
THIS CIRCULAR 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 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 or transfer 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 RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE
SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Ten Pao Group Holdings Limited to be held at Unit 2401-02, Admiralty Centre 1, 18 Harcourt Road, Hong Kong, on Tuesday, 31 May 2016 at 3:30 p.m. is set out on pages 14 to 17 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tenpao.com).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, 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 Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if you so wish.

25 April 2016

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DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Unit 2401-02, Admiralty Centre 1, 18 Harcourt Road, Hong Kong, on Tuesday, 31 May 2016 at 3:30 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the Annual General Meeting which is set out on pages 14 to 17 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	Ten Pao 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
“Director(s)”	the director(s) of the Company
“Extension Mandate”	as defined in paragraph 3(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 PRC
“Issuance Mandate”	as defined in paragraph 3(b) of the Letter from the Board
“Latest Practicable Date”	18 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	11 December 2015, being the date on which the Shares first commenced dealings on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau and Taiwan

DEFINITIONS

“Repurchase Mandate”	as defined in paragraph 3(a) of the Letter from the Board
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“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 approved by the Securities and Futures Commission in Hong Kong as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



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. Hong Guangdai
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 PRC:

Dongjiang Industrial Zone
Shuikou Town
Huizhou City
Guangdong Province
PRC

25 April 2016

To the Shareholders

Dear Sir/Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of the retiring Directors; and (ii) the granting to the Directors of the Repurchase Mandate, the Issuance Mandate and the Extension Mandate respectively, and to give you notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Hung Kwong Yee and Mr. Hung Sui Tak, the executive Directors, shall retire from their offices by rotation at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors, as required under Rule 13.74 of the Listing Rules, are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF THE REPURCHASE, ISSUANCE AND EXTENSION MANDATES

On 23 November 2015, written resolutions were passed by the then Shareholders for, among other matters, granting general mandates to the Directors to exercise the powers of the Company to repurchase Shares and to issue Shares. Up to the Latest Practicable Date, such mandates have not been exercised by the Directors and, if not so exercised by the Directors by the Annual General Meeting, will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting 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 100,000,000 Shares on the basis that the existing number of Shares in issue (i.e. a total of 1,000,000,000 Shares as at the Latest Practicable Date) remains unchanged as at the date of the Annual General Meeting) (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 200,000,000 Shares on the basis that the existing number of Shares in issue (i.e. a total of 1,000,000,000 Shares as at the Latest Practicable Date) remains unchanged as at the date of the Annual General Meeting) (the “**Issuance Mandate**”); and
- (c) a general and unconditional mandate to extend the Issuance 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 Issuance Mandate will continue to be in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 7 and 8 of the notice of the Annual General Meeting as set out on pages 14 to 17 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 for or against the granting of the Repurchase Mandate at the Annual General Meeting. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 17 of this circular.

Pursuant to the Listing Rules, any vote of the Shareholders at a general meeting must be taken by 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. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tenpao.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority, at the Company's branch share registrar and transfer office in Hong Kong, 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 holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, your proxy form shall be deemed to be revoked.

5. RECOMMENDATION

The Directors consider that the ordinary resolutions to be proposed at the Annual General Meeting are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. CLOSURE OF REGISTER OF MEMBERS

For determination of the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 26 May 2016 to Tuesday, 31 May 2016 (both days inclusive) during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the Annual General Meeting, all transfers 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 25 May 2016.

For determination of the entitlement to the proposed final dividend for the year ended 31 December 2015, conditional upon the passing of the resolution approving the payment of the said final dividend at the Annual General Meeting, the register of members of the Company will be closed from Monday, 6 June 2016 to Friday, 10 June 2016 (both days inclusive) during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, all transfers 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 the address stated above not later than 4:30 p.m. on Friday, 3 June 2016.

LETTER FROM THE BOARD

7. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) and Appendix II (Explanatory Statement on the Repurchase Mandate) to this circular.

In the case of any inconsistency, the English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
Ten Pao Group Holdings Limited
Hung Kwong Yee
Chairman & Chief Executive Officer

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Hung Kwong Yee, Executive Director

Position and experience

Mr. Hung Kwong Yee (洪光椅先生) (“**Chairman Hung**”), aged 57, 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. Chairman Hung also serves as a director of the following wholly-owned subsidiaries of the Company: Goldasia Group Limited, Ten Pao Electronic Co., Ltd., Ten Pao International Co., Ltd., Ten Pao Precision Electronics Company Limited, Ten Pao Industrial Company Limited and Ten Pao International Limited.

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 30 years of experience in the power supply industry. Chairman Hung has been a member of Huicheng District Committee of the Chinese People’s Political Consultative Conference, Huizhou City (惠州市惠城區中國人民政治協商會議) since 2006. 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 executive vice president of the 6th 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 vice president of the 5th council of the Huizhou City Foreign Investment Enterprise Association (惠州市外商投資企業協會), the executive vice president of Huizhou Fujian Merchants Association (惠州市福建商會), the honorary chairman of the Hong Kong Baptist University Foundation (香港浸會大學基金) and a member of Lions Club of Tuen Mun (香港屯門獅子會). 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 PRC 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 initial term of office is three years from 11 December 2015, 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.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Relationships

Chairman Hung is the elder brother of Mr. Hong Guangdai (an executive Director), the father of Mr. Hung Sui Tak (an executive Director), a director and the sole shareholder of Even Joy Holdings Limited (a controlling Shareholder), a director of TinYing Holdings Limited and TinYing Investments Limited. TinYing Investments Limited, a controlling 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 deemed to be interested in 450,000,000 Shares, representing 45% of the issued share capital of the Company, which were held by Even Joy Holdings Limited, a company wholly owned by Chairman Hung.
- (b) He was deemed to be interested in 300,000,000 Shares, representing 30% 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 service contract entered into between Chairman Hung and the Company, Chairman Hung is entitled to receive an annual salary of approximately HK\$4,476,000. Chairman Hung is also eligible to participate in the share option scheme of the Company. 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.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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) (“**Mr. S.T. Hung**”), aged 29, 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. S.T. Hung has approximately 6 years of experience in the power supply industry. He joined the 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 (an indirect wholly-owned subsidiary of the Company) 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. S.T. Hung was promoted as a marketing director of the Group in January 2015. Mr. S.T. Hung received a bachelor’s degree in science with honours from the University of Birmingham in the United Kingdom in July 2008.

Mr. S.T. 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 Mr. S.T. Hung and the Company, his current term of office is for an initial term of three years with effect from 11 December 2015, 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.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Relationships

Mr. S.T. Hung is the son of Chairman Hung (the chairman of the Board, an executive Director and the chief executive officer of the Company), the nephew of Mr. Hong Guangdai (an executive Director), and a director of TinYing Holdings Limited (a controlling Shareholder).

Save as disclosed above, Mr. S.T. 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, Mr. S.T. 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 service contract entered into between Mr. S.T. Hung and the Company, Mr. S.T. Hung is entitled to receive an annual salary of approximately HK\$840,000. Mr. S.T. Hung is also eligible to participate in the share option scheme of the Company. The above emoluments of Mr. S.T. Hung 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. S.T. 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 Mr. S.T. Hung that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to be provided the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,000,000,000 Shares.

Subject to the passing of the proposed ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that the number of Shares in issue remains unchanged on the date of the Annual General Meeting, i.e. being 1,000,000,000 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, an aggregate of 100,000,000 Shares, representing 10% of the number of Shares in issue as at the date of passing such resolution.

2. REASONS FOR SHARE REPURCHASE

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 a 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.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purposes in accordance with its memorandum of association, the Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASE

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 2015) 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 extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during the period from the Listing Date up to and including the Latest Practicable Date were as follows:

Month	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2015		
December (since the Listing Date)	1.420	0.510
2016		
January	0.570	0.340
February	0.445	0.325
March	0.640	0.425
April (up to the Latest Practicable Date)	0.580	0.480

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor 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. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights 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), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Chairman Hung, the chairman of the Board, was deemed to be interested in 750,000,000 Shares, representing 75% of the total issued share capital of the Company. Out of these Shares, (i) 450,000,000 Shares (being 45% of the total issued share capital of the Company) were held by Even Joy Holdings Limited (a company wholly owned by Chairman Hung) and (ii) 300,000,000 Shares (being 30% 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 1,000,000,000 Shares) remains unchanged as at the date of the Annual General Meeting, and (ii) the shareholding interest of Chairman Hung (being 750,000,000 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 Annual General Meeting (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 83.33% of the total issued share capital of the Company.

The Directors consider that such increase in shareholding would not give rise to an obligation for Chairman Hung to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the number of Shares held by the public to less than 25% of the issued share capital of the Company. The Directors do not propose to exercise the Repurchase Mandate to such an extent which will result in reducing the number of Shares held by the public to less than 25%.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the Repurchase Mandate.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the period from the Listing Date up to and including the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



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 Tuesday, 31 May 2016 at 3:30 p.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2015;
2. To declare a final dividend of HK2 cents per share for the year ended 31 December 2015;
3. To re-elect Mr. Hung Kwong Yee as an executive director of the Company;
4. To re-elect Mr. Hung Sui Tak as an executive director of the Company;
5. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
6. To re-appoint PricewaterhouseCoopers as auditor and to authorize the board of directors to fix their remuneration;

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

7. **“THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined in paragraph (c) below) 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 all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above 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 mandate 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 purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meetings.”;

8. **“THAT:**

(a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined in paragraph (d) below) 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;

(b) the mandate 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;

(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 mandate in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined in paragraph (d) below);

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- (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 any share option scheme of the Company; and
- (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares of 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 on the date of passing of this resolution and the said mandate 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 expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meetings; 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 on a fixed record date in proportion to their then holdings of such shares or class 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

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9. “**THAT** conditional upon the passing of resolutions set out in items 7 and 8 of the notice convening the AGM (the “**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the aggregate number of shares 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 mandate referred to in resolution set out in item 7 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
Ten Pao Group Holdings Limited
Hung Kwong Yee
Chairman & Chief Executive Officer

Hong Kong, 25 April 2016

Notes:

1. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy or, if holding two or more shares, more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. 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 such power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. 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. For determining shareholders’ eligibility to attend and vote at the above meeting, the register of members of the Company will be closed from Thursday, 26 May 2016 to Tuesday, 31 May 2016, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company should ensure that all completed transfer documents accompanied by the relevant share certificates are lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at its address shown in Note 2 above for registration not later than 4:30 p.m. on Wednesday, 25 May 2016.
4. To ascertain shareholders’ entitlement to the proposed final dividend upon passing of resolution no. 2 set out in this Notice, the register of members of the Company will be closed from Monday, 6 June 2016 to Friday, 10 June 2016 (both days inclusive), during which period no share transfer will be effected. In order to qualify for entitlement to the proposed 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 Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at its address shown in Note 2 above for registration no later than 4:30 p.m. on Friday, 3 June 2016.