
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your shares in Grand Ming Group Holdings Limited, you should at once hand this circular and the accompanying 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.

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佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

PROPOSALS FOR (1) DECLARATION OF FINAL DIVIDEND; (2) ISSUE OF BONUS SHARES; (3) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES; (4) RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

The notice convening the annual general meeting of the Company (the “AGM”) to be held at Chairman’s Place, M/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 10:00 a.m. on Monday, 27 July 2020 is set out on pages 24 to 30 of this circular. A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the Company’s website (www.grandming.com.hk) and the designated website of the Stock Exchange (www.hkexnews.hk).

Whether or not you intend to attend the AGM, you are advised to read the notice and to complete, sign and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon to, Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, at Level 54, 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 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to page 1 of this circular for precautionary measures being taken to prevent the spreading of Novel Coronavirus (COVID-19) at the AGM, including:

1. Compulsory body temperature checks
2. Compulsory wearing of surgical face mask
3. No refreshments or drinks will be served

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue, at the absolute discretion of the Company as permitted by the laws of Hong Kong. The Company also encourages Shareholders to consider appointing the chairman of the AGM as his/her 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 and recent requirements imposed by the Government of Hong Kong, if any, for prevention and control of its spreading, to safeguard the health and safety of Shareholders who might be attending the AGM in person, the Company will implement the following precautionary measures at the AGM:

- (i) Compulsory body temperature checks will be conducted on every attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.3 degrees Celsius, or has flu-like symptoms or is otherwise unwell will be denied entry into the AGM venue.
- (ii) Compulsory wearing of surgical face masks by all attendees prior to admission to the AGM venue and throughout the AGM.
- (iii) Maintenance of a safe distance between seats. The Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
- (iv) No refreshments or drinks will be served.

To the extent permitted under the laws of Hong Kong, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue at the Company's absolute discretion so as to ensure the health and safety of the attendees at the AGM.

Subject to the development of the COVID-19 situation, the Company may implement additional precautionary measures as and when appropriate.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance at the AGM is not necessary for the purpose of exercising voting rights. As an alternative to attending the AGM in person, Shareholders are encouraged to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM by submitting the form of proxy with voting instructions inserted.

The form of proxy for the AGM is enclosed with this circular. Alternatively, the form of proxy can be downloaded from the Company's website at www.grandming.com.hk and the HKEXnews website at www.hkexnews.hk.

If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks, brokers or custodians (as the case may be) to assist you in the appointment of proxy.

The AGM will commence sharply at 10:00 a.m., and Shareholders are encouraged to arrive at the AGM venue at least half an hour prior to the meeting commencement time to avoid delays from precautionary measures mentioned above in the registration process.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of community spread of COVID-19.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on Monday, 27 July 2020 at 10:00 a.m., a notice of which is set out on page 24 to 30 of this circular
“Articles”	the articles of association of the Company as amended modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares on the terms set out in this circular
“Bonus Share(s)”	the Shares proposed to be issued by the Company by way of Bonus Issue
“Branch Share Registrar”	Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Grand Ming Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Mr. Chan Hung Ming and Chan HM Company Limited
“Director(s)”	director(s) of the Company

DEFINITIONS

“Extension Mandate”	a general unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution at the AGM
“Latest Practicable Date”	16 June 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-qualifying Shareholder(s)”	Overseas Shareholder(s) who is/are excluded from the Bonus Issue and as detailed in the section headed “Overseas Shareholders” in this circular
“Overseas Shareholders”	Shareholder(s) whose name(s) appear(s) on the Register as at the close of business on the Record Date and whose address(es) as shown in the Register on that date is(are) outside Hong Kong
“Qualifying Shareholder(s)”	Shareholder(s), not being Non-qualifying Shareholder(s), whose name(s) appear(s) on the Register on the Record Date and are entitled to the Bonus Issue

DEFINITIONS

“Record Date”	4 August 2020, being the date for ascertaining and determining the entitlement of the Shareholders to the proposed final dividend and Bonus Shares
“Register”	the register of members of the Company maintained in Hong Kong
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Retiring Directors”	the Directors retiring at the AGM and, who being eligible, are offering themselves for re-election at the AGM, in accordance with the Articles
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

EXPECTED TIMETABLE OF THE BONUS ISSUE

Set out below is the expected timetable of the Bonus Issue:

Events **2020**

Latest time for lodging transfer of Shares for entitlement to attend
and vote at the AGM 4:30 p.m. on Tuesday, 21 July

Closure of Register to ascertain Shareholders' entitlement to
attend and vote at the AGM Wednesday, 22 July to
Monday, 27 July
(both day inclusive)

Latest time for lodging proxy forms for the AGM 10:00 a.m. on Saturday, 25 July

Record date for determining entitlement to attend and
vote at the AGM Monday, 27 July

AGM 10:00 a.m. on Monday, 27 July

Publication of poll results of the AGM. Monday, 27 July

The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in this circular:

Last day of dealings in Shares on a cum-entitlements basis
relating to the proposed final dividend and the Bonus Shares. Tuesday, 28 July

First day of dealings in Shares on an ex-entitlements basis
relating to the proposed final dividend and the Bonus Shares. Wednesday, 29 July

Latest time for lodging transfer of Shares for entitlement to the
proposed final dividend and Bonus Shares 4:30 p.m. on Thursday, 30 July

Closure of Register to ascertain Shareholders' entitlement to the
proposed final dividend and Bonus Shares Friday, 31 July to
Tuesday, 4 August
(both days inclusive)

EXPECTED TIMETABLE OF THE BONUS ISSUE

Events**2020**

Record Date for determining entitlement to the proposed final dividend and Bonus Shares.	Tuesday, 4 August
Despatch of certificates for the Bonus Shares	Monday, 17 August
Commencement of dealings in Bonus Shares	9:00 a.m. on Tuesday, 18 August

Notes:

- (a) Dates or deadlines specified in this circular are indicative only and may be extended or varied by the Company. Any consequential changes to the expected timetable will be announced as and when appropriate.
- (b) All references to times and dates in this circular refer to Hong Kong local times and dates.

LETTER FROM THE BOARD



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

Executive Directors:

Mr. CHAN Hung Ming (*Chairman*)

Mr. LAU Chi Wah

Mr. YUEN Ying Wai

Mr. KWAN Wing Wo

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

Mr. TSUI Ka Wah

Mr. KAN Yau Wo

Mr. MOK Kwai Pui Bill

Mr. LEE Chung Yiu Johnny

Head Office and Principal Place of

Business in Hong Kong:

22/F, Railway Plaza

39 Chatham Road South

Tsim Sha Tsui, Kowloon

Hong Kong

24 June 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) DECLARATION OF FINAL DIVIDEND;
(2) ISSUE OF BONUS SHARES;
(3) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(4) RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of AGM. Resolutions to be proposed at the AGM include, inter alia, (1) declaration of final dividend; (2) issue of Bonus Shares; (3) the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (4) re-election of the Retiring Directors.

LETTER FROM THE BOARD

2. DECLARATION OF FINAL DIVIDEND

As mentioned in the announcement of the Company dated 5 June 2020 in relation to the annual results of the Group for the year ended 31 March 2020, the Board has resolved to recommend payment of a final dividend for the year ended 31 March 2020 of 4.0 HK cents per Share, amounting to approximately HK\$28,391,000 in aggregate, subject to the Shareholders' approval at the AGM. The above-mentioned proposed final dividend is expected to be paid on Monday, 17 August 2020 to the Shareholders whose names appear on the Register on the Record Date.

3. PROPOSED BONUS ISSUE

As mentioned in the announcement of the Company dated 5 June 2020 in relation to the annual results of the Group for the year ended 31 March 2020, the Board has resolved to propose a Bonus Issue on the basis of one (1) Bonus Share for every one (1) existing Share held by the Qualifying Shareholders whose names appear on the Register on the Record Date, subject to the Shareholders' approval at the AGM. The Bonus Shares will rank pari passu in all respects with the Shares from the date of issue except that they will not rank for any dividends declared or recommended by the Company in respect of the financial year ended 31 March 2020. Fractional entitlements to Bonus Shares will not be allotted to Qualifying Shareholders and the benefit thereof will accrue to the Company.

As at the Latest Practicable Date, there were 709,771,173 Shares in issue. On the basis of such figure, and assuming there is no issue or repurchase of Shares prior to the Record Date, it is anticipated that 709,771,173 Bonus Shares will be allotted and issued under the Bonus Issue and the amount of HK\$7,097,711.73 would be capitalised from the share premium account of the Company upon the completion of the Bonus Issue. The Bonus Shares will be credited as fully paid at par by way of capitalisation of the amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. After the completion of the Bonus Issue, there will be a total of 1,419,542,346 Shares in issue as enlarged by the allotment and issue of the Bonus Shares.

The actual number of Bonus Shares to be issued under the Bonus Issue will only be capable of determination after the Record Date.

a. Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) Shareholders approving Resolution 5(A) as set out in the notice of AGM;

LETTER FROM THE BOARD

- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirement (if any) under the applicable laws of the Cayman Islands and the Articles to effect the Bonus Issue.

b. Reasons for the Bonus Issue

The Board believes that issue of bonus shares is one of the ways to respond and recognise the continual support of the Shareholders to the Company. The Bonus Issue will allow the Shareholders to enjoy a pro-rata increase in the number of Shares held in the Company without incurring any significant costs to them. Despite the price per Share on an ex-entitlement basis would be reduced proportionately and all Shareholders do not increase their proportionate equity interests in the Company, the Bonus Issue will substantially increase the number of Shares to be held by each Shareholder which will offer flexibility to manage their own investment portfolios by way of disposing a portion of the Shares to realise cash return whilst at the same time holding the remaining portion of the Shares for long term investment to receive cash dividend in future. Furthermore, because of the proposed Bonus Issue, the total number of Shares in issue will significantly increase, and the price per Share and the trading price per board lot will theoretically reduce proportionately. This may attract more investors to buy the Shares on the Stock Exchange and enhance the liquidity of the Shares in the market.

The Board has also considered alternative methods such as a share sub-division and a change in board lot size. However, each of the share sub-division and change in board lot size involves more administrative procedures than the proposed Bonus Issue, which includes arrangement for exchange of existing share certificates for new share certificates, and application for parallel trading. As such, the Company may have to incur more administrative costs in a share sub-division or a change in board lot size than the proposed Bonus Issue.

One of the main administrative cost in a share sub-division, a change in board lot size and a bonus issue of shares is the fee charged by the Branch Share Registrar. As advised by the Branch Share Registrar, the fee to be charged for a share sub-division or a change in board lot size are in general estimated to be around 20% more than the cost to be incurred in the proposed Bonus Issue. On the other hand, the Company does not require to have special engagements with professional parties other than the Branch Share Registrar for the proposed Bonus Issue, since the Company has engaged in bonus issue of shares exercises in the past and is familiar with the process. Accordingly, and also based on the experience of the Company in bonus issue of shares exercises in the past years, the Board is of the view that the expenses arising from the proposed Bonus Issue will be relatively low as it involves much simpler procedures and comparatively lower administrative costs as compared with the aforesaid alternatives.

LETTER FROM THE BOARD

The ratio of one Bonus Share for every one existing Share is considered by the Board as the most appropriate, because (i) the theoretical value of one board lot of the Shares after the allotment and issuance of the Bonus Shares of approximately HK\$3,400, which was based on the average closing price of the Shares for the five business days immediately preceding the Latest Practicable Date, is considered to be appropriate by the Board as it is in line with the *Guide on Trading Arrangements for Selected Types of Corporate Actions* issued by the Hong Kong Exchanges and Clearing Limited which requires the board lot value of an issuer to be greater than HK\$2,000; and (ii) the ratio of one Bonus Share to every one existing Share would be sufficient to achieve the purpose of encouraging trading of the Shares by reducing the value of each board lot. Furthermore this ratio was chosen so as to minimise the creation of odd lots and consolidation of fractional Shares to make up a full board lot, so as to minimise the costs of the Company and the Shareholders in the odd lot arrangement, which is in line with the interest of the Shareholders as a whole.

Other than the expenses incurred by and in relation to the proposed Bonus Issue, the Proposed Bonus Issue will not alter the underlying assets, business operations, management or financial position of the Company or the interests of the Shareholders. The Board believes that the proposed Bonus Issue will not have any adverse impact on the financial position on the Company.

Taking into account the abovementioned reason and benefits, the Board considers that the Bonus Issue is in the interests and for the benefits of the Shareholders.

As at the Latest Practicable Date, (i) the Company had no intention to carry out any other corporate actions or arrangements in the coming 12 months which may affect the trading in its shares (such as share consolidation, sub-division or change in board lot size); and (ii) the Company had no agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) for any potential fund raising activities in the coming 12 months.

LETTER FROM THE BOARD

c. Trading Arrangements

Application has been made to the Stock Exchange for listing of, and permission to deal in, the Bonus Shares. Subject to the granting of listing of, and permission to deal in the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares commence on the Stock Exchange or such other date as shall be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek the advice of their licensed securities dealer or other professional adviser for details of these settlement arrangements and how such arrangements will affect their rights and interests.

Subject to the fulfillment of the conditions of the Bonus Issue set out herein above, it is expected that share certificates for the Bonus Shares will be posted to Qualifying Shareholders by ordinary mail on or about Monday, 17 August 2020 at their own risk and the first date of dealing in the Bonus Shares will be on or about Tuesday, 18 August 2020. Shareholders will receive one share certificate for all the Bonus Shares allotted to under the Bonus Issue. All share certificates for the Bonus Shares are non-renounceable.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of or permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange. No new class of securities is to be listed pursuant to the Bonus Issue and that all necessary arrangements will be made to enable the Bonus Shares to be admitted into the CCASS established and operated by HKSCC.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

LETTER FROM THE BOARD

d. Overseas Shareholders

According to the latest information provided by the Branch Share Registrar, there was no Overseas Shareholders as recorded on the Register. However, if at the close of the business on the Record Date, the Register reveals there are Overseas Shareholders, the Board will make enquiries as to whether the Bonus Issue to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange. Upon such enquiry, if the Board is of the opinion that the exclusion of such Overseas Shareholders is necessary or expedient, on account either of the legal restriction under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, the Bonus Shares will not be granted to the Non-qualifying Shareholders. In such circumstances, arrangements will then be made for the Bonus Shares which would otherwise have been issued to the Non-qualifying Shareholders to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of such sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the Non-qualifying Shareholders, by post at his own risk, unless the amount falling to be distributed to such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

Overseas Shareholders receiving a copy of the circular concerning the Bonus Issue may not treat the same as an invitation to participate in the Bonus Issue unless such invitation could lawfully be made to him/her/it without having to comply with any registration or other legal requirements in the relevant territory.

All Overseas Shareholders are highly recommended that they should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to received the proposed Bonus Shares.

4. CLOSURE OF THE REGISTER

a. For determining the entitlement to attend and vote at the AGM

In order to determine entitlement of Shareholders to the right to attend and vote at the AGM (or any adjournment thereof), the Register will be closed from Wednesday, 22 July 2020 to Monday, 27 July 2020, both days inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 21 July 2020.

LETTER FROM THE BOARD

b. For determining the entitlement to the proposed final dividend and the Bonus Shares

In order to determine Shareholders who qualify for the proposed final dividend and the Bonus Shares, the Register will be closed from Friday, 31 July 2020 to Tuesday, 4 August 2020, both days inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 30 July 2020.

5. THE ISSUE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of Shares in issue as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue is 709,771,173 Shares. Subject to the passing of the relevant resolution, the maximum number of new Shares to be issued under the Issue Mandate will be 141,954,234 Shares (assuming no Shares will be issued or repurchased between the Latest Practicable Date and the date of AGM).

6. THE REPURCHASE MANDATE AND THE EXTENSION MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the Shares of the Company may be listed, up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution (i.e. not exceeding 70,977,117 Shares assuming no Shares will be issued or repurchased between the Latest Practicable Date and the date of AGM).

In addition, at the AGM, an ordinary resolution will be proposed that the Directors be granted the Extension Mandate by which the Issue Mandate will be extended by such number of additional Shares as is equal to the number of Shares repurchased by the Company pursuant to the exercise of the Repurchase Mandate.

LETTER FROM THE BOARD

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) at the conclusion of the next annual general meeting of the Company following the AGM; (b) at the end of the period within which the Company is required by the Articles, the Companies Law or any other applicable law of the Cayman Islands to hold its next annual general meeting; or (c) date upon which such authority is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

The Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon proposed Bonus Issue.

An explanatory statement to provide Shareholders with all the information reasonably necessary for them to make an informed decision in relation to this proposed resolution as required under the Listing Rules is set out in Appendix I to this circular.

7. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 84 of the Articles, one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting, provided that every Director shall be subject to retirement at least once every three years. The Retiring Directors will be eligible for the re-election. It is proposed that Mr. Lau Chi Wah, Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny shall retire from office by rotation at the AGM and being eligible, offer themselves for re-election as Directors at the AGM.

With the assistance and recommendation from the Nomination Committee of the Company, the Board has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, cultural background, professional qualification, skills, knowledge and length of service and decided to propose the re-election of Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny as independent non-executive Directors at the AGM. Having made all necessary and reasonable enquiries, the Board is satisfied that they have no financial, business or family relationships with any other Directors, senior management or substantial or controlling Shareholders of the Company. In addition, the Board has assessed and reviewed their written confirmations of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and is satisfied that they remain independent. Given that Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny do not hold any directorship in more than seven listed companies, the Board believes that they can commit sufficient time to assume their director's duties.

The Board is of the view that Mr. Mok Kwai Pui Bill has made positive contributions to the Company's strategy, policies and performance with his independent advice, comments, judgment from the perspective of his strong accounting and finance background coupled with his general understanding of business of the Group during his tenure as an independent non-executive Director. The Board also considers that he will continue to contribute to the diversity of the Board, in particular, with his professional experience in the field of financial management.

LETTER FROM THE BOARD

The Board considers that Mr. Lee Chung Yiu Johnny can contribute to the diversity of the Board, in particular, with his expertise in the field of architecture and is of the view that he has made valuable contribution to the Company, demonstrated his ability to provide independent, balanced and objective view to the Company's affairs, brought to the Board his own perspective, skills and experience as well as exercised judgment in the best interests of the Company when discharging his duties as an independent non-executive Director of the Company.

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

8. THE AGM

The notice convening the AGM is set out on pages 24 to 30 of this circular.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the proposed resolutions at the AGM.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the Company's website (www.grandming.com.hk) and the designated website of the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the AGM in person, you are advised to read the notice and to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon to the Branch Share Registrar at Level 54, 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 of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

9. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the AGM must be taken by way of a poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, passed at the AGM will be voted by way of a poll by the Shareholders. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

11. RECOMMENDATION

The Directors consider that the ordinary resolutions in respect of the proposal for the declaration of final dividend, the proposal for the Bonus Issue, the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and re-election of Retiring Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of such resolutions at the AGM.

12. GENERAL

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

13. MISCELLANEOUS

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

Yours faithfully,
By order of the Board
Grand Ming Group Holdings Limited
Chan Hung Ming
Chairman and Executive Director

This Appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed purchase of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Source of funds

Repurchases must be made out of funds which are legally available for such purpose in accordance with the company's memorandum of association, the articles of association, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules.

(c) Maximum number of shares to be repurchased

The shares proposed to be repurchased by a company must be fully paid up. A maximum of 10% of the total number of shares in issue on the date of the passing of the relevant resolution approving the repurchase mandate may be repurchased on the Stock Exchange.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 709,771,173 fully paid-up Shares.

Subject to the passing of the proposed ordinary resolution for the grant of the Repurchase Mandate and on the basis that no further Shares will be allotted and issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase up to 70,977,117 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date during the period ending on the earliest of (a) the conclusion of the next annual general meeting of the Company, (b) expiration of the period within which the next annual general meeting of the Company is required to be held by law or the Articles, or (c) the date upon which such authority is revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting.

3. REASONS FOR REPURCHASE

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

4. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules.

The Company shall not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Subject to the above, any repurchase of the Shares by the Company may be made out of the profits of the Company or out of a fresh issue of Shares made for the purchase of the repurchase or subject to Cayman Islands Companies Law, out of capital provided that on the day immediately following the date of repurchase of the Shares, the Company is able to pay its debts as they fall due in the ordinary course of business.

5. IMPACT OF REPURCHASE

The Directors consider that if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 March 2020, being the date on which its latest published audited consolidated accounts were made up. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

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

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
June	4.93	4.70
July	5.00	4.69
August	4.99	4.70
September	4.97	4.73
October	4.97	4.70
November	4.98	4.73
December	4.85	4.73
2020		
January	5.10	4.70
February	5.00	4.70
March	5.05	4.80
April	5.05	4.44
May	4.72	4.38
June (Up to the Latest Practicable Date)	7.80	4.57

7. UNDERTAKINGS, DIRECTORS' DEALINGS AND CONNECTED PERSONS

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

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquires, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the AGM and exercised.

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

8. TAKEOVERS CODE

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

As at the Latest Practicable Date and so far as was known to the Directors, Mr. Chan Hung Ming, an executive Director and the parties acting in concert (as defined in the Takeovers Code) with him were interested in total of 478,321,470 Shares, representing 67.39% of the total number of Shares in issue. On the basis that no further Shares will be issued or repurchased after the Latest Practicable Date, in the event that the Directors exercise the Repurchase Mandate in full, the shareholdings of Mr. Chan Hung Ming and the parties acting in concert with him in the Company would be increased to 74.88% of the total number of Shares in issue as reduced by the exercise of the Repurchase Mandate in full. Mr. Chan Hung Ming and parties acting in concert with him would not be required under Rule 26 of the Takeovers Code to make a mandatory offer pursuant to such increase. The Directors have no present intention to exercise in full the power to repurchase shares proposed to be granted pursuant to the Repurchase Mandate.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

9. SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

The biographical details as of 31 March 2020 of the Retiring Directors who are proposed to be re-elected at the AGM are set out below:

MR. LAU CHI WAH

Mr. Lau Chi Wah, aged 55, is our executive Director and chief executive officer. He also a director of all subsidiaries of our Group. Pursuant to Part XV of the SFO, Mr. Lau is interested in 53,146,830 Shares, representing 7.49% of the number of the issued shares of the Company, as at the date of this circular.

Mr. Lau is a co-founder of our Group and has participated in the management of our Group since 1995. He is primarily responsible for formulating the overall strategic planning of our Group and overseeing the business development, administrative and compliance matters of our Group. He had over 31 years of audit, accounting and finance experience.

Mr. Lau holds an Honour Diploma in Accountancy from the Lingnan College (now known as the Lingnan University) and Master's Degree in Professional Accounting from Hong Kong Polytechnic University. He is a fellow of the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Save as disclosed above, Mr. Lau is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Lau entered into a service agreement with the Company for his appointment as an executive director for an initial term of three years commencing from 9 August 2013, and such appointment continued thereafter unless terminated in accordance with the terms of his service agreement. He is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. Mr. Lau received emolument of HK\$2,325,000 for the year ended 31 March 2020 and discretionary bonus as may be determined by and at the discretion of the Board. Mr. Lau's emolument was determined and will be reviewed by the remuneration committee of the Company annually with reference to his duties and responsibilities with the Group, as well as the Group's performance.

Save as disclosed herein, Mr. Lau holds no other directorships in listed public companies in the last three years preceding the date of this circular.

MR. MOK KWAI PUI BILL

Mr. Mok Kwai Pui Bill, aged 59, is our independent non-executive Director since 23 July 2013. He is also the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee of the Company.

Mr. Mok has 32 years' experience in accounting, finance and banking in Hong Kong and Mainland China with specific expertise in managing financial and accounting operations, fund raising, investor relations and executing corporate strategy. Currently he is the chief financial officer and company secretary of China Education Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0839). He has also been serving as an independent non-executive director of PF Group Holdings Limited, which was listed on the GEM of the Stock Exchange (stock code: 8221), since December 2016.

Mr. Mok holds a Bachelor of Arts Degree in Business Administration from the University of Washington in the United States and a Master Degree in Business Administration from the Seattle University in the United States. He is a member of the American Institute of Certified Public Accountants and the HKICPA respectively.

As at the Latest Practicable Date, Mr. Mok did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Mok is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Mok has signed a letter of appointment with the Company for a term of three years commencing from 9 August 2019 and is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. Pursuant to the letter of appointment, he is entitled to an annual fee of HK\$319,200. The remuneration committee of the Company will review and determine the remuneration with reference to his duties and responsibilities in the Company.

Save as disclosed herein, Mr. Mok holds no other directorship in listed public companies in the last three years preceding the date of this circular.

MR. LEE CHUNG YIU JOHNNY

Mr. Lee Chung Yiu Johnny, aged 76, is our independent non-executive Director since 23 July 2013. He is also a member of each of the audit committee, remuneration committee and nomination committee of the Company.

With over 20 years' experience in the field of architecture, Mr. Lee worked in several architect firms including as a director from 1995 to 2009. From 2009, Mr. Lee has been working for an architecture company as a project director.

Mr. Lee graduated from the University of Hong Kong with a Bachelor's Degree in Architecture. He is a member of the Hong Kong Institute of Architects and a registered architect with Architects Registration Board in Hong Kong. Mr. Lee is also an authorised person within the List of Architects maintained by the Buildings Department.

As at the Latest Practicable Date, Mr. Lee did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lee is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Lee has signed a letter of appointment with the Company for a term of three years commencing from 9 August 2019 and is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. Pursuant to the letter of appointment, he is entitled to an annual fee of HK\$319,200. The remuneration committee of the Company will review and determine the remuneration with reference to his duties and responsibilities in the Company.

Save as disclosed herein, Mr. Lee holds no other directorship in listed public companies in the last three years preceding the date of this circular.

Save as disclosed herein, (i) none of the Retiring Directors held other positions with the Company or other members of the Group; (ii) none of the Retiring Directors were interested in any shares of the Company within the meaning of Part XV of the SFO; and (iii) to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there were no other matters with respect of the re-election of the Directors that need to be brought to the attention of the Shareholders and there was no information relating to the Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

NOTICE IS HEREBY GIVEN that the annual general meeting of Grand Ming Group Holdings Limited (the “**Company**”) will be held at Chairman’s Place, M/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Monday, 27 July 2020 at 10:00 a.m. for the following purposes:

1. To receive and approve the audited financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31 March 2020;
2. To declare a final dividend of 4.0 HK cents per ordinary share of the Company (the “**Shares**”) each for the year ended 31 March 2020;
3. (A) To re-elect the following retiring directors:
 - (I) Mr. Lau Chi Wah;
 - (II) Mr. Mok Kwai Pui Bill; and
 - (III) Mr. Lee Chung Yiu Johnny;

(B) To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to fix the Directors’ remuneration;
4. To re-appoint BDO Limited as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration; and

NOTICE OF ANNUAL GENERAL MEETING

5. To consider as special business and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:–

ORDINARY RESOLUTIONS

- (A) “**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting listing of and permission to deal in the new shares of HK\$0.01 each of the Company to be issued pursuant to this resolution, and upon the recommendation of the Directors, such amount standing to the credit of the share premium account of the Company which is equivalent to the aggregate nominal amount of the Bonus Shares (as defined below) to be issued by the Company be capitalised and the Directors be and are hereby authorised to apply such amount in paying up in full at par such number of new shares of HK\$0.01 each in the capital of the Company (the “**Bonus Share(s)**”) on the basis of one (1) Bonus Share for every one (1) existing share of the Company (each a “**Share**”) in issue on the Record Date (as defined below) (the “**Bonus Issue**”), and the Directors be authorised to allot, issue and distribute the Bonus Shares, which shall be credited as fully paid at par, to the members of the Company whose name shall appear on the register of members of the Company as at the close of business on Tuesday, 4 August 2020 (the “**Record Date**”), and that the Bonus Shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the existing issued Shares except that they will not be entitled to participate in any dividend declared or recommended by the Company in respect of the financial year ended 31 March 2020, and that the Directors be and are hereby authorised to deal with any fractions arising from the Bonus Issue including, without limitation, the aggregation and the sale of the Bonus Shares representing such fractions and to retain the net proceeds for the benefit of the Company and further that the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the Bonus Issue and/or the issue of the Bonus Shares.”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT:**

- (I) subject to paragraph (II) below, the exercise by the directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, as amended from time to time, be and is hereby generally and unconditionally approved;
- (II) the aggregate number of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (I) above during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution; and
- (III) for the purposes 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 (the “**Articles**”), the Companies Law or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting prior to the next annual general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(C) **“THAT:**

- (I) subject to paragraph (III) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or deal with additional shares in the share capital of the Company, and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (II) the approval in paragraph (I) above shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (III) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (I) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (IV) below);
 - (ii) 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; or
 - (iii) the exercise of options under the Share Option Scheme and Share Award Plan (as defined in the prospectus of the Company dated 30 July 2013) or similar arrangement adopted by the Company from time to time;

shall not exceed 20% of the total number of Shares in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(IV) for the purposes 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, the Companies Law or any other applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting prior to the next annual general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of options, warrants or other securities giving the right to subscribe for Shares opens for a period fixed by the Directors to the holders of Shares or any class of Shares 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 (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).”

NOTICE OF ANNUAL GENERAL MEETING

- (D) “**THAT** conditional upon passing of resolution No.5(B) and 5(C), the general mandate granted to the Directors to allot, issue and deal with additional shares of the Company pursuant to resolution No.5(C) above be and is hereby extended by the addition thereto the total number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the total number of Shares repurchased by the Company pursuant to or in accordance with the authority granted pursuant to resolution No.5(B) above, provided that such extended amount shall not exceed 10% of the total number of Shares in issue at the date of the passing of this resolution.”

By order of the Board
Grand Ming Group Holdings Limited
Leung Wai Chuen
Company Secretary

Hong Kong, 24 June 2020

As at the date of this circular, the Board comprises:

Executive Directors:

Mr. Chan Hung Ming

Mr. Lau Chi Wah

Mr. Yuen Ying Wai

Mr. Kwan Wing Wo

Independent Non-Executive Directors:

Mr. Tsui Ka Wah

Mr. Kan Yau Wo

Mr. Mok Kwai Pui Bill

Mr. Lee Chung Yiu Johnny

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint in written form one or if he is the holder of two or more shares, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Shares as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, whether in person or by proxy, then one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited (the "**Branch Share Registrar**"), at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time of the meeting or any adjournment thereof.
4. In order to determine the entitlement of Shareholders to the right to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 22 July 2020 to Monday, 27 July 2020, both dates inclusive, during which period no share transfers will be effected. All transfers of shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30p.m. on Tuesday, 21 July 2020.
5. In order to determine Shareholders who qualify for the proposed final dividend and the Bonus Shares, the register of members of the Company will be closed from Friday, 31 July 2020 to Tuesday, 4 August 2020, both dates inclusive, during which period no shares transfer will be effected. All transfers of shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 30 July 2020.
6. 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.
7. In relation to resolution No. 3(A) above, details of the retiring Directors proposed for re-election namely, Mr. Lau Chi Wah, Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny, are set out in Appendix II to the circular to Shareholders dated 24 June 2020.
8. In relation to resolution No. 5(B) above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances, which they deem appropriate for the benefit of the Shareholders. 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 Rules Governing the Listing of Securities on Stock Exchange is set out in Appendix I to the circular to Shareholders dated 24 June 2020.
9. In relation to the resolution No. 5(C) above, approval is being sought from the Shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme and Share Award Plan (as defined in the prospectus of the Company dated 30 July 2013).