

**If you are in any doubt** as to any aspect of this circular or as to the action you should take, 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 in **Kidsland International Holdings Limited**, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**Kidsland International Holdings Limited**  
**凱知樂國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2122)**

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
CHANGE OF AUDITOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Kidsland International Holdings Limited to be held at 4608, 46/F, The Center, 99 Queen's Road Central, Hong Kong on Friday, 31 May 2019 at 10:30 a.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.kidslandholdings.com](http://www.kidslandholdings.com)).

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Tricor Investor Services Limited at 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 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 adjourned meeting should you so wish.

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
 <b>Letter from the Board</b>	
Introduction .....	3
Issue Mandate .....	4
Repurchase Mandate .....	4
Proposed re-election of Retiring Directors .....	5
Proposed Change of Auditor .....	5
Annual General Meeting and Proxy Arrangement .....	6
Responsibility statement .....	6
Recommendation .....	6
 <b>Appendix I       –     Details of retiring Directors proposed to be re-elected</b> ...	 7
 <b>Appendix II      –     Explanatory Statement for the Repurchase Mandate</b> ....	 11
 <b>Notice of the Annual General Meeting</b> .....	 14

*This circular is prepared in both English and Chinese. In the event of inconsistency, the English version of this circular will prevail.*

## DEFINITIONS

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

<b>Term</b>	<b>Definition</b>
“Annual General Meeting”	the annual general meeting of the Company to be held at 4608, 46/F, The Center, 99 Queen’s Road Central, Hong Kong on Friday, 31 May 2019 at 10:30 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Kidsland International Holdings Limited, a limited liability company incorporated under the laws of the Cayman Islands and whose Shares are listed on the Main Board of the Stock Exchange (stock code: 2122)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto 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 PRC

## DEFINITIONS

Term	Definition
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the resolution approving such mandate
“Latest Practicable Date”	23 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the resolution approving such mandate
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent



**Kidsland International Holdings Limited**  
**凱知樂國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2122)**

***Executive Directors***

Mr. Lee Ching Yiu (*Chairman*)  
Mr. Hung Shing Ming  
Ms. Zhong Mei

***Non-Executive Directors***

Mr. Du Ping  
Ms. Duan Lanchun

***Independent Non-Executive Directors***

Mr. Cheng Yuk Wo  
Mr. Huang Lester Garson  
Dr. Lam Lee G.

***Registered Office***

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

***Headquarters and principal place of  
business in the PRC***

Level 9 One Indigo  
20 Jiuxianqiao Road  
Chaoyang District  
Beijing  
PRC

***Principal Place of Business in  
Hong Kong***

28/F Times Tower  
391-407 Jaffe Road  
Wan Chai, Hong Kong

30 April 2019

*To the Shareholders*

Dear Sirs

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
CHANGE OF AUDITOR  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

**INTRODUCTION**

The primary purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the Annual General Meeting to be held on Friday, 31 May 2019, and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include ordinary resolutions on (a) the granting to the Directors of the Issue Mandate and the Repurchase Mandate; and (b) the re-election of the retiring Directors and the granting of the authority to the Board to fix the Directors' remuneration; and (c) the change of auditor.

## LETTER FROM THE BOARD

### ISSUE MANDATE

Pursuant to the written resolutions passed by the then Shareholders on 20 October 2017, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting that the Issue Mandate be granted for the Directors to exercise all the powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the proposed ordinary resolution. Details of the Issue Mandate as set out in resolution no. 5 in the notice of the Annual General Meeting are set out on pages 14 to 18 of this circular. As at the Latest Practicable Date, a total of 800,000,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to allot, issue and deal with up to a maximum of 160,000,000 Shares. The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Issue Mandate other than the Shares which may fall to be issued under any of the share option schemes of the Company.

### REPURCHASE MANDATE

Pursuant to the written resolutions passed by the then Shareholders on 20 October 2017, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting that the Repurchase Mandate be granted for the Directors to exercise all the powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the proposed ordinary resolution. Details of the Repurchase Mandate as set out in resolution no. 6 in the notice of the Annual General Meeting are set out on pages 14 to 18 of this circular. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 80,000,000 Shares.

In addition, an ordinary resolution will be proposed at the Annual General Meeting to authorise the increase in the total number of new Shares which may be allotted and issued under the Issue Mandate (if the grant of which is approved by the Shareholders at the Annual General Meeting) by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate (if the grant of which is approved by the Shareholders at the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Repurchase Mandate.

Subject to the approval of the above proposals by the Shareholders at the Annual General Meeting, the Issue Mandate and the Repurchase Mandate will be effective until the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the end of the period within which the Company is required by the Companies Law, the Articles of Association or applicable Cayman Islands law to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

## LETTER FROM THE BOARD

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

### PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprised (i) Mr. Lee Ching Yiu, Mr. Hung Shing Ming, Ms. Zhong Mei as executive Directors; (ii) Mr. Du Ping and Ms. Duan Lanchun as non-executive Directors; and (iii) Mr. Cheng Yuk Wo, Mr. Huang Lester Garson and Dr. Lam Lee G. as independent non-executive Directors.

In accordance with article 84 (1) of the Article of Association. Mr. Lee Ching Yiu, Ms. Zhong Mei and Mr. Du Ping will retire from office as Directors by rotation and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

In accordance with Article 83 (3) of the Articles, Mr. Hung Shing Ming, being as executive director shall hold office only until the Annual General Meeting and shall then be eligible for re-election. As such, Mr. Hung is eligible and will offer himself for re-election at the Annual General Meeting.

Brief biographical details of the above retiring Directors who subject to re-election at the AGM are set out in Appendix I to this circular in accordance with relevant requirements of the Listing Rules.

### PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement published by the Company on 30 April 2019. As set out in the said announcement, Deloitte Touche Tohmatsu (“Deloitte”) will retire as the auditor of the Company with effect from the conclusion of the Annual General Meeting as the Company and Deloitte could not reach a consensus on the audit fee for the financial year ending 31 December 2019.

The Board has resolved to propose the appointment of PricewaterhouseCoopers as the new auditor of the Company following the retirement of Deloitte and such proposed appointment is subject to the approval of the Shareholders at the Annual General Meeting.

Pursuant to Rule 13.51(4) of the Listing Rules, the Company has received a confirmation from Deloitte that there are no matters which Deloitte needs to bring to the attention of the Shareholders or creditors of the Company in relation to the proposed change of auditor of the Company. The Board and the audit committee of the Company have also confirmed that there is no disagreement between Deloitte and the Company, and there are no other matters in respect of the proposed change of auditor and retirement of Deloitte that needs to be brought to the attention of the Shareholders or creditors of the Company.

The Board would like to take this opportunity to express its sincere gratitude to Deloitte for its professional and quality services rendered to the Company during the past years.

## LETTER FROM THE BOARD

### ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.kidslandholdings.com](http://www.kidslandholdings.com)). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Tricor Investor Services Limited at 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 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 adjourned meeting should you so wish.

### 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.

### RECOMMENDATION

The Directors consider that the granting of the Issue Mandate and the Repurchase Mandate, the proposed re-election of retiring Directors and the change of auditor are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully  
By order of the Board  
**Kidsland International Holdings Limited**  
凱知樂國際控股有限公司  
**Lee Ching Yiu**  
*Chairman, Executive Director and  
Chief Executive Officer*



## APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

The brief biographical details of all the retiring Directors eligible for re-election at the Annual General Meeting are set out below:

**Mr. Lee Ching Yiu**, aged 63, was appointed as Executive Director in 2017. He is also the Chairman and Chief Executive Officer. Earlier in 2019, Mr. Lee became a remuneration committee member. Mr. Lee is the founder of the group and is primarily responsible for the overall management, strategy and operations of our Group. Prior to establishing the Group, Mr. Lee worked in toy manufacturing and had gained 27 years of experience in the industry. Mr. Lee received his Bachelor of Arts degree from the University of Hong Kong in November 1979.

Mr. Lee has entered into a service agreement with the Company for a term of three years commencing from 10 November 2017 and the service agreement shall continue unless and until terminated by not less than three months' notice in writing served by either party to the other. Mr. Lee is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. His emoluments comprise a Director's fee to be determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. Pursuant to his service agreement, he is entitled to a Director's fee of HK\$100,000 per annum. For the year ended 31 December 2018, his emoluments comprise Director's fee of HK\$100,000 and other emoluments of HK\$2,564,000.

As at the Latest Practicable Date, Mr. Lee was (i) deemed to be interested in a long position of 425,224,523 Shares and a short position of 12,000,000 Shares held by Asian Glory Holdings Ltd. as the legal owner of the entire issued share capital of Asian Glory Holdings Ltd.; (ii) beneficially interested in 10,000,000 Shares; and (iii) granted share options to subscribe for 4,000,000 Shares. Save as disclosed above, as far as the Board is aware, Mr. Lee (i) did not hold any directorship in the last three years in other listed public companies; (ii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iii) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Lee confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

**Mr. Hung Shing Ming**, aged 42, was appointed as Executive Director on 1 January 2019. Mr. Hung joined the Group as Assistant Chief Executive Officer and Chief Financial Officer on 11 September 2018. Mr. Hung is primarily responsible for the strategic development and corporate finance management of our Group.

Prior to joining the Group, Mr. Hung gained over 18 years of experience in investment banking and corporate banking. He had worked at a number of financial institutions including DBS, Morgan Stanley and Citigroup. He has led a number of landmark IPOs, capital market fund-raising and strategic M&A transactions across the Asia Pacific region.

Mr. Hung graduated from the University of London with a Bachelor's degree in Economics and the University of Cambridge with a Master of Philosophy in Economics with Finance.

Mr. Hung has entered into a service agreement with the Company for a term of three years commencing from 27 December 2018 and the service agreement shall continue unless and until terminated by not less than three months' notice in writing served by either party to the other. Mr. Hung is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. His emoluments comprise a Director's fee to be determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. Pursuant to his service agreement, he is entitled to a Director's fee of HK\$100,000 per annum.

As at the Latest Practicable Date, Mr. Hung was (i) interested in 12,100,000 Shares; and (ii) entered an agreement to acquire additional 12,000,000 shares from Mr. Lee on 27 December 2018 at total consideration of HK\$1 subject to fulfilment of certain conditions. Save as disclosed above, as far as the Board is aware, Mr. Hung (i) did not hold any directorship in the last three years in other listed public companies; (ii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iii) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Hung confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

**Ms. Zhong Mei**, aged 48, was appointed as Executive Director in 2017. She is the Managing Director of Kidsland China and oversees the operations of the Group in the PRC, while also serving as a director for various Group subsidiaries. Prior to joining the Group in July 2001, Ms. Zhong was the Sales and Marketing Director of Beijing Hong Kong Garland Trading Company Limited, a branded toys distributor, from March 1999 to June 2001, where she oversaw organizational development and sales and marketing operations of the firm's overseas business. From November 1993 to February 1999, Ms Zhong served as National Business Manager of the toys division of East Asiatic Company (China) Limited, Santa Fe Group A/S's wholly-owned subsidiary, where she also oversaw organizational development and operations of the firm's overseas business. Ms. Zhong received her Bachelor's degree in English from the Civil Aviation University of China in July 1992 and Executive Master's degree in Business Administration from the China Europe International Business School in China in September 2005.

Ms. Zhong has entered into a service agreement with the Company for a term of three years commencing from 10 November 2017 and the service agreement shall continue unless and until terminated by not less than three months' notice in writing served by either party to the other. Ms. Zhong is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Her emoluments comprise a Director's fee to be determined by the Board with reference to her duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. Pursuant to her service agreement, she is entitled to a Director's fee of HK\$100,000 per annum. For the year ended 31 December 2018, her emoluments comprise Director's fee of HK\$100,000 and other emoluments of HK\$5,315,000.

As at the Latest Practicable Date, Ms. Zhong was (i) deemed to be interested in 29,999,100 Shares held by Stars Link Ventures Limited as the legal owner of the entire issued share capital of Stars Link Ventures Limited; and (ii) granted share options to subscribe for 4,000,000 Shares. Save as disclosed above, as far as the Board is aware, Ms. Zhong (i) did not hold any directorship in the last three years in other listed public companies; (ii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iii) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Ms. Zhong confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with her appointment and there is no other information that should be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

**Mr. Du Ping**, aged 48, was appointed as Non-executive Director in 2017. He has been the Financial Controller of Lovable Holdings Limited since July 2005, overseeing financial reporting and management. Mr. Du received his Bachelor of Accounting degree from the Capital University of Economics and Business (previously known as the Beijing Economics College) in July 1993, and his Master's degree in Business Administration from the National University of Singapore in August 2000. Mr. Du was admitted as a certified public accountant in China in November 1993 and recognised by the Ministry of Personnel and the Ministry of Finance as a Chinese Accountant in the PRC in October 1994.

Mr. Du has entered into a service agreement with the Company for a term of three years commencing from 10 November 2017 and the service agreement shall continue unless and until terminated by not less than three months' notice in writing served by either party to the other. Mr. Du is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. His emoluments comprise a Director's fee to be determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. Pursuant to his service agreement, he is entitled to a Director's fee of HK\$100,000 per annum. For the year ended 31 December 2018, his emoluments comprise Director's fee of HK\$100,000 and other emoluments of HK\$962,000.

As at the Latest Practicable Date, Mr. Du was (i) deemed to be interested in 2,999,910 Shares held by Merits Forest Global Limited as the legal owner of the entire issued share capital of Merits Forest Global Limited; and (ii) granted share options to subscribe for 1,500,000 Shares. Save as disclosed above, as far as the Board is aware, Mr. Du (i) did not hold any directorship in the last three years in other listed public companies; (ii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iii) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Du confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

#### **1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the 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 repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

#### **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 800,000,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under Repurchase Mandate to repurchase a maximum of 80,000,000 Shares.

#### **3. REASONS FOR THE REPURCHASE**

The Directors believe that the ability to repurchase Shares is in the interests of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net assets and/or earnings per Share. The Directors have sought the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

#### **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position as at 31 December 2018, being the date of its latest audited consolidated financial statements were made up) in the event that the Repurchase Mandate were to be carried out in full at any time during the share repurchase period.

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 levels which in the opinion of the Directors are from time to time appropriate for the Company.

**5. SHARE PRICES**

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

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2018</b>		
April	0.870	0.640
May	0.077	0.660
June	0.740	0.610
July	0.650	0.550
August	0.590	0.345
September	0.470	0.305
October	0.415	0.300
November	0.410	0.310
December	0.365	0.325
<b>2019</b>		
January	0.395	0.320
February	0.405	0.330
March	0.610	0.380
April (up to the Latest Practicable Date)	0.455	0.380

**6. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If as a result of a repurchase of Shares 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 the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase. As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Asian Glory Holdings Ltd. was directly or indirectly interested in 425,224,523 Shares representing approximately 53.15% of the issued share capital of the Company. If the Repurchase Mandate is exercised in full, which is considered to be unlikely in the current circumstances, Asian Glory Holdings Ltd. will (assuming that there is no change in the relevant facts and circumstances) hold approximately 59.06% of the issued share capital of the Company.

The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Listing Rules prohibit a company from making repurchase of its shares on the Stock Exchange if the result of the repurchase would cause less than 25% (or such or prescribed minimum percentage as determined by the Stock Exchange) of the Company's issued share capital to be in public hands. The Company will not repurchase Shares if that repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the Company's issued share capital.

#### **7. SHARE REPURCHASE MADE BY THE COMPANY**

In the six months immediately preceding the Latest Practicable Date, the Company had not repurchased its Shares.

#### **8. GENERAL**

None of the Director or, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention if the Repurchase Mandate is exercised to sell any Shares to the Company.

No core connected person of the Company has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised. 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 and the applicable laws of the Cayman Islands.

No connected person of the Company has notified the Company that he has a present intention to sell any Share to the Company nor has any such connected person undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

## NOTICE OF THE ANNUAL GENERAL MEETING



### Kidsland International Holdings Limited 凱知樂國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 2122)

## NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Kidsland International Holdings Limited (“Company”) will be held at 4608, 46/F, The Center, 99 Queen’s Road Central, Hong Kong on Friday, 31 May 2019 at 10:30 a.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements and the reports of the directors (the “Directors”) and the independent auditors’ report of the Company for the year ended 31 December 2018;
2. To re-elect Directors and authorise the board of directors of the Company (the “Board”) to fix their remuneration, including:
  - (a) To re-elect Mr. Lee Ching Yiu as an executive Director;
  - (b) To re-elect Mr. Hung Shing Ming as an executive Director;
  - (c) To re-elect Ms. Zhong Mei as an executive Director;
  - (d) To re-elect Mr. Du Ping as a non-executive Director;
  - (e) To authorize the Board to fix the remuneration of the Directors.
3. To appoint PricewaterhouseCoopers as the auditor of the Company and authorise the Board to fix its remuneration;
4. To consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot,



## NOTICE OF THE ANNUAL GENERAL MEETING

issue and deal with the unissued shares (each, a “Share”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same 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 which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options 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); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; 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 in accordance with the articles of associations of the Company (“Articles”) 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 the aggregate of:
  - i. 20% of the aggregate number of the shares of the Company in issue on the date of the passing of this resolution; and
  - ii. (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company (“Shareholders”)) the aggregate number of shares of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate number of shares of the Company in issue on the date of the passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- i. the conclusion of the next annual general meeting of the Company;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable law of the Cayman Islands to be held; or

## NOTICE OF THE ANNUAL GENERAL MEETING

- iii. the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution;

“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 holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

- 5. to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTION

**“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase Shares (each, a Share) of HK\$0.01 each in the capital of the Company on The Stock Exchange of the Hong Kong Limited (“Stock Exchange”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Listing Rules and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined in paragraph (c) below) shall not exceed 10% of the aggregate number of issued shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

## NOTICE OF THE ANNUAL GENERAL MEETING

- (c) for the purposes of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
  - i. the conclusion of the next annual general meeting of the Company;
  - ii. the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable law of the Cayman Islands to be held; or
  - iii. the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.”
- 6. to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTION

“**THAT** conditional on the passing of resolutions nos. 5 and 6 above, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements and options, including warrants to subscribe for the Shares, which would or might require the exercise of such powers pursuant to resolution no. 5 above be and is hereby extended by the addition thereto of an amount representing the total number of Shares of the Company repurchased by the Company under the authority granted pursuant to resolution no. 6 above, provided that such amount shall not exceed 10% of the total number of issued Shares of the Company as at the date of passing of the said resolution.”

By order of the Board  
**Kidsland International Holdings Limited**  
凱知樂國際控股有限公司  
**Lee Ching Yiu**  
*Chairman, Executive Director and*  
*Chief Executive Officer*

Hong Kong, 30 April 2019

## NOTICE OF THE ANNUAL GENERAL MEETING

*Notes:*

1. A member entitled to attend and vote at the meeting (or at any adjournment thereof) convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Articles, vote in his stead. A Shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the above meeting. 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 notarially certified copy of such power or authority must be deposited at the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time of the above meeting or any adjourned meeting.
3. Closure of register of members  
  
The register of members of the Company will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending the annual general meeting, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 May 2019.
4. In relation to proposed resolution no. 2, the Company's Directors will retire from their office of Directors at the above meeting pursuant to the Articles and, being eligible, offer themselves for re-election.
5. In relation to proposed resolution no. 3 above, the Board concurs with the views of the audit committee of the Board and has recommended that PricewaterhouseCoopers be appointed independent auditor of the Company.
6. In relation to proposed resolution no. 4 above, approval is being sought from the Shareholders for granting to the Directors of a general mandate to authorise the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option schemes of the Company or any scrip dividend scheme which may be approved by Shareholders.
7. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the Shareholders. An explanatory statement containing the information necessary to enable the Shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the circular of the Company dated 19 April 2018 of which this notice of the annual general meeting forms part.
8. 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.
9. In the case of joint holders of a share, 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. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

*As at the date of this announcement, the Board comprises Mr. Lee Ching Yiu, Mr. Hung Shing Ming and Ms. Zhong Mei as executive Directors; Mr. Du Ping and Ms. Duan Lanchun as non-executive Directors; and Mr. Cheng Yuk Wo, Mr. Huang Lester Garson and Dr. Lam Lee G. as independent non-executive Directors.*