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

If you have sold or transferred all your shares in Ten Pao Group 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 was effected for transmission to the purchaser or transferee.

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TEN PAO GROUP HOLDINGS LIMITED

天寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1979)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
AND
NOTICE OF THE 2019 AGM**

A notice convening the 2019 AGM of Ten Pao Group Holdings Limited to be held at Unit 2401-02, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 27 May 2019 at 3:30 p.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the 2019 AGM is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.tenpao.com.

Whether or not you are able to attend the 2019 AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the holding of the 2019 AGM or any adjournment thereof (i.e. not later than 3:30 p.m. on Saturday, 25 May 2019). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2019 AGM or any adjourned meeting thereof should you so wish.

References to time and dates in this circular are to Hong Kong time and dates.

24 April 2019

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DEFINITIONS

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

| | |
|---------------------------|---|
| “2019 AGM” | an annual general meeting of the Company to be held at Unit 2401–02, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 27 May 2019 at 3:30 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the 2019 AGM which is set out on pages 14 to 18 of this circular, or any adjournment thereof; |
| “Articles of Association” | the amended and restated articles of association of the Company (as amended from time to time); |
| “Board” | the board of Directors; |
| “Companies Law” | the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands; |
| “Company” | Ten Pao Group Holdings Limited 天寶集團控股有限公司, a company incorporated in the Cayman Islands with limited liability, and the issued Shares of which are listed on the main board of the Stock Exchange; |
| “Director(s)” | the director(s) of the Company; |
| “Extension Mandate” | as defined in paragraph 2(c) of the Letter from the Board; |
| “Group” | the Company and its subsidiaries; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Issue Mandate” | as defined in paragraph 2(b) of the Letter from the Board; |
| “Latest Practicable Date” | 15 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “Repurchase Mandate” | as defined in paragraph 2(a) of the Letter from the Board; |
| “SFO” | the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong; |

DEFINITIONS

| | |
|------------------|--|
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company; |
| “Shareholder(s)” | holder(s) of Share(s); |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Takeovers Code” | the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (as amended from time to time); and |
| “%” | per cent. |



TEN PAO GROUP HOLDINGS LIMITED

天寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1979)

Executive Directors:

Mr. Hung Kwong Yee

(Chairman and Chief Executive Officer)

Mr. Hung Sui Tak

Independent Non-executive Directors:

Mr. Lam Cheung Chuen

Mr. Chu Yat Pang Terry

Mr. Lee Kwan Hung

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Headquarters and Principal Place of

Business in Hong Kong:

Rooms 610–612, 6th Floor

Kwong Sang Hong Centre

151–153 Hoi Bun Road

Kwun Tong

Kowloon

Hong Kong

Principal Place of Business in the

People's Republic of China:

Dongjiang Industrial Zone

Shuikou Town, Huizhou City

Guangdong Province

The People's Republic of China

24 April 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
AND
NOTICE OF THE 2019 AGM**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain ordinary resolutions to be proposed at the 2019 AGM for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issue Mandate to the Directors; (iii) the granting of the Extension Mandate to the Directors; and (iv) the re-election of the retiring Directors, and to give you the notice of the 2019 AGM.

2. PROPOSED GRANTING OF THE REPURCHASE, ISSUE AND EXTENSION MANDATES

At the annual general meeting of the Company held on 25 May 2018, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares. Such mandates, to the extent not utilized, will lapse at the conclusion of the 2019 AGM.

Ordinary resolutions will be proposed at the 2019 AGM to approve the granting of the following general mandates to the Directors:

- (a) a general and unconditional mandate to exercise all powers of the Company to repurchase Shares, on the Stock Exchange, or on any other stock exchange recognized by the Securities and Futures Commission and the Stock Exchange, of not exceeding 10% of the number of Shares in issue as at the date of passing of such resolution (i.e. a total of 100,045,600 Shares on the basis that the existing number of Shares in issue (i.e. a total of 1,000,456,000 Shares as at the Latest Practicable Date) remains unchanged as at the date of the 2019 AGM) (the “**Repurchase Mandate**”);
- (b) a general and unconditional mandate to allot, issue or deal with new Shares of not exceeding 20% of the number of Shares in issue as at the date of passing of such resolution (i.e. a total of 200,091,200 Shares on the basis that the existing number of Shares in issue (i.e. a total of 1,000,456,000 Shares as at the Latest Practicable Date) remains unchanged as at the date of the 2019 AGM) (the “**Issue Mandate**”); and
- (c) a general and unconditional mandate to extend the Issue Mandate by the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate (the “**Extension Mandate**”).

The Repurchase Mandate and the Issue Mandate will continue to be in force until the conclusion of the next annual general meeting of the Company held after the 2019 AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the 2019 AGM as set out on pages 14 to 18 of this circular.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote

LETTER FROM THE BOARD

for or against the granting of the Repurchase Mandate at the 2019 AGM. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 84 of the Articles of Association, Mr. Hung Kwong Yee and Mr. Hung Sui Tak shall retire at the 2019 AGM. Both of the above retiring Directors, being eligible, will offer themselves for re-election at the 2019 AGM.

In accordance with Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

4. 2019 AGM AND PROXY ARRANGEMENT

The notice of the 2019 AGM is set out on pages 14 to 18 of this circular. At the 2019 AGM, resolutions will be proposed to approve, *inter alia*, the granting of the Repurchase Mandate, the Issue Mandate and the Extension Mandate to the Directors, and the re-election of the retiring Directors.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2019 AGM. An announcement on the poll vote results will be published by the Company after the 2019 AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the 2019 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.tenpao.com. Whether or not you are able to attend the 2019 AGM, please complete and return the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time scheduled for holding the 2019 AGM or any adjournment thereof (i.e. not later than 3:30 p.m. on Saturday, 25 May 2019). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2019 AGM or any adjourned meeting thereof should you so wish and in such event, your proxy form shall be deemed to be revoked.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board considers that the ordinary resolutions to be proposed at the 2019 AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions at the 2019 AGM.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I — Explanatory Statement on the Repurchase Mandate; and Appendix II — Details of the Retiring Directors Proposed to be Re-elected at the 2019 AGM.

Yours faithfully,
By order of the Board
Hung Kwong Yee
Chairman & Chief Executive Officer

The following is an explanatory statement required by the Listing Rules to be sent to Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2019 AGM in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders. The Directors are seeking the granting of the Repurchase Mandate 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.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,000,456,000 Shares in issue.

Subject to the passing of the proposed ordinary resolution set out in item 8 of the notice of the 2019 AGM in respect of the granting of the Repurchase Mandate and on the basis that the number of Shares in issue remains unchanged as at the date of the 2019 AGM, i.e. being 1,000,456,000 Shares as at the Latest Practicable Date, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 100,045,600 Shares, representing 10% of the number of Shares in issue as at the date of passing such resolution.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the amended and restated memorandum of association of the Company, the Articles of Association, the Companies Law and other applicable laws of the Cayman Islands.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase 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 (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Mr. Hung Kwong Yee ("**Chairman Hung**"), the chairman of the Board, was deemed to be interested in 651,064,000 Shares, representing approximately 65.08% of the total issued share capital of the Company. Out of these Shares, (i) 13,052,000 Shares (being approximately 1.30% of the total issued share capital of the Company) were held by Chairman Hung; (ii) 338,012,000 Shares (being approximately 33.79% of the total issued share capital of the Company) were held by Even Joy Holdings Limited (a company wholly owned by Chairman Hung); and (iii) 300,000,000 Shares (being approximately 29.99% of the total issued share capital of the Company) were held by TinYing Investments Limited, a company wholly owned by TinYing Holdings Limited, which was in turn wholly owned by Vistra Trust (BVI) Limited acting as the trustee of The Tin Ying Trust, a discretionary trust. Chairman Hung is the founder and one of the beneficiaries of The Tin Ying Trust. On the basis that (i) the total issued share capital of the Company (being 1,000,456,000 Shares) remains unchanged as at the date of the 2019 AGM, and (ii) the shareholding interest of Chairman Hung (being 651,064,000 issued Shares) in the Company remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the 2019 AGM (presuming that apart from the decrease of the issued share capital arising from the said full exercise of the Repurchase Mandate, there is no other change in the Company's issued share capital), the shareholding interest of Chairman Hung in the issued Shares would be increased to approximately 72.31% of the total 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. Besides, the Listing Rules prohibit a company from making repurchase of its shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's issued share capital would be in public hands. The Directors therefore will not propose to repurchase Shares if it would result in less than 25% of the issued Shares in public hands.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

| Month | Highest HK\$ | Lowest HK\$ |
|---|-------------------------|------------------------|
| 2018 | | |
| April | 1.230 | 1.010 |
| May | 1.080 | 0.810 |
| June | 0.870 | 0.750 |
| July | 0.840 | 0.700 |
| August | 0.800 | 0.730 |
| September | 0.750 | 0.590 |
| October | 0.670 | 0.485 |
| November | 0.730 | 0.480 |
| December | 0.810 | 0.610 |
| 2019 | | |
| January | 0.640 | 0.550 |
| February | 0.690 | 0.600 |
| March | 0.990 | 0.650 |
| April (up to the Latest Practicable Date) | 1.140 | 0.950 |

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the 2019 AGM according to the Articles of Association, are provided below.

(1) MR. HUNG KWONG YEE, EXECUTIVE DIRECTOR

Position and experience

Mr. Hung Kwong Yee (洪光椅先生) (“Chairman Hung”), aged 60, is the chairman of the Board, an executive Director and the chief executive officer of the Company. He is also the chairman of the nomination committee and a member of the remuneration committee of the Company. He is responsible for the overall strategic planning and overseeing the general management of the Group. He was appointed as a Director in January 2015 and re-designated as the chairman of the Board and an executive Director with effect from June 2015. He is also a director of certain subsidiaries of the Company.

Chairman Hung is the founder of the Group. He established his business under the trading name “Ten Pao Company (天寶公司)” in Hong Kong in December 1979 and established the production plant in Huizhou, Guangdong province in October 1988. Accordingly, he has accumulated more than 40 years of experience in the power supply industry. Chairman Hung has become a member of the Chinese People’s Political Consultative Conference, Anhui Province (安徽省中國人民政治協商會議) in 2018. Chairman Hung holds several social titles including the vice chairman of the Federation of Hong Kong Industries of PRD Council Huizhou Branch (香港工業總會珠三角工業協會惠州分部), the president of the 7th council of the Huizhou City Huicheng District Foreign Investment Enterprise Association (惠州市惠城區外商投資企業協會), the executive vice president of the 7th council of the Huizhou City Foreign Investment Enterprise Association (惠州市外商投資企業協會), the chairman of Huizhou Ganghui Love Foundation (惠州市港惠愛心基金會), the executive vice president of Huizhou Overseas Chinese Enterprises Association (惠州市僑商協會), the director of the 39th term of the board of directors of Yan Oi Tong (仁愛堂), the vice chairman of Hong Kong Shine Tak Foundation (香港善德基金會), and the honorary life chairman of the Hong Kong Baptist University Foundation (香港浸會大學基金). Chairman Hung graduated from the High School of Yinglin Middle School of Jinjiang City, Fujian Province (福建省晉江市英林中學高中部) in the People’s Republic of China in July 1976.

Chairman Hung has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Chairman Hung and the Company, his current term of office is three years from 11 December 2018, unless terminated by not less than 3 months' notice in writing by either party to the other. He is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

Chairman Hung is the father of Mr. Hung Sui Tak (an executive Director), a director and the sole shareholder of Even Joy Holdings Limited (a substantial Shareholder), and a director of TinYing Holdings Limited and TinYing Investments Limited. TinYing Investments Limited, a substantial Shareholder, is wholly owned by TinYing Holdings Limited, which is in turn wholly owned by Vistra Trust (BVI) Limited acting as the trustee of The Tin Ying Trust, a discretionary trust of which Chairman Hung is the founder and one of the beneficiaries.

Save as disclosed above and disclosed in the immediately following section "Interests in Shares", Chairman Hung does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Chairman Hung had the following interests in the Shares:

- (a) He was interested in 13,052,000 Shares held by him, representing approximately 1.30% of the issued share capital of the Company.
- (b) He was deemed to be interested in 864,000 Shares, representing approximately 0.08% of the issued share capital of the Company, which were share options granted by the Company entitling him to subscribe for 864,000 Shares.
- (c) He was deemed to be interested in 338,012,000 Shares, representing approximately 33.79% of the issued share capital of the Company, which were held by Even Joy Holdings Limited, a company wholly owned by Chairman Hung.
- (d) He was deemed to be interested in 300,000,000 Shares, representing approximately 29.99% of the issued share capital of the Company, which were held by TinYing Investments Limited.

Save as disclosed above, Chairman Hung was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforementioned service contract, Chairman Hung entitled to receive a salary and a discretionary bonus in respect of each financial year of the Company. He is also eligible to participate in the Company's share option scheme. For the year ended 31 December 2018, Chairman Hung's remuneration amounted to HK\$7,318,000 (consisting of (i) salary amounting to HK\$5,300,000; (ii) discretionary bonus amounting to HK\$2,000,000; and (iii) employer's contribution to a retirement benefit scheme amounting to HK\$18,000).

The above emoluments of Chairman Hung have been determined with reference to his role and duties, experience and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the remuneration committee of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Chairman Hung to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Chairman Hung that need to be brought to the attention of the Shareholders.

(2) MR. HUNG SUI TAK, EXECUTIVE DIRECTOR**Position and experience**

Mr. Hung Sui Tak (洪瑞德先生), aged 32, is an executive Director and the marketing director of the Group. He is primarily responsible for the overall product marketing strategy of the Group. He was appointed as a Director in January 2015 and re-designated as an executive Director with effect from June 2015.

Mr. Hung Sui Tak has approximately 9 years of experience in the power supply industry. He joined our Group in July 2009 as a marketing assistant responsible for product marketing, brand promotion and exhibition arrangement. He worked as a research assistant in The Hong Kong Polytechnic University (the "PolyU") responsible for the cooperation project of the Group and the PolyU, namely, the Study of the Optimal Operation Conditions for the Production of Polyhydroxyalkanoates (biodegradable plastics) in Nitrogen Reduction Process, from 2009 to 2014, according to the Agreement on Teaching Company Scheme dated 19 October 2009 entered into between the PolyU and Ten Pao International Limited designed and conducted by the PolyU in support of industry and business principally aiming to produce the biodegradable and biocompatible plastic and reduce the cost of producing it. Mr. Hung Sui Tak was promoted as a marketing director of the Group in January 2015. Mr. Hung Sui Tak received a bachelor's degree in science with honours from the University of Birmingham in the United Kingdom in July 2008.

Mr. Hung Sui Tak has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Mr. Hung Sui Tak and the Company, his current term of office is three years from 11 December 2018, unless terminated by not less than 3 months' notice in writing by either party to the other. He is also subject to retirement and re-election at an annual general meeting of the Company in accordance with the Articles of Association.

Relationships

Mr. Hung Sui Tak is the son of Chairman Hung (the chairman of the Board, an executive Director and the chief executive officer of the Company) and a director of TinYing Holdings Limited (a substantial Shareholder).

Save as disclosed above, Mr. Hung Sui Tak does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Hung Sui Tak was deemed to be interested in 300,000 Shares, representing approximately 0.03% of the issued share capital of the Company, which were share options granted by the Company entitling him to subscribe for 300,000 Shares. Save as disclosed above, Mr. Hung Sui Tak was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforementioned service contract, Mr. Hung Sui Tak entitled to receive a salary and a discretionary bonus in respect of each financial year of the Company. He is also eligible to participate in the Company's share option scheme. For the year ended 31 December 2018, Mr. Hung Sui Tak's remuneration amounted to HK\$1,297,000 (consisting of (i) salary amounting to HK\$1,129,000; (ii) discretionary bonus amounting to HK\$150,000; and (iii) employer's contribution to a retirement benefit scheme amounting to HK\$18,000).

The above emoluments of Mr. Hung Sui Tak have been determined with reference to his role and duties, responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the remuneration committee of the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Hung Sui Tak to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Hung Sui Tak that need to be brought to the attention of the Shareholders.



TEN PAO GROUP HOLDINGS LIMITED

天寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1979)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of Ten Pao Group Holdings Limited (the “Company”) will be held at Unit 2401-02, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 27 May 2019 at 3:30 p.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor of the Company for the year ended 31 December 2018;
2. To declare a final dividend of HK1.5 cents per share for the year ended 31 December 2018;
3. To declare a special final dividend of HK1 cent per share for the year ended 31 December 2018;
4. To re-elect Mr. Hung Kwong Yee as an executive director of the Company;
5. To re-elect Mr. Hung Sui Tak as an executive director of the Company;
6. To authorize the board of directors of the Company to fix the directors’ remuneration;
7. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorize the board of directors of the Company to fix their remuneration;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognized by the Securities and Futures Commission and the Stock Exchange, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies

NOTICE OF THE 2019 AGM

Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;

- (b) the total number of shares of the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of shares of the Company in issue at the date immediately before and after such consolidation or subdivision shall be the same; and
 - (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the shareholders of the Company in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands to be held.”;
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such powers during or after the end of the Relevant Period;

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- (c) the aggregate number of shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below);
 - (ii) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into shares of the Company;
 - (iii) the exercise of options under share option scheme(s) of the Company; and
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the shareholders of the Company in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands to be held; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class

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thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”; and

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 8 and 9 of the notice convening the AGM (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate number of shares of the Company purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution.”.

By order of the Board

Hung Kwong Yee

Chairman & Chief Executive Officer

Hong Kong, 24 April 2019

Notes:

1. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (i.e. not later than 3:30 p.m. on Saturday, 25 May 2019). Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the form of proxy shall be deemed to be revoked.
3. To ascertain shareholders’ eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 22 May 2019 to Monday, 27 May 2019 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the AGM, unregistered holders of shares of the Company should ensure that all completed transfer forms

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accompanied by the relevant share certificates are lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at its address shown in Note 2 above for registration no later than 4:30 p.m. on Tuesday, 21 May 2019.

4. To ascertain shareholders' entitlement to the proposed final dividend and special final dividend upon passing of resolutions nos. 2 and 3, respectively, set out in this notice, the register of members of the Company will be closed from Monday, 10 June 2019 to Wednesday, 12 June 2019 (both days inclusive), during which period no share transfer will be effected. In order to qualify for entitlement to the proposed final dividend and special final dividend, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at its address shown in Note 2 above for registration no later than 4:30 p.m. on Thursday, 6 June 2019.
5. References to time and dates in this notice are to Hong Kong time and dates.