed above, Mr. Hu was not related to any Directors, senior management, substantial or controlling shareholders of the Company.

There is no other information which is discloseable nor is/was Mr. Hu involved in any other matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules.

There are no other matters concerning Mr. Hu that need to be brought to the attention of the Shareholders.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Lai Shixian (賴世賢先生), aged 47, is an independent non-executive Director of the Company. He is currently the chairman of the remuneration committee and a member of the audit committee of the Board. He joined the Board on 13 December 2012. Mr. Lai is an executive director and chief financial officer of ANTA Sports Products Limited (安踏體育用品有限公司) (stock code: 2020), the shares of which are listed on the Stock Exchange, and is primarily responsible for the administrative and financial management of that group of companies. Mr. Lai holds an EMBA degree from China Europe International Business School. Mr. Lai's experience in the consumer market in China enables him to provide independent and objective opinions to the Board, giving adequate control and balances for the Group to protect the overall interests of the shareholders and the Group.

Save as disclosed above, in the three years preceding the Latest Practicable Date, Mr. Lai did not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Lai has been appointed by the Company for an initial term of two years commencing from 13 December 2012, renewable automatically for successive terms of two years each upon expiry of the then current term of appointment until terminated by either party giving not less than three months' written notice to the other expiring at the end of the initial term of his appointment or any time thereafter. He is subject to the rotational retirement and re-election requirements at the annual general meetings of the Company pursuant to the Articles of Association. Mr. Lai is entitled to an annual director's fee of RMB200,000. The director's fee for Mr. Lai is determined by the Board with reference to his duties and responsibilities.

As at the Latest Practicable Date, Mr. Lai did not have any interests in the Shares, underlying Shares or debenture of the Company within the meaning of Part XV of the SFO. Mr. Lai did not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

There is no other information which is discloseable nor is/was Mr. Lai involved in any other matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules.

There are no other matters concerning Mr. Lai that need to be brought to the attention of the shareholders of the Company.

The Company has received from Mr. Lai an annual confirmation of independence in accordance with Rule 3.13 of the Listing Rules and considers Mr. Lai to be independent.

ARTICLES AMENDMENTS

“1. **THAT** the existing articles of association of the Company be and are hereby amended as follows:

- (1) By deleting the words “Companies Law” wherever they may appear and replacing them with the words “Companies Act”.

Article 1 (A)

- (2) By deleting the first paragraph of Article 1(A) in its entirety and replacing it with the following:

“The regulations contained or incorporated in Table A of the Schedule to the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) shall not apply to this Company.”

- (3) By deleting the definition of “associates” in its entirety and replacing it with the following definition of “close associate”:

““close associate” shall mean in relation to any Director, shall have the meaning as ascribed to it in the Listing Rules except that for purposes of Articles 104 where the transaction or arrangement to be approved by the Board is a connected transaction under Chapter 14A of the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules;”

- (4) By adding the words “shall mean” immediately after the words “clearing days”.
- (5) By adding the words “including but not limited to HKSCC” at the end of the definition of “clearing house”.
- (6) By deleting the definition of “the Companies Law” in its entirety and replacing it with the following definition of “Companies Act”:

““Companies Act” shall mean the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands”

- (7) By adding the words “shall mean” immediately after the words “Company’s website”.
- (8) By adding the following definitions immediately after “HK\$”:

““HKSCC” means Hong Kong Securities Clearing Company Limited;”

- (9) By deleting the definition of “holding company” and “subsidiary” in its entirety and replacing it with the following definition of “subsidiary” immediately after “statutes” but before “substantial shareholder”:

““subsidiary” shall have the meanings ascribed to them by sections 13 and section 15 of the Companies Ordinance (Cap.622) of the laws of Hong Kong as in force at the adoption of these Articles;”

- (10) By adding the words “shall mean” immediately after the word “Newspapers”.
- (11) By adding the words “shall mean” immediately after the word “Notice”.
- (12) By adding the following definitions immediately after “Statutes”:

““substantial shareholder” shall mean a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company;”

Article 1(C)

- (13) By adding the words “duly” immediately after the words “which Notice has been” in Article 1 (C).

Article 1(H)

- (14) By adding the following as Articles 1(H) after Article 1(G):

“(H) Section 8 and Section 19 of the Electronic Transactions Act (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.”

Article 2

- (15) By replacing the word “presents” with the word “Articles” in Article 2.

Article 15

- (16) By deleting the following words in Article 15 and replacing them with a full stop:

“provided that, in respect of a purchase of redeemable shares: (i) the price per share for purchases proposed to be made otherwise than by tender in the manner prescribed in (ii) below or on or through a stock exchange on which such shares are listed with the consent of the Company shall not exceed one hundred (100) per cent. of the average closing prices for dealings in one or more board lots of such shares on the principal stock exchange on which the shares are traded for the five (5) trading days immediately before the date on which the purchase is made (whether conditionally or otherwise); and (ii) where any such purchase is proposed to be made by tender, tenders shall be made available to all holders of such shares on the same terms.”

- (17) By adding the following sentence at the end of Article 15:

“The Directors may accept the surrender for no consideration of any fully paid share.”

Article 17(C)

- (18) By deleting article 17(C) in its entirety and replacing it with the following:

“17. (C) The Register and branch register of shareholders, as the case may be, shall be open to inspection for at least two (2) hours during business hours by shareholders without charge or by any other person, upon a maximum payment of HK\$ 2.50 or such lesser sum specified by the Directors, at the Registered Office or such other place at which the principal register or branch register of the Company maintained in Hong Kong is kept in accordance with the Companies Act or, if appropriate, upon a maximum payment of HK\$ 1.00 or such lesser sum specified by the Directors at the Registration Office.”

Article 41

- (19) By adding the following as a new Article 41(D):

“41. (D) Notwithstanding the provisions of Articles 39 and 40 above, at all times during the Relevant Period, title to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares. The register of members of the Company in respect of its listed shares (whether the Register or a branch register) may be kept by recording the particulars required by Section 40 of the Companies Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares.”

Article 47

(20) By deleting Article 47 in its entirety and replacing it with the following:

“47. The registration of transfers of shares or of any class of shares may, after notice has been given by announcement or by electronic communication or by advertisement in any Newspapers or by any other means in accordance with the requirements of any stock exchange in the Relevant Territory to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Directors may determine. The period of thirty (30) days may be extended in respect of any year if approved by the shareholders by ordinary resolution.”

Article 62

(21) By deleting Article 62 in its entirety and replacing it with the following:

“62. At all times during the Relevant Period (but not otherwise) the Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that financial year and shall specify the meeting as such in the notice calling it; and such annual general meeting must be held within six (6) months after the end of the Company’s financial year (or such longer period as may be permitted by the rules of the stock exchange on which any securities of the Company are listed with the permission of the Company). The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Directors and at such time and place as the Directors shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.”

Article 64

(22) By deleting Article 64 in its entirety and replacing it with the following:

“64. The Directors may, whenever they think fit, convene an Extraordinary General Meeting. Extraordinary General Meetings shall also be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Secretary for the purpose of requiring an Extraordinary General Meeting to be called by the Directors for the transaction of any business or resolution specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.”

Article 65

(23) By deleting Articles 65 in its entirety and replacing it with the following:

“65. An annual general meeting must be called by Notice of not less than twenty-one (21) clear days. All other general meetings (including an extraordinary general meeting) must be called by Notice of not less than fourteen (14) clear days. The Notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority representing holding not less than ninety-five (95) per cent. of the total voting rights at the meeting of all the shareholders.”

Article 68

(24) By deleting Article 68 in its entirety and replacing it with the following:

“68. For all purposes the quorum for a general meeting shall be two shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy, and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.”

Article 70

(25) By deleting Article 70 in its entirety and replacing it with the following:

“70. The Chairman of the Board or if there is more than one Chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at a general meeting. If at any meeting no chairman, is present within fifteen (15) minutes after the time appointed for holding the meeting, or is willing to act as chairman, the Deputy Chairman or Vice Chairman or if there is more than one Deputy Chairman or Vice Chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no Chairman or Deputy Chairman or Vice Chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the shareholders present in person or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.”

Article 72

(26) By deleting Article 72 in its entirety and replacing it with the following:

“72. (A) At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the Chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every shareholder present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.

(B) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (i) by at least three shareholders present in person or in the case of shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (ii) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one tenth of the total voting rights of all shareholders having the right to vote at the meeting; or
- (iii) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all shares conferring that right.”

Article 73

(27) By deleting Article 73 in its entirety and replacing it with the following:

“73. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.”

Article 76

(28) By deleting Article 76 in its entirety and replacing it with the following:

“76. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every shareholder present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid on the share). On a poll a shareholder entitled to more than one vote need not use all his votes or cast all his votes in the same way. A resolution put to the vote of a meeting shall be decided by way of a poll save that the Chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every shareholder present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.”

Article 79

(29) By deleting Article 79 in its entirety and replacing it with the following:

“79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Articles for the deposit of instruments of proxy or, if no place is specified, at the Registration Office, not later than the latest time at which an instrument of proxy must, if it is to be valid for the meeting, be delivered.”

Article 81

(30) By re-lettering Article 81 (B) as Article 81 (C) and adding the following as Article 81 (B):

“81. (B) All shareholders have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.”

Article 89

(31) By deleting Article 89 (B) in its entirety and replacing it with the following:

“89. (B) Where a shareholder is a clearing house (or its nominee(s)), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of shareholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including to speak and where a show of hands is allowed, the right to vote individually on a show of hands.”

Article 90

- (32) By adding the words “or postponed meeting” immediately after the words “or adjourned meeting” wherever they appear in Article 90.

Article 101

- (33) By deleting Article 101 (B) in its entirety and replacing it with the following:

“101. (B) The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong.”

Article 104 (D), 104 (E) and 104 (G)

- (34) By deleting the word “associates” and replacing it with “close associates”.

Article 104 (L)

- (35) By deleting Article 104 (H) in its entirety and replacing it with the following:

“104. (H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any contract or arrangement or any other proposal in which he or his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either:-
 - (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
- (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”

Articles 104. (I) and 104 (J)

- (36) By deleting Articles 104 (I) and 104(J) in their entirety and replacing them with the following:

“104. (I) [Intentionally Deleted]

104. (J) [Intentionally Deleted]”

Article 104 (K)

(37) By deleting Article 104 (K) in its entirety and replacing it with the following:

“104. (K) If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such Chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman and his ruling in relation to such Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the other Directors. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Directors (for which purpose the Chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman as known to him has not been fairly disclosed to the other Directors.”

Article 104 (K)

(38) By deleting Article 104 (L) in its entirety and replacing it with the following:

“104. (L) The provisions of paragraphs (D), (E), (H) and (K) of this Article 104 shall apply during the Relevant Period but not otherwise. In respect of all periods other than the Relevant Period, a Director may vote in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction notwithstanding that he or any of his close associates is or may be interested therein and, if he does so, his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract, arrangement or transaction or proposed contract, arrangement or transaction shall come before the meeting for consideration provided that he has, where relevant, first disclosed his interest in accordance with paragraph (G)”

Article 109

(39) By deleting Article 109 in its entirety and replacing it with the following:

“109. The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”

Article 111

(30) By deleting Article 111 in its entirety and replacing it with the following:

“111. The shareholders may by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election, but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”

Article 129

(31) By adding the words “or more,” immediately after the words “otherwise appoint one” in Article 129.

Article 139

(32) By adding the following wording at the end of Article 139 (B):

“Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.”

Article 150

(33) By adding the following Article as a new Article 150 (D):

“150. (D) Notwithstanding any provisions in these Articles, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the shareholders at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the shareholders at a general meeting.”

Article 166

(34) By adding the following wording at the end of Article 166:

“Subject to the Listing Rules, notwithstanding any other provision of these Articles, the Company may fix any date as the record date for determining the shareholders entitled to receive notice of and to vote at any general meeting of the Company.”

Article 173

(35) By deleting Article 173 (A) in its entirety and replacing it with the following:

“173. (A) The Company shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Directors, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act. The remuneration of the Auditors shall be fixed by the Company by Ordinary Resolution in general meeting or in such manner as the shareholders may determine or by a body that is independent of the Directors and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.”

(36) By replacing the word “Special” with “Ordinary” in Article 173(B):

Article 177

(37) By deleting Article 177 in its entirety and replacing it with the following:

“177. (A)(1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles from the Company to a shareholder shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and document may be given or issued by the following means:

- (a) by serving it personally on the relevant person;
- (b) by sending it through the post in a prepaid envelope addressed to such shareholder at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
- (c) by delivering or leaving it at such address as aforesaid;
- (d) by placing an advertisement in appropriate Newspapers or other publication and where applicable, in accordance with the requirements of the stock exchange in the Relevant Territory;

- (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 177(A)(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;
 - (f) by publishing it on the Company's website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available on the Company's computer network website (a "notice of availability"); or
 - (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.
- (2) The notice of availability may be given to the shareholder by any of the means set out above other than by posting it on a website.
 - (3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
 - (4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.
 - (5) Every shareholder or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.
 - (6) Subject to any applicable laws, rules and regulations and the terms of these Articles, any notice, document or publication, including but not limited to the documents referred to in Articles 172(B), 172(C) and 177 may be given in the English language only or in both the English language and the Chinese language.

- (B) Any Notice or other document:
- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Directors that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
 - (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company's website or the website of the stock exchange in the Relevant Territory, is deemed given by the Company to a shareholder on the day following that on which a notice of availability is deemed served on the shareholder;
 - (c) if published on the Company's website, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;
 - (d) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Directors as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and
 - (e) if published as an advertisement in a Newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears."

Article 194

(38) By adding the following as a new Article 194:

“FINANCIAL YEAR

194. Unless otherwise determined by the Directors, the financial year end of the Company shall be 31 December in each year.”

2. **THAT** the amended and restated articles of association presented to the meeting and initialled by the chairman of the meeting reflecting all the changes set out above be and are hereby adopted as the articles of association in substitution for and to the exclusion of the existing articles of association.”

NOTICE OF ANNUAL GENERAL MEETING

LILANZ 利郎

CHINA LILANG LIMITED

中國利郎有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1234)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China Lilang Limited (the “**Company**”) will be held at 24th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 29 April 2022 at 10:30 a.m. to consider, if thought fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and auditor (the “**Auditor**”) of the Company for the year ended 31 December 2021.
2. to declare a final dividend of HK11 cents per ordinary share and a special final dividend of HK5 cents per ordinary share for the year ended 31 December 2021.
3. to consider the re-election of the following retiring Directors, each as separate resolution:
 - (a) Mr. Wang Cong Xing
 - (b) Mr. Hu Cheng Chu
 - (c) Mr. Lai Shixian
4. to authorise the board (the “**Board**”) of Directors to fix the Directors’ remuneration.
5. to consider the re-appointment of KPMG as the Auditor for the year ending 31 December 2022 and to authorise the Board to fix their remuneration.

and, as additional ordinary businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modifications):

NOTICE OF ANNUAL GENERAL MEETING

6. “THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors (the “**Directors**”) of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares (the “**Shares**”) of HK\$0.10 each in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital of the Company, which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (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 defined in paragraph (d) below);
 - (ii) the exercise of options granted under the Share Option Scheme or similar arrangement adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (the “**Articles of Association**”) of the Company and other relevant regulations in force from time to time; or
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares;

shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of 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 the Articles of Association or any applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions 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 applicable to the Company).”

7. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors (the “**Directors**”) of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase the shares (the “**Shares**”) of HK\$0.10 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of 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 the Articles of Association or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
8. “**THAT** conditional upon resolutions numbered 6 and 7 above being passed, the unconditional general mandate granted to the directors (the “**Directors**”) of the Company to allot, issue and deal with additional shares of the Company pursuant to resolution numbered 6 above be and it is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 7 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to or in accordance with such general mandate.”

and, as special business, to consider and, if thought fit, pass the following resolution as a special resolution (with or without modifications):

9. “**THAT** the articles of association of the Company be amended in the manner as set out in the circular of the Company dated 25 March 2022 (the “**Circular**”); and the amended and restated articles of association of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the annual general meeting for the purpose of identification, which consolidates all the proposed amendments mentioned in the Circular, be approved and adopted in substitution for and to the exclusion of the existing articles of association of the Company with immediate effect after the close of the meeting and that any one of the Directors be and is hereby authorised to do all things necessary to implement the adoption of the amended and restated articles of association of the Company.”

By order of the Board
China Lilang Limited
Wang Dong Xing
Chairman

Hong Kong, 25 March 2022

NOTICE OF ANNUAL GENERAL MEETING

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

Suite 3402, 34th Floor
Lippo Centre, Tower One
No. 89 Queensway
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting above is entitled to appoint in written form one or, if he is the holder of two or more shares (the “**Shares**”) of the Company, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, whether in person or by proxy, then one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised, and must be deposited with the Hong Kong share registrar (the “**Hong Kong Share Registrar**”) of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding of the meeting or any adjournment thereof.
4. The register of members of the Company will be closed from Tuesday, 26 April 2022 to Friday, 29 April 2022 (both days inclusive), during which period no transfer of the Shares will be effected. In order to qualify for attending the above meeting or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Hong Kong Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by no later than 4:30 p.m. on Monday, 25 April 2022.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to proposed resolution numbered 2 above, the proposed final dividend and special final dividend will be payable on or about 24 May 2022 to the Shareholders whose names appear on the register of members of the Company on 6 May 2022. The register of members will be closed from Friday, 6 May 2022 to Tuesday, 10 May 2022 (both days inclusive) for the purpose of determining Shareholders who qualify for the proposed final dividend and special final dividend. In order to qualify for the proposed final dividend and special final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Hong Kong Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by no later than 4:30 p.m. on Thursday, 5 May 2022.
7. In relation to resolution numbered 6 above, approval is being sought from the Shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be allotted and issued upon the exercise of any options which have been or may be granted under the share option scheme of the Company, or any scrip dividend scheme which may be approved by the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

8. In relation to resolution numbered 7 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances which they deem appropriate for the benefit of the Shareholders.
9. In the interest of all stakeholders' health and safety and consistent with the guidelines for the prevention and control of COVID-19, the Company encourages Shareholders, particularly those who are subject to quarantine in relation to COVID-19, to appoint the Chairman of the above meeting as their proxy to vote at the above meeting as an alternative to attending in person.

As at the date of this notice, the executive Directors are Mr. Wang Dong Xing, Mr. Wang Liang Xing, Mr. Wang Cong Xing, Mr. Cai Rong Hua, Mr. Hu Cheng Chu, and Mr. Pan Rong Bin; and the independent non-executive Directors are Dr. Lu Hong Te, Mr. Nie Xing and Mr. Lai Shixian.