

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

If you have sold or transferred all your shares in **Grace Wine Holdings Limited**, you should at once hand this circular together with the enclosed proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This circular, for which the directors of **Grace Wine Holdings Limited** collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to **Grace Wine Holdings Limited**. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.



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

A notice convening the annual general meeting of Grace Wine Holdings Limited to be held at Unit 1-3, 11/F, Westlands Centre, No. 20 Westlands Road, Hong Kong on Friday, 14 June 2019 at 10:30 a.m. is set out on pages 18 to 22 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same 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 and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish.

This circular will remain on GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its publication and on the Company's website at www.gracewine.com.hk.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1-3, 11/F, Westlands Centre, No. 20 Westlands Road, Hong Kong, on Friday, 14 June 2019 at 10:30 a.m., or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Company”	Grace Wine Holdings Limited 怡園酒業控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8146)
“Companies Law”	the Companies Law Cap. 22 (Law 3 of 1961) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“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
“Latest Practicable Date”	25 March 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	27 June 2018, being the date on which the Shares are first listed and from which dealings thereof are permitted to commence on the Stock Exchange

DEFINITIONS

“Nomination Committee”	the nomination committee of the Company
“Repurchase Resolution”	the proposed ordinary resolution as referred to in ordinary resolution no. 5 of the notice of the AGM
“Remuneration Committee”	the remuneration committee of the Company
“PRC”	the People’s Republic of China, but for the purpose of this circular and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“SGX”	Singapore Exchange
“Share(s)”	ordinary share(s) of HK\$0.001 each in the issued share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Share Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the Shareholders’ resolution approving the Share Issue Mandate
“Share Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the Shareholders’ resolution approving the Share Repurchase Mandate
“Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
“%”	per cent



Grace Wine Holdings Limited
怡園酒業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8146)

Executive Directors:

Ms. Judy Chan (*Chairlady and Chief Executive Officer*)

Mr. Fan Chi Chiu

Non-executive Directors:

Ms. Hou Tan Tan Danielle

Mr. Chow Christer Ho

Independent non-executive Directors:

Mr. Ho Kent Ching-tak

Mr. Lim Leung Yau Edwin

Mr. Alec Peter Tracy

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Principal place of
business in Hong Kong:*

Unit 1-3, 11/F

Westlands Centre

No. 20 Westlands Road

Hong Kong

29 March 2019

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to the granting to the Directors of the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate and the re-election of retiring Directors; and to seek your approval of the relevant ordinary resolutions relating to these matters at the AGM.

LETTER FROM THE BOARD

SHARE ISSUE MANDATE

On 1 June 2018, an ordinary resolution was passed by the then Shareholders to give a general unconditional mandate to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 800,000,000 Shares. Subject to the passing of the resolution approving the Share Issue Mandate and on the basis that no further Shares are issued prior to the AGM, the Company would be allowed under the resolution approving the Share Issue Mandate to issue a maximum of 160,000,000 Shares representing not more than 20% of the issued share capital of the Company as at the Latest Practicable Date.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in ordinary resolutions as referred to in resolutions nos. 4 and 6 respectively of the notice of the AGM.

SHARE REPURCHASE MANDATE

On 1 June 2018, an ordinary resolution was passed by the then Shareholders to give a general unconditional mandate to the Directors to exercise all the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 800,000,000 Shares. Subject to the passing of the resolution approving the Share Repurchase Mandate, assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the Repurchase Resolution, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate as at the date of passing the Repurchase Resolution will be 80,000,000 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

An explanatory statement as required under Rule 13.08 of the GEM Listing Rules, giving certain information regarding the Share Repurchase Mandate, is set out in Appendix I to this circular.

The Share Issue Mandate and the Share Repurchase Mandate, if approved at the AGM, will continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held or until the date upon which such authority is revoked or varied by ordinary resolution by the Shareholders in general meeting, whichever is earlier.

RE-ELECTION OF RETIRING DIRECTORS

The Board currently comprises seven Directors, namely Ms. Judy Chan, Mr. Fan Chi Chiu, Ms. Hou Tan Tan Danielle, Mr. Chow Christer Ho, Mr. Ho Kent Ching-tak, Mr. Lim Leung Yau Edwin and Mr. Alec Peter Tracy.

LETTER FROM THE BOARD

In accordance with the Articles 108 and 112 of the Articles of Association, Ms. Judy Chan, Mr. Fan Chi Chiu, Ms. Hou Tan Tan Danielle, Mr. Chow Christer Ho, Mr. Ho Kent Ching-tak, Mr. Lim Leung Yau Edwin and Mr. Alec Peter Tracy will retire at the AGM and, being eligible, offer themselves for re-election.

Recommendation of the Nomination Committee

In considering and approving the re-election of the above retiring Directors at the AGM, the Nomination Committee has evaluated the performance of each of the retiring Directors and found their performance satisfactory. Also, the Nomination Committee has assessed and received the independence confirmations pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and confirmed that all of them, including Mr. Ho Kent Ching-tak, Mr. Lim Leung Yau Edwin and Mr. Alec Peter Tracy remain independent. In addition, the Nomination Committee has considered the Board diversity from a range of diversity perspectives with reference to the Company's business and corporate strategy, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are based on meritocracy, and candidates shall be considered against criteria including talents, skills and experience as may be necessary for the operation of the Board as a whole, with a view to maintaining a sound balance of the Board's composition.

Therefore, the Nomination Committee nominated the retiring Directors to the Board for it to propose to Shareholders for re-election at the AGM. Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that the retiring Directors, namely, Ms. Judy Chan, Mr. Fan Chi Chiu, Ms. Hou Tan Tan Danielle, Mr. Chow Christer Ho, Mr. Ho Kent Ching-tak, Mr. Lim Leung Yau Edwin and Mr. Alec Peter Tracy stand for re-election as Directors at the AGM.

Biographical details of the above retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

At the AGM, ordinary resolutions will be proposed to approve the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate and the re-election of retiring Directors. The notice of the AGM is set out on pages 18 to 22 of this circular.

VOTING BY WAY OF POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of 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. The chairperson of the meeting will therefore demand a poll for every resolution put to the vote of the AGM pursuant to Article 72 of the Articles of Association and the Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions to be proposed at the AGM.

ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same 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 and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM, or any adjourned meeting, should you so wish.

RECOMMENDATION

The Directors believe that the granting of the Share Issue Mandate and the Share Repurchase Mandate, the extension of the Share Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company as well as the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of all the relevant resolutions relating to aforesaid matters.

By order of the Board
Grace Wine Holdings Limited
Judy Chan

Chairlady, Chief Executive Officer and Executive Director

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. EXERCISE OF THE SHARE REPURCHASE MANDATE

Exercise in full of the Share Repurchase Mandate, on the basis of 800,000,000 Shares in issue at the Latest Practicable Date, would result in up to 80,000,000 Shares (which will be fully paid and represent 10% of the Shares in issue as at the Latest Practicable Date) being repurchased by the Company during the course of the period prior to the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or applicable laws of the Cayman Islands to be held; or (iii) the passing of any ordinary resolution of the Shareholders in general meeting of the Company revoking, varying or renewing the Share Repurchase Mandate.

2. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Articles of Association and the Companies Laws of the Cayman Islands and any applicable laws and regulations. Pursuant to the Share Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase. In the case of any premium payable on the repurchase, out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company. The Company may not repurchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of GEM prevailing from time to time.

4. GENERAL

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 financial statements contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Share Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum of association of the Company, the Articles of the Association and all applicable laws of the Cayman Islands in force from time to time.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules), has any present intention, if the Share Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Share Repurchase Mandate is exercised. If as a result of a repurchase of Shares, 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. As a result, 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 interest of the Shareholder(s), could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of a repurchase of Shares made under the Share Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders have beneficial interests representing 5% or more of the issued share capital of the Company within the meaning of Part XV of the SFO:

Name of Shareholders	Number of Shares held	Approximate percentage interest in the issued share capital of the Company ^(Note 4)	Approximate percentage interest in the issued share capital of the Company in the event the Share Repurchase Mandate is exercised in full ^(Note 5)
Macmillan Equity Limited ("Macmillan Equity") ^(Note 1)	420,000,000	52.5%	58.3%
Ms. Judy Chan ^(Note 1)	420,000,000	52.5%	58.3%
Palgrave Enterprises Limited ("Palgrave Enterprises") ^(Note 2)	180,000,000	52.5%	58.3%
Ms. Wong Shu Ying ^(Note 2)	180,000,000	22.5%	25.0%
Mr. Chan Chun Keung ^(Note 3)	180,000,000	22.5%	25.0%

Notes:

1. Macmillan Equity is wholly-owned by Ms. Judy Chan, and therefore Ms. Judy Chan is deemed to be interested in the 420,000,000 Shares held by Macmillan Equity pursuant to the SFO.
2. Palgrave Enterprises is wholly-owned by Ms. Wong Shu Ying, and therefore Ms. Wong Shu Ying is deemed to be interested in the 180,000,000 Shares held by Palgrave Enterprises pursuant to the SFO.
3. Mr. Chan Chun Keung, the spouse of Ms. Wong Shu Ying, is deemed to be interested in the 180,000,000 Shares held by Ms. Wong Shu Ying, through her controlled corporation, Palgrave Enterprises, pursuant to the SFO.
4. The calculation is based on the total number of 800,000,000 Shares in issue as at the Latest Practicable Date.
5. The calculation is based on the total number of 800,000,000 Shares in issue with taking into account of the exercising the Share Repurchase Mandate in full as at the Latest Practicable Date.

The Directors will not exercise the Share Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the GEM Listing Rules).

The Directors are not aware of any consequence under the Takeovers Code as a result of a repurchase of Shares made under the Share Repurchase Mandate and have no present intention to exercise the power to repurchase Shares pursuant to the Share Repurchase Mandate to such an extent as to result in takeover obligations.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% could only be implemented with the approval of the Stock Exchange to waive the GEM Listing Rules requirements regarding the public shareholding. However, the Directors have no current intention to exercise the Share Repurchase Mandate to such an extent as would give rise to this obligation. In any event, the Company will not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

5. SHARES REPURCHASED BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

6. SHARE PRICES

The highest and lowest traded prices of which the Shares were traded on the Stock Exchange during each of the previous months since 27 June 2018 (the date of listing of Shares on GEM) to the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2018		
June (from the Listing Date)	1.570	0.385
July	1.380	0.630
August	1.250	1.030
September	1.850	0.355
October	0.650	0.360
November	0.455	0.360
December	0.385	0.245
2019		
January	0.330	0.245
February	0.305	0.260
March (up to the Latest Practicable Date)	0.305	0.265

Below are the particulars of the retiring Directors (as required by the GEM Listing Rule) proposed to be re-elected at the AGM:

EXECUTIVE DIRECTORS

Ms. Judy Chan (“Ms. Chan”), formerly known as Judy Leissner, aged 41, was appointed as an executive Director on 14 February 2012 and the Chairlady of the Board and chief executive officer of the Company (the “Chief Executive Officer”) on 24 July 2017. She is the Chairlady of the Nomination Committee. She first joined the Group in June 2002 as a director of Shanxi Grace Vineyard Co. Ltd.* (山西怡園酒莊有限公司) (“Shanxi Grace Vineyard”). She is primarily responsible for overseeing the general management and business development and formulates the business strategies and policies for the business management and operations of the Group.

Ms. Chan has over 17 years of experience in the wine making industry. Prior to joining the Group, from March 2000 to November 2001, Ms. Chan worked as an analyst at Goldman Sachs (Asia) L.L.C., in Hong Kong. Ms. Chan has been an independent non-executive director of Sing Tao News Corporation Limited (SEHK: 1105) (principally engaged in media operations) since June 2013. She has been an independent non-executive director and a member of the remuneration committee of Memories Group Limited (SGX: 1H4) (principally engaged in tourism businesses in Myanmar) since December 2017.

Ms. Chan graduated from the University of Michigan in the United States with a bachelor’s degree in psychology, women’s studies and organisational studies in December 1999. Ms. Chan was named as one of the “2014 Most Innovative Women in Food and Drink” by Fortune magazine and Food & Wine magazine in September 2014. She was also named as one of the “Future Women in the Mix in Asia: 12 to Watch” by Forbes Asia in March 2013. She was named as one of the 50 most important people in “The Decanter Power List 2013” published by the Decanter in July 2013 and a “Young Global Leader” by the World Economic Forum in March 2013. Ms. Chan was also awarded “Asia Wine Personality of the Year 2012” by The Drink Business magazine and the Institute & Masters of Wine in 2012. She was named as one of “China’s 25 Most Influential Businesswomen” by Fortune China magazine in November 2012 and one of the “50 Most Influential Women in the Wine Industry” by The Drink Business magazine in December 2012. Ms. Chan was also awarded “Entrepreneur of the Year China 2010” under the category of Hong Kong/Macau Region Emerging Entrepreneur of the Year by Ernst & Young in 2010. Ms. Chan has been a member of the Second Session of the Chinese People’s Political Consultative Conference of Jinzhong County (中國人民政治協商會議第二屆晉中市委員會委員), a member of the Chinese People’s Political Consultative Conference of Shanxi Province (中國人民政治協商會議山西省委員會委員) and a member of the 11th Session of the Chinese People’s Political Consultative Conference of Shanxi Province (中國人民政治協商會議第十一屆山西省委員會委員) since May 2005, February 2008 and January 2013, respectively. She was appointed as a member of the Ninth Session of the Shanxi Qiaolian

* for identification purpose only

(山西僑聯第九屆委員) on March 2013 and an executive director of the Fifth Session of the Shanxi Overseas Friendship Association (山西海外聯誼會第五屆常務理事) since December 2012. Ms. Chan has also been a director of the Seventh Session of the board of trustees of Huaqiao University (華僑大學第七屆董事會董事) since November 2014 and an honorary chairlady of the First Session of the Huaqiao University Youth Federation (華僑大學青年聯合會第一屆名譽主席) since October 2013.

Ms. Chan is the daughter of Ms. Wong Shu Ying, the substantial shareholder of the Company (the “Substantial Shareholder”), and is the sister-in-law of Ms. Hou Tan Tan Danielle, the non-executive Director.

Save as disclosed above, Ms. Chan has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Ms. Chan was interested in 420,000,000 Shares, representing 52.50% of the issued share capital of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Ms. Chan did not have any interest in the Shares within the meaning of Part XV of the SFO.

Ms. Chan has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date unless terminated by not less than three months prior written notice or otherwise in accordance with the service agreement. She is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the service agreement, she is entitled to a director’s fee of HK\$720,000 per annum, a salary of HK\$214,180 per annum and discretionary bonuses, other benefits and retirement benefit-defined contribution scheme, which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, her performance, qualifications and experience.

Mr. Fan Chi Chiu (“Mr. Fan”), aged 33, first joined the Group and was appointed as an executive Director on 24 July 2017. He is primarily responsible for overseeing the financial management and strategies, compliance and investor relations of the Group.

Mr. Fan has over ten years of working experience in the auditing and financial management industry. Mr. Fan has worked at ELL Environmental Holdings Limited (“ELL”) (principally engaged in the provision of waste water services in the PRC) (SEHK: 1395) since April 2015, with his current position as chief financial officer, where he is primarily responsible for overseeing the financial management and the company’s compliance with laws and regulations in Hong Kong. From April 2014 to March 2015, Mr. Fan was a finance director at Vantasia Holdings (H.K.) Limited (principally engaged in financial services business in the PRC) where he was primarily responsible for financial management, business strategic planning and investor relations. From July 2011 to February 2014, he worked as an analyst at Barclays Investment Bank. From October 2007 to June 2011, he worked at PricewaterhouseCoopers, with his last position as a senior associate.

Mr. Fan obtained his bachelor's degree in business administration, majoring in professional accountancy, from The Chinese University of Hong Kong in December 2007. Mr. Fan has been a member of the Hong Kong Institute of Certified Public Accountants since January 2011.

Save as disclosed above, Mr. Fan has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Mr. Fan was interested in 600,000 Shares, representing 0.00% of the issued share capital of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Fan did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Fan has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date unless terminated by not less than three months prior written notice or otherwise in accordance with the service agreement. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the service agreement, he is entitled to a director's fee of HK\$360,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

NON-EXECUTIVE DIRECTORS

Ms. Hou Tan Tan Danielle ("Ms. Hou"), aged 34, was appointed as a non-executive Director on 24 July 2017. She is the member of the Remuneration Committee. She is primarily responsible for advising the Company on issues of strategy, policy, performance, accountability, resources, key appointments and standard of conduct.

Ms. Hou has been acting as the deputy art director of King Fook Holding Limited (SEHK: 280) since June 2016. From February 2015 to May 2016, she worked as a specialist trainee/cataloguer in the jewellery department of Sotheby's Hong Kong Limited. From July 2008 to August 2011, Ms. Hou worked as an analyst in the China investment banking department of Citigroup Global Markets Asia Limited.

Ms. Hou obtained her bachelor's degree in business administration from Abilene Christian University in the United States in May 2008.

Ms. Hou is the daughter-in-law of Ms. Wong Shu Ying, the Substantial Shareholder, and is the sister-in-law of Ms. Chan, the executive Director, Chairlady and Chief Executive Officer.

Save as disclosed above, Ms. Hou has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Ms. Hou did not have any interest in Share within the meaning of Part XV of the SFO.

Ms. Hou has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the letter of appointment, she is entitled to a director's fee of HK\$100,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, her performance, qualifications and experience.

Mr. Chow Christer Ho ("Mr. Chow"), formerly known as Chow Ho, aged 45, was appointed as a non-executive Director on 24 July 2017. He is the member of the Audit Committee and the Nomination Committee. He is responsible for advising the Company on issues of strategy, policy, performance, accountability, resources, key appointments and standard of conduct.

Mr. Chow has over 16 years of experience in the real estate development and investment industry. Currently, Mr. Chow is a managing director of LaSalle Investment Management, a member of the Jones Lang LaSalle Group (principally engaged in real estate investment management), where he is primarily responsible for advising and managing real estate investment portfolios of institutional investors. From 2007 to March 2012, he worked at Jones Lang LaSalle, with his last position as the head of corporate finance, Greater China, where he was primarily responsible for providing real estate investment advisory and consulting services. From January 2003 to 2007, Mr. Chow worked at Hong Kong Disneyland Management Limited with his last position as development manager, where he was primarily responsible for the master planning, infrastructure and development management of the Hong Kong Disneyland Resort.

Mr. Chow obtained his bachelor's degree in civil engineering and his master's degree in civil engineering from the University of California, Los Angeles (UCLA) in the United States in June 1995 and June 1996, respectively. He then obtained his master's degree in business administration from the Hong Kong University of Science and Technology in August 2002. Mr. Chow also serves on the MBA Alumni Advisory Board of the Hong Kong University of Science and Technology business school since 2011 and has been on the jury board of the MIPIM Asia Awards, an internationally renowned real estate competition, since 2015.

Save as disclosed above, Mr. Chow has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Mr. Chow did not have any interest in Share within the meaning of Part XV of the SFO.

Mr. Chow has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the letter of appointment, he is entitled to a director's fee of HK\$100,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ho Kent Ching-tak ("Mr. Ho"), aged 38, was appointed as an independent non-executive Director on 1 June 2018. He is the members of the Audit Committee and Nomination Committee. He is responsible for providing independent judgement on strategy, policy, performance, accountability, resources, key appointments and standard of conduct.

Mr. Ho was a non-executive director from May 2010 to February 2014 and has been acting as an executive director of Sing Tao News Corporation Limited (SEHK: 1105) since February 2014 where he is primarily responsible for the development of digital media and related business in Hong Kong, North America, Australia, Europe and the PRC.

Mr. Ho has over eight years of experience in media business development. He is also experienced in wealth management and investments focusing on high-tech industries since 2015. In May 2015, Mr. Ho founded Spectrum 28, a venture capital firm based in Silicon Valley, where he has been a managing partner since June 2015.

Mr. Ho obtained his bachelor's degree in economics and a certificate in the markets and management programme from Duke University in the United States in May 2003. He then obtained a master's degree in business administration from Stanford Graduate School of Business in the United States in June 2009. Mr. Ho has also been a member of the board of directors of the Hong Kong Science and Technology Parks Corporation since July 2017, a member of the Hong Kong Trade Development Council's Innovation and Technology Advisory Committee since April 2017 and was conferred the title of Honorary Trustee of Peking University in December 2016.

Save as disclosed above, Mr. Ho has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Mr. Ho did not have any interest in Share within the meaning of Part XV of the SFO.

Mr. Ho has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the letter of appointment, he is entitled to a director's fee of HK\$100,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

Mr. Lim Leung Yau Edwin ("Mr. Lim"), aged 56, was appointed as an independent non-executive Director on 1 June 2018. He is the chairman of the Audit Committee and the member of the Remuneration Committee. He is responsible for providing independent judgement on strategy, policy, performance, accountability, resources, key appointments and standard of conduct.

Mr. Lim has over 33 years of experience in the finance and banking industry. Currently, he is the Market Head of China and Taiwan at HSBC Private Banking since October 2018. From July 2016 to October 2018, he worked at Credit Suisse AG Hong Kong branch, with his last position as a managing director and the market group head. From June 2011 to July 2016, Mr. Lim worked at J.P. Morgan Private Bank, with his last position as a managing director and the head of private wealth management, Northeast Asia, where he was primarily responsible for leading and supervising his team and delivering investment, wealth and capital advisory services to high net worth clients in the North East Asia region. From August 2006 to June 2011, he worked at DBS Bank (Hong Kong) Limited, with his last position as head of North Asia, private banking and wealth management, where he was primarily responsible for providing wealth management advisory services to high net worth individuals in the region. Prior to that, from 1986 to 2006, Mr. Lim had worked at various banks including Credit Suisse, Citibank, N.A. and Barclays Bank Plc.

Mr. Lim obtained his bachelor's degree in business administration, majoring in finance, from The Chinese University of Hong Kong in July 1986. Mr. Lim has been certified as a private wealth professional by the Private Wealth Management Association Limited since March 2016.

Save as disclosed above, Mr. Lim has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Mr. Lim did not have any interest in Share within the meaning of Part XV of the SFO.

Mr. Lim has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the letter of appointment, he is entitled to a director's fee of

HK\$100,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

Mr. Alec Peter Tracy (“Mr. Tracy”), aged 53, was appointed as an independent non-executive Director on 1 June 2018. He is the chairman of the Remuneration Committee. He is responsible for providing independent judgement on strategy, policy, performance, accountability, resources, key appointments and standard of conduct.

Mr. Tracy has over 23 years of experience in the legal industry. As of March 2018, Mr. Tracy is the Chief Operation Officer and general counsel to Admiralty Harbour Capital Limited (formerly known as TCL Capital (Hong Kong) Limited) (principally engaged in asset management and advising on securities). Prior to this, Mr. Tracy was a counsel at Ascent Capital Advisors Limited (principally engaged in growth capital, middle market buyout and special situation investments) from January 2017 to December 2017, where he was primarily responsible for advising on legal matters and assisting with the making and monitoring of private equity investments. From September 1994 through June 2016, he practiced law with Skadden, Arps, Slate, Meagher & Flom LLP and its affiliated law practices (“Skadden”), with his last position as a partner in Skadden’s Hong Kong office. At Skadden, he advised companies, investment banks, financial sponsors and governmental entities on cross-border mergers and acquisitions, corporate finance transactions and general corporate matters.

Mr. Tracy obtained his bachelor’s degree in East Asian studies from Princeton University in the United States in June 1989. He then obtained a juris doctor degree from New York University in the United States in December 1994. Mr. Tracy was admitted to the New York State bar in August 1995 and as a solicitor of Hong Kong in June 2004.

Save as disclosed above, Mr. Tracy has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and is not connected with any other Directors, senior management or substantial or controlling Shareholders and has not held any other position with any members of the Group.

As at the Latest Practicable Date, Mr. Tracy did not have any interest in Share within the meaning of Part XV of the SFO.

Mr. Tracy has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance to the Articles of Association. Pursuant to the letter of appointment, he is entitled to a director’s fee of HK\$100,000 per annum which is reviewed by the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

NOTICE OF ANNUAL GENERAL MEETING



Grace Wine Holdings Limited 怡園酒業控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8146)

NOTICE IS HEREBY GIVEN that the annual general meeting of Grace Wine Holdings Limited (the “**Company**”) will be held at Unit 1–3, 11/F, Westlands Centre, No. 20 Westlands Road, Hong Kong on Friday, 14 June 2019 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company for the year ended 31 December 2018 and the report of the directors and the independent auditor’s report.
2. (a) To re-elect the following directors of the Company (the “**Director**”):
 - (i) To re-elect Ms. Judy Chan as an executive Director;
 - (ii) To re-elect Mr. Fan Chi Chiu as an executive Director;
 - (iii) To re-elect Ms. Hou Tan Tan Danielle as a non-executive Director;
 - (iv) To re-elect Mr. Chow Christer Ho as a non-executive Director;
 - (v) To re-elect Mr. Ho Kent Ching-tak as an independent non-executive Director;
 - (vi) To re-elect Mr. Lim Leung Yau Edwin as an independent non-executive Director; and
 - (vii) To re-elect Mr. Alec Peter Tracy as an independent executive Director.
- (b) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as auditor of the Company for the ensuring year and to authorize the Board to fix the remuneration of auditor.

NOTICE OF ANNUAL GENERAL MEETING

To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

4. **“THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares of HK\$0.001 each in the share capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options (including but not limited to bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including but not limited to bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power either during or after the end of the Relevant Period;
- (c) the total number of Shares allotted, issued and dealt or agreed conditionally or unconditionally to be allotted, issued and dealt (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolutions (otherwise than pursuant to (i) a rights issue, (ii) an issue of Shares upon the exercise of any subscription or conversion rights attaching to any bonds, warrants, debentures, notes or any securities which carry rights to subscribe for or are convertible into Shares, (iii) an issue of Shares upon the exercise of any options which may be granted under the share option scheme or any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of the subsidiaries of the Company or any other person of Shares or rights to acquire Shares, (iv) any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, or (v) any specific authority granted by the Shareholders in general meeting) shall not exceed 20% of the total number of Shares in issue as at the date of passing this resolution (such total number to be subject to adjustment in the case of any conversions of any or all of the Shares into a larger or smaller number of Shares after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose 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 expiration of the period within which the next annual general meeting of the Company is required by the articles of association the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the passing of any ordinary resolution of the shareholders in general meeting of the Company revoking, varying or renewing this resolution; and

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on GEM or on any other stock exchange on which the Shares may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the GEM Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares to be repurchased pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the total number of Shares in issue as at the date of passing this resolution (such total number to be subject to adjustment in the case of any conversions of any or all of the Shares into a larger or smaller number of Shares after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(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 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 of the Cayman Islands to be held; or
 - (iii) the passing of any ordinary resolution of the shareholders in general meeting of the Company revoking, varying or renewing the resolution.”
6. **“THAT** subject to the passing of ordinary resolutions nos. 4 and 5 above, the general mandate granted to the Directors pursuant to ordinary resolution no. 4 above be and is hereby extended by the addition to the total number of shares of the Company in issue which may be allotted, issued, dealt with or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of a number representing the total number of Shares repurchased by the Company pursuant to ordinary resolution no. 5 above, provided that such extended number of shares shall not exceed 10% of the total number of Shares in issue as at the date of passing this resolution (such total number to be subject to adjustment in the case of any conversions of any or all of the Shares into a larger or smaller number of Shares after the passing of this resolution).”

By order of the Board
Grace Wine Holdings Limited
Judy Chan

Chairlady, Chief Executive Officer and Executive Director

Hong Kong, 29 March 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if a member who is the holder of two or more shares of the Company) to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited 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 less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. For determining the entitlement to attend and vote at the annual general meeting of the Company ("AGM"), the register of members of the Company will be closed from Tuesday, 11 June 2019 to Friday, 14 June 2019, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance of the AGM, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Monday, 10 June 2019.
4. With regard to resolutions no. 2(a)(i) to (vii) set out in this notice, details of the retiring Directors are set out in Appendix II to the circular of the Company dated 29 March 2019.
5. In connection with the proposed repurchase mandate under ordinary resolution no. 5, an explanatory statement as required by the GEM Listing Rules is set out in Appendix I to the circular of the Company dated 29 March 2019.
6. As at the date of this notice, the Board comprises of Ms. Judy Chan and Mr. Fan Chi Chiu as executive Directors; Ms. Hou Tan Tan Danielle and Mr. Chow Christer Ho as non-executive Directors; and Mr. Ho Kent Ching-tak, Mr. Lim Leung Yau Edwin and Mr. Alec Peter Tracy as independent non-executive Directors.