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**If you have sold or transferred** all your shares in RM Group Holdings Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**RM GROUP HOLDINGS LIMITED**

**御藥堂集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 932)**

**PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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Resolutions will be proposed at the Annual General Meeting of RM Group Holdings Limited to be held at Rm 636, 6/F, Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 9 August 2016 at 2:30 p.m. to approve the matters referred to in this circular.

The notice convening the Annual General Meeting together with the form of proxy for use at the Annual General Meeting are enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not prevent you from attending and voting in person at the Annual General Meeting if you so wish.

8 July 2016

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## DEFINITIONS

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

“Able Island”	Able Island Group Limited, a company incorporated in the British Virgin Islands, is an investment holding company, the entire issued share capital of which is held by Mr. Chan Yan Tak, the chairman, an executive Director and the chief executive officer of the Company. It is the controlling shareholder of the Company
“Annual General Meeting”	the annual general meeting of the Company to be held at Rm 636, 6/F, Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 9 August 2016 at 2:30 p.m. or any adjournment thereof, to consider, if appropriate to approve the resolutions contained in the notice of Annual General Meeting which is set out on pages 16 to 20 of this circular
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Associate(s)”	shall have the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board”	the board of Director(s)
“Cayman Companies Law”	the Companies Law (2012 Revision) of the Cayman Islands, as amended from time to time
“Company”	RM 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
“Connected Persons”	shall have the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	shall have the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

## DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED”	the independent non-executive Director(s)
“Latest Practicable Date”	4 July 2016, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Memorandum of Association”	the memorandum of Association of the Company, as amended from time to time
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate to be given to the Directors at the Annual General Meeting to exercise the powers of the Company to repurchase at any time until the next annual general meeting of the Company or such earlier period as stated in the Share Repurchase Resolution the Shares up to a maximum of 10% of the fully paid-up issued share capital of the Company at the date of passing of the Share Repurchase Resolution
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 24 September 2013
“Share Repurchase Resolution”	the ordinary resolution referred to in resolution 4.B. of the notice of the Annual General Meeting
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

## DEFINITIONS

“Substantial Shareholder”	shall have the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers approved by the Securities and Futures Commission from time to time
“United States”	The United States of America
“%”	per cent



**RM GROUP HOLDINGS LIMITED**

**御藥堂集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 932)**

*Executive Directors:*

Mr. Chan Yan Tak (*Chairman*)  
Mr. Wong Mau Tai  
Mr. Lim Ming Shing, Tony  
Mr. Lee Chi Hang, Sidney  
Mr. Wong Ping Yiu

*Non-Executive Director:*

Madam Tsang Pui Man

*Independent Non-Executive Directors:*

Professor Ng Ka Ming  
Mr. Cheng Kwok Kin, Paul  
Ms. Szeto Wai Ling, Virginia

*Registered Office:*

Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

*Head Office and Principal Place  
of Business in Hong Kong:*

27/F., The Galaxy,  
313 Castle Peak Road,  
Kwai Chung  
Hong Kong

8 July 2016

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting including (i) the grant of the Repurchase Mandate; (ii) the grant of the Issue Mandate (defined below) to issue new Shares; and (iii) the re-election of Directors who are going to be retired at the Annual General Meeting and offer themselves for re-election as the Director at the same meeting.

## LETTER FROM THE BOARD

### 2. GENERAL MANDATE TO REPURCHASE SHARES

The latest general mandate to repurchase Shares, up to a maximum of 10% of the fully paid-up issued Shares of the Company was granted to the Directors at the date of the annual general meeting of the Company held on 4 August 2015 (the “**2015 AGM**”) pursuant to the resolution passed by the Shareholders. This general mandate will expire at the conclusion of the Annual General Meeting. The Share Repurchase Resolution will be proposed at the Annual General Meeting to approve the grant of the Repurchase Mandate to the Directors. The Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolution 4.B. of the notice of the Annual General Meeting.

According to the requirements under the Listing Rules, the Company shall send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the Share Repurchase Resolution. Shareholders should refer to the explanatory statement contained in the Appendix I to this circular, which sets out further information in relation to the Repurchase Mandate.

### 3. GENERAL MANDATE TO ISSUE NEW SHARES

The latest general mandate to allot, issue and deal with unissued Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue was granted to the Directors at the 2015 AGM pursuant to the resolution passed by the Shareholders. This general mandate will expire at the conclusion of the Annual General Meeting.

An ordinary resolution to grant a general mandate to the Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing such ordinary resolution will be proposed at the Annual General Meeting. As at the Latest Practicable Date, the issued share capital of the Company comprised 516,300,000 fully paid-up Shares. If there is no allotment or repurchase of Shares after the Latest Practicable Date and up to the date of the Annual General Meeting, the maximum number of new Shares to be issued under the proposed general mandate to allot, issue and deal with new Shares will be 103,260,000 Shares (“**Issue Mandate**”). The Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolution 4.A. of the notice of the Annual General Meeting.

### 4. RE-ELECTION OF DIRECTORS

In relation to the proposed resolution 2 as set out in the notice of the Annual General Meeting regarding the re-election of the retiring Directors, Messrs. Chan Yan Tak and Wong Mau Tai as executive Director shall retire from the Board by rotation in accordance with article 84(1) of the Articles of Association at the Annual General Meeting. Messrs. Lim Ming Shing, Tony, Lee Chi Hang, Sidney and Wong Ping Yiu as executive Director and Ms. Szeto Wai Ling Virginia as independent non-executive Director, who were appointed by the Board on 1 January 2016, 20 January 2016, 20 June 2016 and 15 April 2016, respectively, shall retire from

## **LETTER FROM THE BOARD**

Board in accordance with article 83(3) of Articles of Association at the Annual General Meeting. All the retiring Directors shall be eligible for re-election as the Director at the Annual General Meeting. Such re-election were approved by Nomination Committee and the Board.

Details of all the Directors proposed for re-election as the Director at the Annual General Meeting are set out in Appendix II to this circular.

### **5. VOTING BY POLL**

All the resolutions set out in the notice of the Annual General Meeting shall be taken by poll in accordance with the Listing Rules and the Articles of Association. The chairman of the Annual General Meeting would explain the detailed procedures for voting by way of a poll in the Annual General Meeting.

The poll results will be published on the Company's website at [www.royalmedic.com](http://www.royalmedic.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) in due course pursuant to the Listing Rules.

### **6. ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting is set out on pages 16 to 20 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Annual General Meeting if you so wish.

### **7. RECOMMENDATION**

The Directors consider that the resolutions, including but without limitation to, the proposed grant of the Repurchase Mandate and the Issue Mandate to issue new Shares and the proposed re-election of all the retiring Directors, as set out respectively in the notice of the Annual General Meeting are all in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommended the Shareholders to vote in favour of all such resolutions to be proposed at the Annual General Meeting.



## LETTER FROM THE BOARD

### 8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirmed 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.

Yours faithfully,  
For and on behalf of  
**RM Group Holdings Limited**  
**CHAN Yan Tak**  
*Chairman*

*The following is the explanatory statement required to be sent to Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the Share Repurchase Resolution to be proposed at the Annual General Meeting.*

### **1. SHARE REPURCHASE PROPOSAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 516,300,000 fully paid-up Shares. It is proposed that up to a maximum of 10% of the fully paid-up Shares in issue at the date of passing of the Share Repurchase Resolution to approve the Repurchase Mandate may be repurchased by the Directors. Subject to the passing of the Share Repurchase Resolution, on the basis that no further Shares are issued prior to the Annual General Meeting and without taking into account of other restrictions, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 51,630,000 fully paid-up Shares.

### **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

### **3. FUNDING OF REPURCHASES**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's funds legally available for such purpose in accordance with the Memorandum of Association and Articles of Association, the Cayman Companies Law and the other applicable laws of the Cayman Islands and the Listing Rules. Any Share(s) repurchased under the Repurchase Mandate must be funded out of the capital paid up on the repurchased Shares or the funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of Shares. Any premium payable on the repurchase must be provided for out of the funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account.

It is not expected that there would be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2015/16 Annual Report) even if the proposed repurchases were to be exercised in full at any time during the proposed repurchase period. Nevertheless, the Directors do not propose 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.

#### **4. DIRECTORS' UNDERTAKING AND CORE CONNECTED PERSONS**

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close Associates have a present intention, in the event that the Share Repurchase Resolution is approved by Shareholders, to sell Shares to the Company or its subsidiaries.

No core Connected Persons have notified the Company that they have a present intention to sell Shares held by them to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of its Shares.

#### **5. EFFECT OF THE TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share repurchase pursuant to the Repurchase Mandate, any such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (depending on the level of increase of Shareholders' interests) 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. As at the Latest Practicable Date, Able Island was directly interested in 359,700,000 Shares as disclosed under the SFO, which constituted approximately 69.67% of the voting rights attaching to the issued share capital of the Company. Were the Repurchase Mandate to be exercised in full, which is considered to be unlikely in the current circumstances, Able Island would (assuming that there is no change in relevant facts and circumstances) hold approximately 77.41% of the voting rights attaching to the issued share capital of the Company. It is considered that, in the absence of any special circumstances, an obligation to make a mandatory offer as referred to above as a result of a share repurchase is unlikely to arise. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

#### **6. SHARE REPURCHASES MADE BY THE COMPANY**

There was no repurchase of the Shares by the Company or any of its subsidiaries during the six months prior to the Latest Practicable Date.

## 7. MARKET PRICES

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

Year	Month	Shares Prices (Per Share)	
		Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
2015	June	2.42	1.89
	July	2.19	1.45
	August	1.80	1.43
	September	1.62	1.39
	October	1.73	1.37
	November	2.09	1.65
	December	1.83	1.54
2016	January	1.57	1.25
	February	1.46	1.05
	March	1.20	1.00
	April	1.40	1.00
	May	1.66	1.17
	June	1.49	1.26
	July (up to the Latest Practicable Date)	1.44	1.38

*Save for the information set out below, there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraph 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in respect of the following Directors who stand for re-election at the Annual General Meeting.*

*Stated below are the details of the Directors who will retire and be eligible for re-election at the Annual General Meeting according to the Articles of Association of the Company:*

**Mr. Chan Yan Tak**, aged 47, is the chairman of the Board, an executive Director and a chief executive officer of the Company as well as a director of most subsidiaries of the Company. Mr. Chan joined the Group in 2003 and was appointed as a Director on 5 December 2011. Mr. Chan is responsible for the overall management and strategic development of the Group. Mr. Chan possesses over 12 years of experience in the health food and pharmaceutical trading businesses with extensive experience in product development, materials sourcing, branding-building, advertising, marketing and retail networking. Mr. Chan has acted as the honorary president of the Federation of Beauty Industry (H.K.). He has been a member of the Association of Hong Kong and Kowloon Practitioners of Chinese Medicine Limited since 2004 and was then appointed as the advisor of the abovementioned association in 2008. Mr. Chan is the spouse of Madam Tsang Pui Man, a non-executive Director, and the brother-in-law of Mr. Lim Ming Shing, Tony, an executive Director and the chief financial officer of the Group.

Mr. Chan was adjudged bankrupt by virtue of the bankruptcy order made by the High Court of Hong Kong on 19 January 2000 as a result of the bankruptcy petitions made by Standard Chartered Bank (the “**Creditor**”) against him on 25 October 1999 for his default in repayment of a loan (the “**Loan**”) granted by the Creditor to Mr. Chan and Madam Tsang (a non-executive Director of the Company) (the liability of them in respect of the Loan being joint and several). The Loan owed to the Creditor was mainly arising from the indebtedness under a property mortgage. As confirmed by Mr. Chan, he did not repay the loan, and by the expiration of four years since his bankruptcy order, Mr. Chan was discharged from bankruptcy on 19 January 2004 pursuant to the section 30A of the Bankruptcy Ordinance (Chapter 6, the Laws of Hong Kong) and a Certificate of Discharge was made by the High Court of Hong Kong on 11 March 2004. The Company confirms that the Loan was not incurred in the course of any business carried on by Mr. Chan. In view of the circumstances of the Loan and the discharge of Mr. Chan’s bankruptcy in 2004, as well as his contribution to the success of the Group, the Directors believe that Mr. Chan has the character, experience and integrity to act as a Director and will be able to demonstrate a standard of competence commensurate with his positions as a director of a listed issuer as required under the Listing Rules.

Mr. Chan has entered into a service agreement with the Company commencing from 11 October 2013 to 10 October 2016 but shall retire from the Board by rotation at the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Mr. Chan, being the chairman of the Board, an executive Director and a chief executive officer of the Company, is

entitled to a Director's emolument of an annual salary of HK\$1,800,000 payable by 12 equal monthly installments, with monthly installment of HK\$150,000, and to receive a discretionary bonus and is eligible for participating in the Share Option Scheme.

As at the Latest Practicable Date, Mr. Chan is currently a director of and holds entirely interests in Able Island, the controlling shareholder of the Company, Able Island currently holds 359,700,000 Shares (representing approximately 69.67%) within the meaning of Part XV of the SFO.

**Mr. Wong Mau Tai**, aged 62, is an executive Director. He joined the Group in 2009 and was appointed as Director since 5 December 2011. Mr. Wong is currently a director of most subsidiaries of the Company. Mr. Wong graduated from the Griffin College of Washington in the United States of America with a bachelor degree in business administration. He was the general manager of the Group from July 2009 to October 2011, mainly responsible for the production, packaging and logistic functions of the Group. He possesses more than 19 years of working experience in various business segments ranging from telecommunication, transportation and property development industry. Mr. Wong has strong knowledge in the health food and pharmaceutical trading business segment. Mr. Wong served as the manager of New World Development Company Limited and New World China Land Limited and has been engaged as the assistant to director and general manager of New World First Bus Services (China) Limited.

Mr. Wong has entered into a service agreement with the Company for a term of three years commencing from 4 August 2014 to 3 August 2017 but shall retire from the Board by rotation at the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Mr. Wong, being executive Director, is entitled to a Director's emolument of an annual salary of HK\$940,800 payable by 12 equal monthly installments, with monthly installment of HK\$78,400, and to receive a discretionary bonus and is eligible for participating in the Share Option Scheme.

**Mr. Lim Ming Shing, Tony**, aged 55, was appointed as executive Director and a member of the Remuneration Committee on 1 January 2016, he was appointed as chief financial officer of the Group on 31 May 2016. Mr. Lim joined the Group in August 2014 as treasurer of the Group and he is primarily responsible for the overall accounting, tax, finance and treasury functions of the Group. Mr. Lim has over 20 years of experience in financial and management accounting. He was awarded a professional diploma in management accountancy from the Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in 1985 and he obtained his master degree in business administration from Heriot-Watt University, United Kingdom in 1999. Mr. Lim is a member of the Hong Kong Institute of Certified Public Accountants. He is also a member of the Association of Chartered Certified Accountants and of the Chartered Institute of Management Accountants. Mr. Lim is the brother-in-law of Mr. Chan Yan Tak, the chairman of the Board and an executive Director.

Mr. Lim has entered into a service agreement with the Company for a term of three years commencing from 1 January 2016 to 31 December 2018 but holds office until the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Mr. Lim, being executive Director and a member of the Remuneration Committee, is entitled to the Director's emolument of an annual salary of HK\$940,800 payable by 12 equal monthly installments, with monthly installment of HK\$78,400, and to receive a discretionary bonus and is eligible for participating in the Share Option Scheme.

**Mr. Lee Chi Hang Sidney**, aged 52, was appointed as executive Director and compliance officer of the Company on 20 January 2016 as well as a director of a subsidiary of the Group since July 2014. Mr. Lee has been primarily responsible for overseeing the corporate strategy and legal matters of the Group. Mr. Lee was employed by the Group from 1 March 2013 to 1 November 2013, responsible for business development. Mr. Lee was a director of Wisdom Come Medical Group Limited ("Wisdom Come"), a subsidiary of the Group from 2010 till 2012. Mr. Lee was also subscriber and nominee shareholder of Wisdom Come and subscriber of Hong Kong and Macau Chinese Medicine Innovative Institute Co., Ltd. (formerly named "M2C Natural Health Limited"), another subsidiary of the Group, and transferred his shares in these two companies to the Group on 1 November 2005 and 19 May 2006, respectively. Mr. Lee has been a solicitor in practice in Hong Kong since August 2000. Mr. Lee graduated from The Chinese University of Hong Kong with a bachelor degree in business administration in 1986, and later also graduated from the Manchester Metropolitan University in the United Kingdom with a bachelor degree in laws in 1999. After obtaining the Postgraduate Certificate in Laws issued by University of Hong Kong, he was admitted as a solicitor in Hong Kong in August 2000. Before practising as a solicitor, Mr. Lee was employed with senior management positions in various retail enterprises in Hong Kong. From 1995 till 1997 he was employed as a director and deputy general manager of Chinese Arts & Crafts (H.K.) Limited, a retail group of companies in Hong Kong. He is currently the sole proprietor of Sidney Lee & Co., Solicitors, a law firm established in Hong Kong since July 2008, which provided legal services to the Group till 19 January 2016. Mr. Lee has been an elected member of the Central and Western District Council since 2006 with his current term of office ending on 31 December 2019. Mr. Lee has been providing voluntary services to the public on an ongoing basis and was appointed by the government as a member of various advisory boards.

Mr. Lee has entered into a service agreement with the Company for a term of three years commencing from 20 January 2016 to 19 January 2019 but holds office until the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Mr. Lee, being executive Director and the compliance officer of the Company, is entitled to a Director's emolument of an annual salary of HK\$1,200,000 payable by 12 equal monthly installments, with monthly installment of HK\$100,000, and to receive a discretionary bonus and is eligible for participating in the Share Option Scheme.

**Mr. Wong Ping Yiu**, aged 53, was appointed as executive Director on 20 June 2016. He is primarily responsible for expanding the distribution network of the Group in Hong Kong. Mr. Wong has extensive experience in strategic marketing and property leasing. Prior to

joining the Group, Mr. Wong was an associate director at a property consultancy firm Kencon Property Consultants, providing property acquisition planning and development advice to his clients. Mr. Wong has been a Salesperson's Licence holder duly issued by the Estate Agents Authority of Hong Kong since 2013.

Mr. Wong has entered into a service agreement with the Company for a term of three years commencing from 20 June 2016 to 19 June 2019 but holds office until the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Mr. Wong, being executive Director, is entitled to the Director's emolument of an annual salary of HK\$600,000 payable by 12 equal monthly installments, with monthly installment of HK\$50,000 and to receive a discretionary bonus and is eligible for participating in the Share Option Scheme.

**Ms. Szeto Wai Ling, Virginia**, aged 53, was appointed as independent non-executive Director, a member of the Audit Committee, the Nomination Committee and the Remuneration Committee on 15 April 2016. Ms. Szeto is a practising solicitor in Hong Kong and a solicitor of the Supreme Court of England and Wales. She is currently the sole practitioner of Szeto Virginia & Co, Solicitors. Ms. Szeto holds a Bachelor of Laws Degree from Oxford Brookes University and a Master of Science Degree in Criminal Justice Policy from The London School of Economics and Political Science. She is currently an executive director of Sino Haijing Holdings Limited (stock code: 1106) from 19 March 2015 and an independent non-executive director of Meike International Holdings Limited (stock code: 0953) from 29 January 2016. She was a former independent non-executive director of SMI Culture Group Holdings Limited (Former name: Qin Jia Yuan Media Services Company Limited) (stock code: 2366) from 31 August 2012 to 1 September 2013. Ms. Szeto was also the Head of Legal Department of New World Development Company Limited (stock code: 0017) from 20 March 1998 to 31 July 2002.

Ms. Szeto has entered into a service agreement with the Company for a term of three years commencing from 15 April 2016 to 14 April 2019 and holds office until the conclusion of the Annual General Meeting and is eligible for re-election as Director in the same meeting in accordance with the Articles of Association and the Listing Rules. Ms. Szeto, being independent non-executive Director, member of the Audit Committee, the Nomination Committee and the Remuneration Committee, is entitled to a remuneration package comprising a fixed director's fee of HK\$300,000 per annum payable by 12 equal monthly installments, with monthly installment of HK\$25,000 per month and is eligible for participating in the Share Option Scheme.

As at the Latest Practicable Date, each of Messrs. Chan Yan Tak and Wong Mau Tai individually held 500,000 Options and 5,000,000 Options, respectively, granted by the Company which may be exercised in between 22 November 2013 and 21 November 2016 (both days inclusive) at the exercise price of HK\$1.64 per Option. Other than disclosed above, all Messrs. Chan Yan Tak, Wong Mau Tai, Lim Ming Shing, Tony, Lee Chi Hang, Sidney, Wong Ping Yin and Ms. Szeto Wai Ling, Virginia (collectively, the "Retiring Director(s)") do not have any interest in the Shares within the meaning of Part XV of the SFO.



All the Directors' emolument of the Retiring Directors have been determined with reference to their qualifications, experiences, level of responsibilities undertaken, the performance of the Group, profitability, industry remuneration benchmark and prevailing market conditions except for Ms. Szeto Wai Ling, Virginia, independent non-executive Director, her emolument was with reference to her duties and responsibilities in the Company, all Directors' emolument of the Retiring Directors have been approved by the Board and the Remuneration Committee. The emoluments of all the Directors are subject to annual review by the Remuneration Committee. Total remuneration paid to all the Retiring Directors (except Mr. Wong Ping Yiu and Ms. Szeto Wai Ling, Virginia who were appointed as executive Director and independent non-executive Director on 20 June 2016 and 15 April 2016 respectively) for the year ended 31 March 2016 is set out in note 9 to the financial statements of the Company's 2015/16 annual report. A resolution authorizing, inter alia, the Board to fix all Director's remuneration for the year ending March 2017 will be put forward at the Annual General Meeting for the Shareholders' approval.

Save as disclosed above, and as the Latest Practicable Date, each of the Retiring Directors do not have any relationships with any Directors, senior management or substantial shareholders or the controlling shareholder of the Company nor hold or did not hold any directorships in other public listed companies in the last 3 years and other major appointments and qualifications.

Other than disclosed above, there are no other matters in relation to the re-election of any one of the Retiring Directors that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

**NOTICE OF ANNUAL GENERAL MEETING**



**RM GROUP HOLDINGS LIMITED**

**御藥堂集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 932)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of RM Group Holdings Limited (the “**Company**”) will be held at Rm 636, 6/F, Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 9 August 2016 at 2:30 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 March 2016.
2.
  - (a) To re-elect Mr. Chan Yan Tak as a director of the Company;
  - (b) To re-elect Mr. Wong Mau Tai as a director of the Company;
  - (c) To re-elect Mr. Lim Ming Shing, Tony as a director of the Company;
  - (d) To re-elect Mr. Lee Chi Hang, Sidney as a director of the Company;
  - (e) To re-elect Mr. Wong Ping Yiu as a director of the Company;
  - (f) To re-elect Ms. Szeto Wai Ling Virginia as a director of the Company;
  - (g) To fix the maximum number of directors of the Company and to authorise the board of directors of the Company to fix their remuneration.
3. To re-appoint the auditor of the Company and to authorise the board of directors of the Company to fix its remuneration.
4. To consider as special business, and if thought fit, pass the following resolutions as ordinary resolutions with or without amendments:

**ORDINARY RESOLUTIONS**

A. “**THAT:**

- (a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the

## NOTICE OF ANNUAL GENERAL MEETING

Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of:
  - (i) a Rights Issue (as hereinafter defined); or
  - (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of shares in the Company; or
  - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company; or
  - (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities; or
  - (v) a specified authority granted by the shareholders of the Company (the “**Shareholders**”) in general meeting,

shall not exceed the aggregate of:

- (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and

## NOTICE OF ANNUAL GENERAL MEETING

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the Shareholders) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution),

and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from 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 expiry 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 other applicable laws of Cayman Islands to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the Company on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to all cases where 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

**B. “THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, be and is hereby generally and unconditionally approved;

## NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and

(c) for the purposes of this Resolution:

“Relevant Period” means the period from 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 expiry 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 other applicable laws of the Cayman Islands to be held; or

(iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the Shareholders in general meeting.”

C. **“THAT**, conditional upon the passing of Resolution 4.B., the general mandate granted to the directors of the Company (pursuant to Resolution 4.A. or otherwise) and for the time being in force to exercise the powers of the Company to allot shares be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted by the resolution set out as Resolution 4.B..”

By Order of the Board  
**RM Group Holdings Limited**  
**CHAN Yan Tak**  
*Chairman*

Hong Kong, 8 July 2016

*Head Office and Principal Place  
of Business in Hong Kong:*  
27/F, The Galaxy  
313 Castle Peak Road  
Kwai Chung  
Hong Kong

*As at the date of this notice, the executive directors of the Company are Mr. CHAN Yan Tak, Mr. WONG Mau Tai, Mr. LEE Chi Hang, Sidney and Mr. LIM Ming Shing, Tony, Mr. WONG Ping Yiu; the non-executive director of the Company is Madam TSANG Pui Man; and the independent non-executive directors of the Company are Prof. NG Ka Ming, Mr. CHENG Kwok Kin, Paul and Ms. SZETO Wai Ling, Virginia.*

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. Every member entitled to attend and vote at the above meeting (or at any adjournment thereof) (the “**AGM**”) is entitled to appoint up to two individuals as his proxies. A proxy need not be a member of the Company. The number of proxies appointed by a clearing house (or its nominee) is not subject to the aforesaid limitation.
2. Where there are joint holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share will alone be entitled to vote in respect thereof.
3. 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 by a notary public of that power or authority), must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong, of 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. Completion and return of the form of proxy will not be preclude a member from attending the AGM and voting in person if he so wishes.
4. The registers of members of the Company (the “**Registers of Members**”) will be closed from Monday, 8 August 2016 to Tuesday, 9 August 2016 (both days inclusive) during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged for registration with Tricor Investor Services Limited at the same address stated in above Note 3 not later than 4:30 p.m. on Friday, 5 August 2016.
5. All the resolutions set out in this notice shall be decided by way of poll.