
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares of Tianli Holdings Group Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

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TIANLI HOLDINGS GROUP LIMITED 天利控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

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

A notice convening an annual general meeting of Tianli Holdings Group Limited to be held at Empire Room I, 1/F, Empire Hotel Hong Kong – Wan Chai, 33 Hennessy Road, Wan Chai, Hong Kong on Wednesday, 24 June 2020 at 11:00 a.m. is set out on pages 19 to 23 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding 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 ANNUAL GENERAL MEETING

Please see page (ii) of this document for measures being taken to try to prevent and control the spreading of the COVID-19 pandemic at the AGM, including:

- (1) compulsory temperature checks and health declaration
- (2) compulsory wearing of surgical face mask
- (3) maintain proper distance between seats
- (4) no refreshments or drinks

Any person who does not comply with the precautionary measures (1) to (3) above or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. For the health and safety of the Shareholders, the Company would like to encourage the Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (1) Compulsory body temperature checks will be conducted on every attendee at the entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (2) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.
- (3) Attendees must always wear surgical face masks inside the AGM venue, and to maintain a safe distance between seats.
- (4) No refreshments or drinks will be served.

In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and returning the proxy form attached to this document.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Empire Room I, 1/F, Empire Hotel Hong Kong – Wan Chai, 33 Hennessy Road, Wan Chai, Hong Kong on Wednesday, 24 June 2020 at 11: 00 a.m., or any adjournment thereof
“Article(s)” or “Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code in Appendix 14 to the Listing Rules
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Tianli Holdings Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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 People’s Republic of China

DEFINITIONS

“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to allot, issue and otherwise deal with authorised and unissued Shares up to a maximum of 20% of the aggregate number of Shares in issue at the date of passing of the relevant resolution approving the mandate
“Latest Practicable Date”	7 May 2020, 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”	a general mandate proposed to be granted to the Directors at the AGM to repurchase up to a maximum of 10% of the aggregate number of Shares in issue at the date of passing of the relevant resolution approving the mandate
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	The holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“%”	per cent

LETTER FROM THE BOARD



TIANLI HOLDINGS GROUP LIMITED
天利控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 117)

Executive Directors:

Mr. Zhou Chunhua (*Chairman*)
Mr. Pan Tong (*Chief Executive Officer*)
Mr. Chou, Benjamin Bang Yi
Ms. Du Weilin

Independent Non-executive Directors:

Mr. Chu Kin Wang, Peleus
Mr. David Tsoi
Mr. Xu Xuechuan

Registered office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

Unit 907-909, 9th Floor
Three Pacific Place
1 Queen's Road East
Hong Kong

15 May 2020

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding certain resolutions to be proposed at the AGM relating to, among other things (i) the re-election of Directors; and (ii) the grant of the Issue Mandate, Repurchase Mandate and the extension of the Issue Mandate by adding to it the aggregate number of Shares repurchased under the Repurchase Mandate, and to give the Shareholders notice of AGM at which ordinary resolutions as set out in the notice of AGM will be proposed.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Article 86(3) of the Article of Association and subsequent to her appointment as an additional Director on 22 November 2019, Ms. Du Weilin will hold office only until the next following annual general meeting of the Company, and will then be eligible for re-election.

Pursuant to Article 87(1) of the Articles of Association, Mr. Pan Tong, being an executive Director, Mr. Chu Kin Wang, Peleus and Mr. David Tsoi, both being independent non-executive Directors, shall retire from office by rotation at the AGM. Being eligible, Mr. Pan Tong and Mr. David Tsoi will offer themselves for re-election at the AGM.

According to code provisions A.4.3 and A.5.5 of the CG Code, if an independent non-executive Director serves more than nine years and if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders. Mr. Chu Kin Wang, Peleus has been appointed as an independent non-executive Director for more than nine years. With his accounting expertise and commercial background that is unique in the Board, Mr. Chu Kin Wang, Peleus can provide valuable insight and contribute to the diversity of the skills and perspectives of the Board, and the Board believes that he is able to exercise his professional judgement and draw upon his accounting and commercial knowledge for the benefit of the Company and its Shareholders as a whole, in particular, the independent shareholders. Also, the Board has benefited greatly from the presence of Mr. Chu Kin Wang, Peleus who has over time gained valuable insight into the Group. Mr. Chu Kin Wang, Peleus has not engaged in any executive management of the Group nor in any relationships which would interfere with the exercise of his independent judgment. As at the Latest Practicable Date, Mr. Chu Kin Wang, Peleus held directorships at seven other companies listed on the Stock Exchange. As evidenced by his high attendance rate since his appointment as an independent non-executive Director over years and also he now only serves as an executive director of a listed company and other directorships are non-executive in nature, the Board believes that Mr. Chu Kin Wang, Peleus will still be able to devote sufficient time to the Board.

LETTER FROM THE BOARD

The nomination committee of the Company considered that in view of his educational background, professional knowledge and experience as mentioned above and set out in Appendix I to this circular, Mr. Chu Kin Wang, Peleus as an independent non-executive Director will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and his appointment will contribute to the diversity (in particular in terms of professional knowledge) of the Board appropriate to the requirements of the Company's business.

The Company has received from Mr. Chu Kin Wang, Peleus a confirmation of independence according to Rule 3.13 of the Listing Rules. Taking into consideration of his independent scope of work in the past years and the recommendation from the nomination committee of the Company, the Board considers Mr. Chu Kin Wang, Peleus remain independent under the Listing Rules notwithstanding the length of his service and taking up of certain directorships. Accordingly, Mr. Chu Kin Wang, Peleus shall be subject to retirement by rotation and re-election by way of a separate resolution to be approved by the Shareholders at the AGM.

Based on the biographical information disclosed to the Company, Mr. David Tsoi does not hold seven or more listed company directorships and he continues to demonstrate his commitment to his role with the Company. Moreover, the nomination committee of the Company had assessed and reviewed the written confirmation of Mr. David Tsoi concerning his independence in accordance with the Listing Rules. Accordingly, the Board satisfied that he remains independent.

The nomination committee of the Company had also considered that his experience in accounting and finance background would continue to bring contribution to the diversity to the Board. In addition, Mr. David Tsoi has provided in-depth insights to the Board and has demonstrated his abilities to provide independent, balanced and impartial views to the Company's affairs.

The Board having considered the recommendation of the nomination committee of the Company, is of the view that each of Mr. Pan Tong, Ms. Du Weilin, Mr. Chu Kin Wang, Peleus and Mr. David Tsoi will continue to make significant contribution to the Company. As such, the Board recommends each of them to be re-elected as a Director at the AGM.

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

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 5 June 2019, approval was given by the Shareholders for the granting of, inter alia, the general mandates to the Directors to (i) issue, allot and otherwise deal with the Shares not exceeding 20% of the aggregate number of Shares in issue; and (ii) repurchase the Shares not exceeding 10% of the aggregate number of Shares in issue. In accordance with the terms of the approval, these general mandates will expire upon the conclusion of the AGM. In order to give the Company the flexibility to issue and repurchase Shares for the interests of the Shareholders, ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate and the Repurchase Mandate. Subject to the approval by the Shareholders for granting the Issue Mandate and the Repurchase Mandate, an ordinary resolution to authorise the Directors to extend the power under the Issue Mandate to issue, allot and deal with Shares by adding to it the aggregate number of Shares repurchased by the Company under the Repurchase Mandate will also be proposed for approval by the Shareholders at the AGM.

As at the Latest Practicable Date, there was a total of 744,750,000 Shares in issue. Subject to the passing of the proposed resolution for approving the Issue Mandate to the Directors, and on the basis that no other Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Issue Mandate to allot and issue a maximum of 148,950,000 Shares.

Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors, and on the basis that there were 744,750,000 issued Shares as at the Latest Practicable Date and no Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 74,475,000 Shares.

The Repurchase Mandate and the Issue Mandate shall continue to be in force during the period from the date of passing of the ordinary resolutions for the approval of the Repurchase Mandate and the Issue Mandate up to (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 to be held; or (iii) the revocation or variation of the Repurchase Mandate or the Issue Mandate (as the case may be) by ordinary resolutions of the Shareholders at a general meeting of the Company, whichever occurs first.

LETTER FROM THE BOARD

In respect of the Issue Mandate, the Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the General Mandate.

An explanatory statement, as required under the Listing Rules, to provide the requisite information in connection with the Repurchase Mandate is set forth in Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice convening the AGM is set out in Appendix III to this circular. Ordinary resolutions in respect of, inter alia, the re-election of the Directors, the grant of the Issue Mandate, the Repurchase Mandate, and an extension of the Issue Mandate will be proposed at the AGM.

Pursuant to the Listing Rules, all resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM pursuant to Rule 13.39(4) of the Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular. If you are not able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit it at the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof, as the case may be. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

RECOMMENDATION

The Directors consider that the proposed re-election of Directors, the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are each in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the 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 material matters the omission of which would make any statement herein or this circular misleading.

GENERAL

Your attention is drawn to the information set out in the appendices to this circular. Unless otherwise stated, in case of any inconsistency between the English and the Chinese translation of this circular, the English version shall prevail.

Yours faithfully
For and on behalf of the Board
Tianli Holdings Group Limited
Zhou Chunhua
Chairman

The particulars of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Pan Tong (“Mr. Pan”)

Mr. Pan, aged 48, was appointed as chief executive officer of the Company and ceased to be chief risk officer of the Company in April 2019. Mr. Pan is an executive Director since August 2017. Mr. Pan is also a director of various subsidiaries of the Company. Mr. Pan holds a bachelor’s degree in international finance from Hunan College of Finance and Economics (currently known as Hunan University). Mr. Pan had held various executive positions at several banks and financial institutions in China with extensive experience in the fields of risk management, corporate banking and investment.

Mr. Pan has entered into a service contract with the Company for a term of three years commencing from 11 August 2017. The service contract of Mr. Pan can be terminated by either party by serving a notice in writing to the other of not less than three months or payment in lieu of such notice. The directorship of Mr. Pan will be subject to retirement by rotation and re-election pursuant to the Articles of Association. Mr. Pan is entitled to receive a remuneration of HK\$2,400,000 per annum which was recommended by the remuneration committee of the Company and approved by the Board based on Mr. Pan’s qualifications and experience, his level of responsibilities undertaken and the prevailing market conditions. Mr. Pan may also be entitled to receive discretionary bonuses or other benefits as decided by the remuneration committee of the Company and the Board having regard to the Company’s and his performance.

Save as disclosed above, Mr. Pan (i) has not had any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (ii) has not had any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date; and (iv) has not held other positions with the Company and other members of the Group.

Save as disclosed above, there are no other matters in relation to the re-election of Mr. Pan as a Director that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

Ms. Du Weilin (“Ms. Du”)

Ms. Du, aged 30, was appointed as executive Director in November 2019. Ms. Du graduated from The Great Wall University Beijing (北京長城研修學院) in 2008. She has extensive experience in international trading, investment and corporate management.

Ms. Du has entered into a service contract with the Company for a term of three years commencing from 22 November 2019. The service contract of Ms. Du can be terminated by either party by serving a notice in writing to the other of not less than three months or payment in lieu of such notice. The directorship of Ms. Du will be subject to retirement by rotation and re-election pursuant to the Articles of Association. Ms. Du is entitled to receive a remuneration of HK\$1,200,000 per annum which was recommended by the remuneration committee of the Company and approved by the Board based on Ms. Du’s qualifications and experience, her level of responsibilities undertaken and the prevailing market conditions. Ms. Du may also be entitled to receive discretionary bonuses or other benefits as decided by the remuneration committee of the Company and the Board having regard to the Company’s and her performance.

As at the Latest Practicable Date, Ms. Du is the substantial Shareholder of the Company and she has beneficial interests in 189,765,825 Shares within the meaning of Part XV of the SFO, representing approximately 25.48% of the total issued shares of the Company. Save as disclosed above, Ms. Du (i) has not had any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (ii) has not had any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date; and (iv) has not held other positions with the Company and other members of the Group.

Save as disclosed above, there are no other matters in relation to the re-election of Ms. Du as a Director that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

Mr. Chu Kin Wang, Peleus (“Mr. Chu”)

Mr. Chu, aged 55, joined the Company as an independent non-executive Director in April 2007. Mr. Chu is also the chairman of the Audit Committee and the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Chu holds a Master of Business Administration degree from The University of Hong Kong. Mr. Chu is a fellow of the Hong Kong Institute of Certified Public Accountants (Practising). Mr. Chu is also an associate of both the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. He has extensive experience in corporate finance, audit, accounting and taxation. Mr. Chu is currently a deputy chairman and executive director of Chinese People Holdings Company Limited (stock code: 681), and was an non-executive director of Perfect Group International Holdings Limited (stock code: 3326) until March 2017, the shares of which are all listed on the Stock Exchange.

Mr. Chu is currently or used to be an independent non-executive director of the following companies, the securities of which are listed on the Stock Exchange:

- Mingfa Group (International) Company Limited (stock code: 846) since November 2016;
- Madison Holdings Group Limited (formerly known as Madison Wine Holdings Limited) (stock code: 8057) since September 2015;
- SuperRobotics Limited (formerly known as SkyNet Group Limited) (stock code: 8176) since March 2012;
- Huayu Expressway Group Limited (stock code: 1823) since May 2009;
- China First Capital Group Limited (formerly known as China Vehicle Components Technology Holdings Limited) (stock code: 1269) since October 2011;

- Flyke International Holdings Ltd. (stock code: 1998) since February 2010;
- China Huishan Dairy Holdings Company Limited (stock code: 6863) until December 2017;
- Telecom Service One Holdings Limited (former stock code: 8145) (stock code: 3997) until December 2017; and
- PT International Development Corporation Limited (formerly known as ITC Corporation Limited) (stock code: 372) until September 2017.

Mr. Chu has entered into a letter of appointment with the Company for a term of one year which will automatically be renewed for successive one-year period unless terminated by either party by giving to other of not less than three months prior notice or payment in lieu of such notice. His directorship will be subject to retirement by rotation and re-election pursuant to the Articles of Association. Mr. Chu is entitled to receive a director's fee of HK\$15,000 per month which has been recommended by the remuneration committee of the Company and approved by the Board based on his qualifications and experience, level of responsibilities undertaken and prevailing market conditions. The director's fee of Mr. Chu will be subject to annual review by the remuneration committee of the Company and the Board.

Save as disclosed above, Mr. Chu (i) has not had any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (ii) has not had any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date; and (iv) has not held other positions with the Company and other members of the Group.

Mr. Chu has confirmed that he has met the independent criteria under Rule 3.13 of the Listing Rules and there are no other matters in relation to the re-election of Mr. Chu as a Director that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

Mr. David Tsoi (“Mr. Tsoi”)

Mr. Tsoi, aged 72, was appointed as an independent non-executive Director in August 2017. Mr. Tsoi is also a member of the Audit Committee of the Company. Mr. Tsoi obtained a master’s degree in business administration from the University of East Asia, Macau (currently known as the University of Macau) in 1986. He is a certified public accountant registered with the Hong Kong Institute of Certified Public Accountants, a chartered certified accountant registered with the Association of Chartered Certified Accountants and a chartered professional accountant and certified general accountant certified by the Chartered Professional Accountants of British Columbia, Canada, fellow member of The Institute of Chartered Accountants in England and Wales, The Society of Chinese Accountants and Auditors and the CPA Australia. He is also a certified tax adviser registered with The Taxation Institute of Hong Kong. Currently, he is the managing director of Alliot, Tsoi CPA Limited. Mr. Tsoi is an independent non-executive director of Guru Online (Holdings) Limited (stock code: 8121), Green International Holdings Limited (stock code: 2700), VPower Group International Holdings Limited (stock code: 1608), Universal Technologies Holdings Limited (stock code: 1026) and Everbright Grand China Assets Limited (stock code: 3699). Mr. Tsoi was an independent non-executive director of CRRC Corporation Limited (stock code: 1766), Enviro Energy International Holdings Limited (stock code: 1102) and Loto Interactive Limited (stock code: 8198), all companies are listed on the Stock Exchange. Mr. Tsoi was an independent non-executive director of Anxin-China Holdings Limited (stock code: 1149), whose shares were delisted on the Stock Exchange in December 2018.

Mr. Tsoi has entered into a letter of appointment with the Company for a term of one year commencing from 25 August 2017 which will automatically be renewed for successive one-year period unless terminated by either party by giving to other of not less than three months prior notice or payment in lieu of such notice. His directorship will be subject to retirement by rotation and re-election pursuant to the Articles of Association. Mr. Tsoi is entitled to receive a director’s fee of HK\$15,000 per month which has been recommended by the remuneration committee of the Company and approved by the Board based on his qualifications and experience, level of responsibilities undertaken and prevailing market conditions. The director’s fee of Mr. Tsoi will be subject to annual review by the remuneration committee of the Company and the Board.

Save as disclosed above, Mr. Tsoi (i) has not had any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (ii) has not had any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the Latest Practicable Date; and (iv) has not held other positions with the Company and other members of the Group.

Mr. Tsoi has confirmed that he has met the independent criteria under Rule 3.13 of the Listing Rules and there are no other matters in relation to the re-election of Mr. Tsoi as a Director that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information in relation to the Repurchase Mandate for your consideration.

1. LISTING RULES

The Listing rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

2. SHAREHOLDERS' APPROVAL

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the directors of the company to make such repurchases.

3. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 744,750,000 Shares in issue. Subject to the passing of the proposed resolution approving the Repurchase Mandate and on the basis that no further Shares are to be issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 74,475,000 Shares.

4. REASONS FOR SHARE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share. The Directors are seeking the grant of a general mandate to repurchase Shares to give the Company flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the Shares are repurchased will be decided by the Directors at the relevant time regard to the circumstances then prevailing.

5. FUNDING OF SHARE REPURCHASE

Any repurchases will only be made out of funds of the Company legally available under the applicable law of the Cayman Islands, the Articles of Association and the Listing Rules for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements for the year ended 31 December 2019 contained in the 2019 annual report of the Company) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. The Directors do not, however, intend to exercise the Repurchase Mandate in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

6. SHARE PRICES

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

	Share Prices (per Share)	
	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
2019		
April	0.98	0.78
May	0.85	0.64
June	0.78	0.64
July	0.75	0.61
August	0.64	0.30
September	0.57	0.33
October	0.68	0.41
November	0.68	0.41
December	0.75	0.50
2020		
January	0.73	0.49
February	0.75	0.40
March	0.58	0.32
April	0.43	0.37
May (up to the Latest Practicable Date)	0.38	0.35

7. UNDERTAKING

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

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or any of its subsidiaries, in the event that the Repurchase Mandate is approved by the Shareholders.

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

8. TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, 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 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the Shareholders who were interested in 5% or more of the issued share capital of the Company, according to the register of interests required to be kept by the Company under section 336 of the SFO, were as follows:

Name of Shareholders	Notes	Number of Shares held	Approximate percentage of shareholding as at Latest Practicable Date	Approximate percentage of shareholding in the event of the Repurchase Mandate is exercised in full
Cosmic Riches Investments Limited	1	189,765,825	25.48%	28.31%
Ms. Du Weilin	1	189,765,825	25.48%	28.31%
China Tian Yuan Manganese Limited	2	60,590,482	8.13%	9.03%
Ningxia Tianyuan Manganese Industry Group Co., Ltd.	2	60,590,482	8.13%	9.03%
Mr. Jia Tianjiang	2	60,590,482	8.13%	9.03%
Ms. Dong Jufeng	2	60,590,482	8.13%	9.03%

Notes:

- (1) 189,765,825 Shares are directly held by Cosmic Riches Investments Limited which is wholly owned by Ms. Du Weilin. As such, Ms. Du Weilin was deemed to be interested in the 189,765,825 Shares held by Cosmic Riches Investments Limited by virtue of Part XV of the SFO.

- (2) 60,590,482 Shares are directly held by China Tian Yuan Manganese Limited, a company wholly-owned by Ningxia Tianyuan Manganese Industry Group Co., Ltd. which is in turn wholly owned by Mr. Jia Tianjiang. As such, Ningxia Tianyuan Manganese Industry Group Co., Ltd. and Mr. Jia Tianjiang were deemed to be interested in the 60,590,482 Shares held by China Tian Yuan Manganese Limited by virtue of Part XV of the SFO. Ms. Dong Jufeng was deemed to be interested in the 60,590,482 Shares held by China Tian Yuan Manganese Limited by virtue of her being the spouse of Mr. Jia Tianjiang for the purpose of Part XV of the SFO.

In the event that the Directors exercise the Repurchase Mandate in full, the interests of each of the above Shareholders in the Company will be increased to approximately the percentages as set out opposite their respective names in the table above. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

On the basis that the issued share capital of the Company remains the same, the Directors are not aware of any consequences which may arise under Rules 26 and 32 of the Takeovers Code. The Directors do not intend to exercise the Repurchase Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Takeovers Code.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**TIANLI HOLDINGS GROUP LIMITED****天利控股集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Tianli Holdings Group Limited (the “**Company**”) will be held at Empire Room I, 1/F, Empire Hotel Hong Kong – Wan Chai, 33 Hennessy Road, Wan Chai, Hong Kong on Wednesday, 24 June 2020 at 11:00 a.m. for the following purposes:

1. to receive and consider the audited consolidated financial statements for the year ended 31 December 2019 and the reports of the directors (the “**Director(s)**”) and the independent auditor.
2. to consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Pan Tong as Director;
 - (b) to re-elect Ms. Du Weilin as Director;
 - (c) to re-elect Mr. Chu Kin Wang, Peleus as Director;
 - (d) to re-elect Mr. David Tsoi as Director; and
 - (e) to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
3. to re-appoint Crowe (HK) CPA Limited as the auditor of the Company and to authorise the Board to fix their remuneration.

4. To consider and, if thought fit, pass (with or without modification) the following ordinary resolutions:

“**THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) on all the powers of the Company to allot, issue and otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such power during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued or dealt with by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than by way of (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares of the Company 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 of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (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 of the Company or any applicable laws to be held; and
- (iii) the date on which the authority given 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 of the Company or an offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (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).”

5. To consider and, if thought fit, pass (with or without modification) the following ordinary resolutions:

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the shares of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC and the Stock Exchange, or of any other stock exchange as amended from time to time and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;

(b) the total number of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(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 of the Company or any applicable laws to be held; and

(iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass (with or without modification) the following ordinary resolutions:

“**THAT** subject to the passing of ordinary resolutions no. 4 and 5 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue or otherwise deal with additional shares of the Company pursuant to ordinary resolution no. 4 set out in the notice convening this meeting be and is hereby extended by the addition thereto the total number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution no. 5 set out in the notice convening this meeting, provided that such number of shares so repurchased shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
Tianli Holdings Group Limited
Zhou Chunhua
Chairman

Hong Kong, 15 May 2020

Notes:

1. All resolutions (except for procedural and administrative matters) at the annual general meeting will be taken by poll pursuant to the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a shareholder of the Company.
3. 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 notarially certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof (as the case may be).
4. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at the annual general meeting or any adjournment thereof (as the case may be) should the shareholder so desire.
5. The register of members of the Company will be closed from Friday, 19 June 2020 to Wednesday, 24 June 2020 (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to determine shareholders' entitlement to attend and vote at the annual general meeting, all transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, not later than 4:30 p.m. on Thursday, 18 June 2020.
6. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders shall be present at the meeting personally or by proxy, that one of the holders so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
7. If a tropical cyclone warning signal number 8 or above is hoisted or is expected to be hoisted or a black rainstorm warning signal is in force or expected to be in force in Hong Kong at any time between 9:00 a.m. and 11:00 a.m. on the date of the annual general meeting, the annual general meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting. The annual general meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.
8. Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the Annual General Meeting arrangements at short notice. The Company will publish an announcement on the websites of The Stock Exchange of Hong Kong Limited and the Company to notify shareholders of the date, time and place of the rescheduled meeting.
9. Should there be any discrepancies between the English and the Chinese versions of this circular, this English version shall prevail.
10. As at the date of this notice, the Board comprises four executive Directors, namely Mr. Zhou Chunhua (Chairman), Mr. Pan Tong (Chief Executive Officer), Mr. Chou, Benjamin Bang Yi and Ms. Du Weilin; and three independent non-executive Directors, namely Mr. Chu Kin Wang, Peleus, Mr. David Tsoi and Mr. Xu Xuechuan.