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

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

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

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**LISI GROUP (HOLDINGS) LIMITED****利時集團（控股）有限公司***(Incorporated in Bermuda with limited liability)***(Stock Code: 526)**

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

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A notice convening an annual general meeting of Lisi Group (Holdings) Limited to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong at 3:00 p.m. on 28 September 2018 is set out on pages 12 to 14 of this circular. Whether or not you intend to attend the meeting, you are advised to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

29 August 2018

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on 28 September 2018 at 3:00 p.m. at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	Bye-laws of the Company
“Company”	Lisi Group (Holdings) Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	27 August 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate number of issued shares of the Company as at the date of passing of the relevant resolution granting such mandate

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## DEFINITIONS

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“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers as amended from time to time
“%”	per cent.

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## LETTER FROM THE BOARD

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### LISI GROUP (HOLDINGS) LIMITED

利時集團（控股）有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 526)**

*Executive Directors:*

Mr Li Lixin (Chairman)  
Mr Cheng Jianhe (Chief Executive Officer)  
Ms Jin Yaxue  
Ms Tong Shiping

*Registered office:*

Clarendon House  
Church Street  
Hamilton HM 11  
Bermuda

*Non-Executive Director:*

Mr Lau Kin Hon

*Principal place of business in Hong Kong:*

Workshop 06 & 07, 36th Floor,  
King Palace Plaza,  
No. 52A Sha Tsui Road,  
Tsuen Wan, New Territories,  
Hong Kong

*Independent Non-Executive Directors:*

Mr He Chengying  
Mr Cheung Kiu Cho Vincent  
Mr Shin Yick Fabian

29 August 2018

*To the Shareholders*

Dear Sir/Madam,

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

#### **INTRODUCTION**

The purpose of this circular is to give you information regarding (i) re-election of Directors (ii) grant of the Issue Mandate and (iii) grant of the Repurchase Mandate. This circular contains the explanatory statement required to be given to the Shareholders in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions in the AGM.

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## LETTER FROM THE BOARD

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### PROPOSED RE-ELECTION OF DIRECTORS

According to Bye-law 86(2), any Director appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly Mr Tong Shiping, being a Director appointed by the Board prior to the AGM, shall retire at the AGM and, being eligible, offer himself for re-election.

According to Bye-law 87, at each annual general meeting one-third of the Directors (including the chairman of the Board and/or the managing director of the Company) for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall retire from office by rotation at least once every three years. Accordingly Mr Li Lixin, executive Director, Mr He Chengying, independent non-executive Director and Mr Cheung Kiu Cho Vincent, independent non-executive Director, shall retire at the AGM and, being eligible, offer themselves for re-election.

Mr He Chengying and Mr. Cheung Kiu Cho Vincent have served as the Company's independent non-executive Directors for more than 9 years. Their appointments are subject to a separate resolution to be approved by Shareholders pursuant to Code A.4.3 of Appendix 14 of the Listing Rules. Mr He Chengying and Mr. Cheung Kiu Cho Vincent have confirmed in writing their independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules. The Board is satisfied with their independence and considers that they should be re-elected.

Biographies of the Directors to be re-elected at the AGM are set out in Appendix I to this circular.

### GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to allot and issue further Shares representing up to 20 per cent of the aggregate number of issued Shares of the Company at the date of passing the resolution. In addition, if the resolution for the granting of the Repurchase Mandate is passed, a resolution will be proposed to authorise the Directors to allot and issue Shares up to an amount equal to the aggregate number of Shares purchased under the Repurchase Mandate.

As at the Latest Practicable Date, the total number of issued shares of the Company comprised 5,678,038,571 Shares. Assuming that there is no change in the number of issued shares of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 1,135,607,714 Shares.

### GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase the Shares subject to the criteria set out in this circular. Under the Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed such number as represents 10 per cent of the number of issued Shares of the Company on the date of the passing of the resolution. The Company's authority is restricted to purchases made on the Stock Exchange and otherwise in accordance with the Listing Rules. An explanatory statement to the Repurchase Mandate is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### AGM

Notice of the AGM is set out on pages 12 to 14 of this circular. All resolutions to be proposed at the AGM will be voted on by poll.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend, you are advised to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

### RECOMMENDATION

The Directors consider that the re-election of the Directors, the granting of the Issue Mandate and Repurchase Mandate are in the interest of the Company and the Shareholders and so recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

### 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully  
By Order of the Board  
**LISI GROUP (HOLDINGS) LIMITED**  
**Li Lixin**  
*Chairman*

*This appendix sets out the brief biography of each of the Directors to be re-elected at the AGM.*

### **Executive Directors**

**Mr LI Lixin**, aged 50, executive director and chairman of the Group. Mr Li holds an Executive Master of Business Administration degree from Fudan University, and is the founder and current chairman of a private group of companies established in the PRC. The principal businesses of this private group include import and export business, real property development and investment holding. The group also has investments in real property development, printing business and local bank in the PRC. Mr Li has 27 years of experience in the manufacture and sale of plastic and hardware products and products for daily consumption. Mr Li was a committee member of the Eleventh National Committee of the Chinese People's Political Consultative Conference and an executive committee member of National Industrial and Commercial Union. He is currently a committee member of the Twelfth Zhejiang Province Committee of the Chinese People's Political Consultative Conference, the vice chairman of the China Plastics Processing Industry Association and Ningbo City Industrial and Commercial Union. Mr Li was awarded the title of model worker in Ningbo City for the years 2001 to 2003. He was awarded the titles of "Outstanding Builder of Socialist Undertakings of Chinese Characteristics" in 2003 and 2006 by the People's Governments of Ningbo City and Zhejiang Province respectively and was renowned for his contribution to the "Honourable Under takings" and "Shining Star" promotional programme by the People's Government of Zhejiang Province. He joined the Group in September 2008.

Mr Li did not hold any other directorship in any public listed companies in the last three years. Mr Li's appointment has no fixed term which is subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Li and the Company. Mr Li is not entitled to any remuneration. Mr Li is a director in various subsidiaries of the Company. Mr Li does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Li is interested in 2,832,373,680 Shares. Save as aforesaid, Mr Li has no other interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Li pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

**Mr TONG Shiping**, aged 58, graduated from the Department of Computer Applications, Air Force Engineering University, People's Republic of China. Mr Tong served in the Air Force of the Chinese People's Liberation Army from 1983 to 1995. From 1995 to 2018, Mr Tong was the chairman of Tianjin Seashore New District Shisheng Business Trading Group Co. Ltd. (天津濱海世盛商貿集團有限公司) ("Shisheng"), a wholly owned subsidiary of China Auto Logistics Inc. which is listed on NASDAQ. Mr Tong was a director of China Auto Logistics Inc. until 11 July 2018. Mr Tong has extensive experience in car imports and sales in China. In 2002, Mr. Tong served as a director of the Tianjin Automobile Logistics Association. In 2003, Shisheng was awarded the title of "Accelerating the Development of Advanced Units" by the Tianjin Port Bonded Area Management Committee, and was awarded the title of "Excellent Enterprise for Achievements in the Industry" by Tianjin Automobile



Logistics Association. Shisheng was also awarded the title of “100 Private Entrepreneurs” by the Ministry of Commerce and the Tianjin Municipal Government in 2005 and 2006 respectively. In 2006, Shisheng was rated as “Top Ten Enterprises in China’s Imported Automobile Sales Service” by China Automobile Dealers Association. Mr. Tong was elected as the vice president of the Tianjin Binhai New Area Parallel Imported Automobiles Chamber of Commerce in 2016. He joined the Group in July 2018.

Save as disclosed, Mr Tong did not hold any other directorship in any public listed companies in the last three years. There is no service contract between Mr Tong and the Company. Mr Tong’s appointment has no fixed term which is subject to retirement and re-election at the annual general meeting of the Company. Mr Tong will not receive any remuneration as director of the Company. Mr Tong is the husband of Ms Cheng Weihong, who is a substantial shareholder of the Company. Save as disclosed, Mr Tong has no relationship with any directors, senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr Tong was deemed to be interested in 2,546,982,424 shares of the Company which was held by Mighty Mark Investments Limited, a corporation controlled by Ms Cheng Weihong. Save as disclosed, Mr Tong has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed, Mr Tong does not hold any other position with the Company or any of its subsidiaries. There is no information to be disclosed by Mr Tong pursuant to Rule 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and there is no other information that need to be brought to the attention of the shareholders of the Company.

#### **Independent non-executive Directors**

**Mr CHEUNG Kiu Cho Vincent**, aged 42, independent non-executive Director, chairman of the nomination committee and member of the audit committee and remuneration committee. Mr Cheung is a Registered Professional Surveyor in the General Practice Division and member of The Hong Kong Institute of Surveyors and fellow member of The Royal Institution of Chartered Surveyors. Mr Cheung holds a Master Degree of Business Administration in International Management awarded by University of London in association with Royal Holloway and Bedford New College and a Bachelor Degree of Science (Honours) in Real Estate awarded by The Hong Kong Polytechnic University. He was also admitted as a member of Hong Kong Securities and Investment Institute in June 2017. Mr Cheung was qualified as a member of The China Institute of Real Estate Appraisers and Agents in July 2017 and admitted as a registered Real Estate Appraiser People’s Republic of China in August 2017. Mr Cheung is currently the Deputy Managing Director, Asia and Head of Valuation and Advisory Services Department of a multinational corporation; the independent non-executive director of RMH Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8437) which is primarily engaged in provision of medical and surgical services in dermatology in Singapore, since September 2017 and the independent non-executive director of MECOM Power and Construction Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1183) which is primarily engaged in integrated construction engineering and power substations construction in Macau, since January 2018. Mr Cheung has over 21 years of experience in assets valuation, assets management and corporate advisory. He joined the Group in June 2006.

Save as disclosed above, Mr Cheung did not hold any other directorship in any public listed companies in the last three years. Mr Cheung's appointment will be for a term of three years commencing from the date of election, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Cheung and the Company. Mr Cheung is entitled to an annual remuneration of HK\$120,000.00 which was determined by the Board with reference to his duties and responsibilities with the Company. Mr Cheung does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company. Save as disclosed, he does not hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Cheung does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Cheung pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the Shareholders.

**Mr He Chengying**, aged 55, independent non-executive Director of the Company. Mr He graduated from the Department of Accountancy of South Western University of Finance and Economics, holds a Master Degree of Economics from Zhejiang University, a Doctoral Degree of Economics from Xiamen University. He previously worked for Shenzhen Investment Holding Corporation, China Eagle Securities and United Securities. He is an associate professor, senior economist and a special research fellow of the China Management Science Research Institute and Researcher (Professor) of Zhejiang University of Finance and Economy. Mr He had previously engaged in state enterprise, state-owned asset management, as well as directly participated in drafting and formulating policies for state enterprise and state-owned asset management reforms. Subsequently, Mr He has engaged in stock market innovation, asset reorganisation, as well as capital market operation and research. He has accumulated extensive experience in corporate reform, asset reorganisation and capital management planning. He joined the Group in September 2006.

Mr He did not hold any other directorship in any public listed companies in the last three years. Mr He's appointment will be for a term of three years, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr He and the Company. Mr He is entitled to an annual remuneration of HK\$120,000.00 which was determined by the Board with reference to his duties and responsibilities with the Company. Mr He does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr He does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr He pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Mandate.

## **1. SHARE CAPITAL**

On the Latest Practicable Date, there were in issue an aggregate of 5,678,038,571 ordinary Shares of HK\$0.01 each in the Company. Exercise in full of the Repurchase Mandate, on the basis that no further Shares of the Company are issued or repurchased prior to the date of the AGM, would result in up to a maximum of 567,803,857 Shares being repurchased by the Company. The Repurchase Mandate allows the Company to make or agree to make purchases only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or by the Bye-laws (as amended from time to time) or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

## **2. REASON FOR REPURCHASE SHARES**

Although the Directors have no present intention of repurchasing any Shares, they consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase as and when appropriate and is beneficial to the Company. Such repurchases may enhance the Company's net asset value and/or earnings per share. The Directors would only make such purchases in circumstances whereby they consider them to be in the best interests of the Company.

As compared with the financial position of the Company at 31 March 2018 (being the date to which the latest audited financial statements of the Company have been made up), the Directors consider that there might be material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Mandate were exercised in full. No repurchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

## **3. FUNDING OF REPURCHASES**

Repurchase of the Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the repurchase in accordance with the Bye-laws (as amended from time to time) and the applicable laws of Bermuda. Under the laws of Bermuda, the repurchased Shares will be cancelled and the Company's issued share capital will be reduced by the nominal value of those repurchased Shares accordingly. However, the aggregate amount of the Company's authorised share capital will not be reduced.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date respectively are as follows:

	Share Prices	
	Highest	Lowest
	HK\$	HK\$
<b>2017</b>		
July	0.630	0.580
August	0.640	0.550
September	1.690	0.620
October	1.380	1.100
November	1.550	1.030
December	1.460	1.200
<b>2018</b>		
January	1.300	1.150
February	1.300	1.180
March	1.250	1.150
April	1.220	1.120
May	1.220	1.000
June	1.130	0.990
July	1.080	0.810
August (up to the Latest Practicable Date)	0.980	0.690

#### 5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules, all applicable laws of Bermuda, and in accordance with the regulations set out in the memorandum of association and Bye-laws (as amended from time to time).

#### 6. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the close associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

**7. EFFECT OF TAKEOVERS CODE**

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation 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, Mr Li Lixin (“Mr Li”) was deemed to be interested in 2,832,373,680 Shares (representing approximately 49.88% of the total issued share capital) through Shares held by himself beneficially and his controlled corporations. Mr Li was the only substantial shareholder of the Company holding more than 10% 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 resolution, the shareholdings of Mr Li in the Company would be increased to approximately 55.43% of the issued share capital of the Company. Such increase may trigger the mandatory offer obligations under Rule 26 of the Takeovers Code for Mr. Li. The Directors have no present intention to repurchase Shares to an extent that will trigger the obligations under the Takeovers Code to make a mandatory offer.

**8. SHARE REPURCHASE MADE BY THE COMPANY**

In the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

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## NOTICE OF THE ANNUAL GENERAL MEETING

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### LISI GROUP (HOLDINGS) LIMITED

### 利時集團（控股）有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 526)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Lisi Group (Holdings) Limited (利時集團（控股）有限公司) (“Company”) will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 28 September 2018 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors (“Directors”) and auditors of the Company for the year ended 31 March 2018.
2.
  - (a) To re-elect Mr Tong Shiping as executive Director;
  - (b) To re-elect Mr Li Lixin as executive Director;
  - (c) To re-elect Mr He Chengying as independent non-executive Director;
  - (d) To re-elect Mr Cheung Kiu Cho Vincent as independent non-executive Director;
  - (e) To authorize the board of Directors to fix the remunerations of the Directors.
3. To appoint KPMG as the Company’s auditor until the conclusion of the forthcoming annual general meeting and to authorise the board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

4. **“THAT**
  - (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company 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) 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;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (c) the aggregate number of 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), otherwise than pursuant to a Rights Issue (as defined below) or the exercise of the subscription rights under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate number of issued shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company (“Bye-laws”) or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (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).”

5. **“THAT**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent of the aggregate number of issued shares of the Company as at the date of this resolution and the said approval be limited accordingly; and

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## NOTICE OF THE ANNUAL GENERAL MEETING

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(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon resolution no. 5 above being passed, the aggregate number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 5 above shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 4 above.”

By Order of the Board  
**LISI GROUP (HOLDINGS) LIMITED**  
**Li Lixin**  
*Chairman*

Date: 29 August 2018

*Notes:*

- 1 A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- 2 To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited with the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- 3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.
- 4. In order to attend the AGM, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on Monday, 24 September 2018.

*As at the date of this notice, the board of directors of the Company comprises Mr Li Lixin (Chairman), Mr Cheng Jianhe, Ms Jin Yaxue and Mr Tong Shiping being executive directors, Mr Lau Kin Hon being non-executive director, Mr He Chengying, Mr Cheung Kiu Cho Vincent and Mr Shin Yick Fabian being independent non-executive directors.*