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

If you have sold or transferred all your shares in GR Properties Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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 the transferee.

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GR PROPERTIES LIMITED

國銳地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES; (2) PROPOSED RE-ELECTION OF DIRECTORS; (3) CLOSURE OF REGISTER OF MEMBERS; AND (4) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of the Company to be held at Unit 1103-06, China Building, 29 Queen's Road Central, Hong Kong on Tuesday, 30 June 2020, at 10:30 a.m. is set out on pages 19 to 24 of this circular. A form of proxy for use at the AGM is enclosed to this circular.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the share registrar of the Company, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). In calculating the aforementioned notice period, no account is to be taken of any part of a day that is a public holiday. Delivery of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy shall be deemed to have been revoked.

PRECAUTIONARY MEASURES FOR THE AGM

Please see pages 4 to 5 of this circular for measures being taken to try to prevent and control the spread of the novel coronavirus (COVID-19) at the AGM, including:

- compulsory temperature checks and health declaration
- recommended wearing of surgical face masks
- no distribution of corporate gifts and refreshments
- appropriate distancing and spacing in line with the guidance from the Hong Kong Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue. In order to facilitate the prevention and control of the novel coronavirus (COVID-19), and to safeguard the health and safety of attending shareholders, the Company encourages shareholders to consider NOT to attend the AGM in person, and advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

29 May 2020

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Unit 1103–06, China Building, 29 Queen’s Road Central, Hong Kong on Tuesday, 30 June 2020 at 10:30 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“close associates”	has the meaning ascribed to it under the Listing Rules
“Companies Ordinance”	Companies Ordinance (Cap. 622 of the Laws of Hong Kong)
“Company”	GR Properties Limited, a company incorporated in Hong Kong with limited liability and the issued Shares of which are listed on the Main Board
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“core connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandates”	the New Issue Mandate and the Repurchase Mandate
“Group”	the Company and all of 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 May 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange

DEFINITIONS

“New Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of issued Shares as at the date of passing the relevant resolution at the AGM (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of the relevant resolution at the AGM)
“Ms. Liu”	Ms. Liu Shuhua
“Mr. Tung”	Mr. Tung Woon Cheung Eric
“Ms. To”	Ms. To Tsz Wan Vivien
“Mr. Leung”	Mr. Leung Louis Ho Ming
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution at the AGM (or such number of Shares as adjusted to the extent there is a change to the number of the total issued Shares after the date of passing the relevant resolution at the AGM as a result of sub-division or consolidation of Shares)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers

“%”

per cent

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The health of the Shareholders, staff and stakeholders is of paramount importance to the Company. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue;
- (ii) the Company encourages each attendee to wear a surgical face mask throughout the AGM and inside the AGM venue, and to maintain a safe distance between seats;
- (iii) no refreshment will be served, and there will be no corporate gift; and
- (iv) each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the AGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds in the affirmative in respect of any of these questions may be denied entry into the AGM venue or be required to leave the AGM venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. The Company encourages Shareholders NOT to attend the AGM in person, and advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM instead of attending the AGM in person, by completing and returning the proxy form attached to this circular.

The form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's share registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the AGM or any adjournment thereof (as the case may be). In calculating the aforementioned notice period, no account is to be taken of any part of a day that is a public holiday.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

If any Shareholder chooses not to attend the AGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to the registered office of the Company or to the email of the share registrar of the Company at is-enquiries@hk.tricorglobal.com. If any Shareholder has any question relating to the AGM, please contact Tricor Standard Limited, the Company's share registrar as follows:

Tricor Standard Limited

Level 54, Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong

Email: is-enquiries@hk.tricorglobal.com

HK Tel: (852) 2980 1333

Fax: (852) 2810 8185

LETTER FROM THE BOARD



GR PROPERTIES LIMITED

國銳地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

Executive Directors:

Mr. Wei Chunxian (*Chairman*)
Mr. Sun Zhongmin
Ms. Liu Shuhua (*Chief Executive Officer*)
Mr. Guo Jingsheng
Ms. Huang Fei
Ms. Li Bing

Registered office:

Suite 1603, 16th Floor
Wheelock House
20 Pedder Street
Central
Hong Kong

Independent Non-executive Directors:

Mr. Tung Woon Cheung Eric
Ms. To Tsz Wan Vivien
Mr. Leung Louis Ho Ming

29 May 2020

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) CLOSURE OF REGISTER OF MEMBERS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the AGM and to give you notice of the AGM. Resolutions to be proposed at the AGM include ordinary resolutions relating to, among other things, (i) the granting of the General Mandates, and (ii) the re-election of retiring Directors.

LETTER FROM THE BOARD

NEW ISSUE MANDATE

At the annual general meeting of the Company held on 28 June 2019, the Shareholders granted a general mandate for the Directors to allot, issue and deal with unissued Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of passing such resolution. The said mandate will expire at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed in respect of granting the Director the New Issue Mandate, that is, a general and unconditional mandate to allot, issue and deal with new Shares up to 20% of the aggregate number of issued Shares as at the date of passing the relevant resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of the relevant resolution).

As at the Latest Practicable Date, the Company had 3,199,373,986 Shares in issue. Subject to the passing of the proposed resolution granting the New Issue Mandate to the Directors and on the basis that no further Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the New Issue Mandate to allot, issue and deal with a maximum of 639,874,797 Shares. If the share capital of the Company changes as a result of a share consolidation or subdivision after the approval of the New Issue Mandate, the maximum number of Shares that can be issued will be adjusted accordingly such that the maximum percentage of Shares which may be allotted and issued under the New Issue Mandate immediately before and after such share capital change shall be the same. In addition, approval of the Shareholders is proposed to be sought at the AGM to extend the New Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate subsequent to the passing of the relevant resolutions.

The above mandates, if approved at the AGM, shall continue to be in force until (i) the conclusion of the next annual general meeting of the Company held after the AGM; (ii) the expiration of the period within which the next annual general meeting of the Company after the AGM is required by the Articles of Association, or any other applicable laws of Hong Kong to be held; or (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first.

Details of the aforesaid ordinary resolutions are set out in ordinary resolutions numbered 4 and 6 in the notice of AGM set out on pages 20 to 21 and page 22 of this circular respectively.

REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the total number of issued Shares at the date of passing of the relevant resolution (or such number of Shares as adjusted to the extent there is a change to the number of the total issued Shares after the date of passing the relevant resolution at the AGM as a result of sub-division or consolidation of Shares). The Repurchase Mandate, if granted, will be valid until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company

LETTER FROM THE BOARD

held after the AGM, (ii) the expiration of the period within which the next annual general meeting of the Company after the AGM is required by the Articles of Association or any applicable laws to be held, or (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying or renewing the authority given to the Directors. If the share capital of the Company changes as a result of a share consolidation or subdivision after the approval of the Repurchase Mandate, the maximum number of Shares that can be purchased will be adjusted accordingly such that the maximum percentage of Shares which may be purchased under the Repurchase Mandate immediately before and after such share capital change shall remain the same.

Appendix II to this circular contains an explanatory statement, as required by Rule 10.06(1)(b) and other relevant provisions of the Listing Rules, to provide the requisite information to the Shareholders to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to grant the Repurchase Mandate.

Details of the aforesaid ordinary resolution are set out in ordinary resolution numbered 5 in the notice of AGM set out on pages 21 to 22 of this circular.

RE-ELECTION OF DIRECTORS

According to Articles 81 and 83 of the Articles of Association, (i) at every annual general meeting of the Company, one-third of the Directors for the time being or, if their number is not a multiple of three, then the nearest number to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years, and (ii) retiring Director shall be eligible for re-election. Accordingly, each of Ms. Liu, Mr. Tung and Ms. To will retire from their respective office by rotation at the AGM and, being eligible, will offer himself/herself for re-election at the AGM.

According to Article 77 of the Articles of Association, any Director so appointed by the Board to fill a casual vacancy shall hold office only until the next following general meeting of the Company and shall then be eligible for election. Accordingly, Mr. Leung shall hold office only until the AGM and, being eligible, will offer himself for re-election at the AGM.

The Board has received confirmation from Mr. Tung, Ms. To and Mr. Leung, being the retiring independent non-executive Directors eligible for re-election at the AGM, regarding their independence. Taking into account the factors set out in Rule 3.13 of the Listing Rules, the Board considers that Mr. Tung, Ms. To and Mr. Leung continue to be independent.

Mr. Tung graduated from York University, Toronto, Canada with a bachelor's honours degree in administrative studies. Being an experienced Hong Kong certified public accountant and a U.S. certified public accountant (practising), he has gathered many years of experience in the financial and capital markets. Mr. Tung has served as director, chief financial officer and company secretary of listed companies for many years. The Company believes that his experience and expertise will play a valuable role in helping the Company develop and implement appropriate business strategies.

LETTER FROM THE BOARD

Mr. Tung was one of the individuals being public censured by the SFC on 30 December 2019 in relation to the buy-back transactions in the shares of Beijing Enterprises Holdings Limited (Stock Code: 392). For further details, please refer to Appendix I to this circular.

Whilst Mr. Tung was involved in a non-compliant corporate action of a listed company, the incident does not affect the experience and expected contributions of Mr. Tung to the Board as an independent non-executive Director.

Ms. To is a Certified Public Accountant (CPA Practicing) and Certified Tax Adviser (CTA). She has over 30 years of experience in finance and accounting field and over 20 years of management experience in information technology audit, computer system, finance and administration. Ms. To is the owner of a Hong Kong accounting firm which provides extensive management and consultancy services of accounting, audit, company secretary and taxation for the subsidiaries of listed companies from Europe, China, Southeast Asia and Hong Kong. She is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong. The Company believes that her experience and expertise will play a valuable role in enhancing the Company's compliance level with regard to the Group's operations and management.

The nomination committee of the Company adopts the recommendations of the Board members and the management to review the candidates' biographies and background information (including but not limited to the gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge of the candidates in accordance with the aspects set out in the Company's board diversity policy).

Mr. Leung was the chief financial officer and company secretary of a listed company. He has extensive experience in auditing, accounting, financial consulting and company secretaries, which can promote the diversification of the skills and experience of the Board of directors and improve the Company's financial reporting standards. He has been a member of the Institute of Certified Public Accountants since 2008. He has more than 10 years of diverse experience and expertise in accounting, auditing, financial consulting and company secretarial work of listed companies and private companies in Hong Kong, and he can provide strategic opinions on the Company's operation and management and improve the Company's compliance standards.

Therefore, the Board recommends the Shareholders to re-elect Ms. Liu as an executive Director, and Mr. Tung, Ms. To and Mr. Leung as independent non-executive Directors at the AGM.

The biographical details of Ms. Liu, Mr. Tung, Ms. To and Mr. Leung are set out in Appendix I to this circular.

LETTER FROM THE BOARD

AGM

The AGM will be held at Unit 1103–06, China Building, 29 Queen's Road Central, Hong Kong on Tuesday, 30 June 2020 at 10:30 a.m. at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider the re-election of Directors and the grant to the Directors of the General Mandates. The notice of the AGM is set out on pages 19 to 24 of this circular.

PROXY

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Such form of proxy is also published on the designated website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.grproperties.com.hk). Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the share registrar of the Company, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). In calculating the aforementioned notice period, no account is to be taken of any part of a day that is a public holiday. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy will be deemed to have been revoked.

CLOSURE OF REGISTER OF MEMBERS

Shareholders whose names appear on the Company's register of members on Tuesday, 23 June 2020, will be eligible to attend and vote at the AGM. The transfer books and register of members will be closed from Wednesday, 24 June 2020 to Tuesday, 30 June 2020 (both days inclusive) during which period no transfer of Shares will be effected. In order to determine the identity of Shareholders who are entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2020.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the chairman of the AGM will exercise his right to demand a poll on each of the resolutions to be proposed at the AGM except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the AGM.

After the AGM, an announcement on the poll results will be published by the Company on the websites of the Stock Exchange and the Company in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

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, 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.

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

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandates and the proposed re-election of Directors are in the best interests of the Company and the Shareholders as a whole, and accordingly recommend the Shareholders to vote in favour of all the ordinary resolutions including the approval for the grant of the General Mandates and the re-election of retiring Directors at the AGM.

For and on behalf of the Board
GR Properties Limited
Wei Chunxian
Chairman

APPENDIX I BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Biographical details of the Directors who will retire from office at the AGM and, being eligible, will offer themselves for re-election at the AGM, are set out as follows:

Ms. Liu Shuhua, aged 43, was appointed as an executive Director and chief executive officer of the Company on 17 February 2014. Ms. Liu is also a director of certain subsidiaries of the Company.

Ms. Liu graduated from the Central University of Finance and Economics (中央財經大學) in 1998 and was conferred a Bachelor of Economics degree in accountancy. Thereafter, Ms. Liu obtained the intermediate accountant qualification in 2004. Ms. Liu has been engaged in financial field for more than 10 years, including financial management work in real estate development enterprises. She is currently a director of Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司).

Ms. Liu has entered into a service agreement with the Company and the service agreement of Ms. Liu was extended for one year commencing on 17 February 2020. Ms. Liu is subject to retirement by rotation and re-election in accordance with the Articles of Association, the Listing Rules and the Companies Ordinance. Ms. Liu is not be entitled to any director's fee for acting as an executive Director but is entitled to year-end bonus at the discretion of the remuneration committee of the Company, participate in the Company's share option scheme, as well as any other applicable benefits under the laws of Hong Kong and the internal regulations of the Company.

As at the Latest Practicable Date, Ms. Liu is interested in 5,020,500 Shares which are the share options granted to her by the Company under the share option scheme. Save as disclosed, Ms. Liu does not have any other interests in the Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tung Woon Cheung Eric, aged 49, was appointed as an independent non-executive Director on 17 February 2014. He also acts as the chairman of the audit committee and a member of each of the Company's remuneration committee and nomination committee.

Mr. Tung graduated from York University, Toronto, Canada with a bachelor's honours degree in administrative studies. Being an experienced Hong Kong certified public accountant and a U.S. certified public accountant (practising), he has gathered many years of experience in the financial and capital markets. Mr. Tung is the assistant president and general manager of the finance department of Beijing Enterprises Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 392), an executive director, the chief financial officer and company secretary of Beijing Enterprises Water Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 371), an independent non-executive director of South China Financial

APPENDIX I BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 619), as well as the company secretary of Biosino Bio-Technology and Science Incorporation (a company listed on GEM of the Stock Exchange, stock code: 8247).

On 30 December 2019, the SFC has publicly censured several entities and individuals including Mr. Tung who was the then assistant president and general manager of the finance department of Beijing Enterprises Holdings Limited (“**Beijing Enterprises**”) (Stock Code: 392), a company whose shares are listed on the Main Board of the Stock Exchange, for buy-back transactions in the shares of Beijing Enterprises conducted in 2016 in breach of the Code on Share Buy-backs. In February and May 2016, CLSA Limited (“**CLSA**”) on behalf of its institutional clients and CITIC Securities Brokerage (HK) Limited (“**CSB**”) on behalf of Beijing Enterprises carried out trades which allowed Beijing Enterprises to buy back more than 18 million of its shares. CLSA and CSB executed these trades on the Stock Exchange as on-market trades but CLSA and CSB were in fact pre-arranged and pre-agreed. The transaction price, size, timing and the manner in which the trades were executed were agreed and coordinated beforehand. These trades were in substance off-market share buy-backs which should have obtained approvals from the executive director of the SFC’s corporate finance division or his delegate and Beijing Enterprises’ independent shareholders under Rules 1 and 2 of the Code on Share Buy-backs.

In effecting the pre-arranged trades, the conduct of CLSA, CSB and their licensed persons fell short of the standards expected of them under the Codes on Takeovers and Mergers and Share Buy-backs, and shareholders of Beijing Enterprises were deprived of the opportunity to vote on an important corporate action.

Each of the parties accepted that they failed to comply with the Code on Share Buy-backs and consented to the disciplinary action taken against them.

Mr. Tung has entered into a letter of appointment with the Company and the letter of appointment of Mr. Tung was extended for one year commencing on 17 February 2020. Mr. Tung is subject to retirement by rotation and re-election in accordance with the Articles of Association, the Listing Rules and the Companies Ordinance. Mr. Tung is entitled to director’s remuneration of HK\$120,000 in total per annum. Such remuneration is determined with reference to his experience, duties and responsibilities in the Company, as well as the contributions that he may bring to the Group.

As at the Latest Practicable Date, Mr. Tung does not have any interests in the Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Ms. To Tsz Wan Vivien, aged 49, was appointed as an independent non-executive Director on 14 February 2018. She also acts as a member of each of the Company’s audit committee and remuneration committee.

APPENDIX I BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Ms. To is a Certified Public Accountant (CPA Practicing) and Certified Tax Adviser (CTA). She has over 30 years of experience in finance and accounting field and over 20 years of management experience in information technology audit, computer system, finance and administration. Ms. To is the owner of a Hong Kong accounting firm which provides extensive management and consultancy services of accounting, audit, company secretary and taxation for the subsidiaries of listed companies from Europe, China, East Asia and Hong Kong. She is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong.

Ms. To has entered into a letter of appointment with the Company and the letter of appointment of Ms. To was extended for one year commencing on 14 February 2020. Ms. To is subject to retirement by rotation and re-election in accordance with the Articles of Association, the Listing Rules and the Companies Ordinance. Ms. To is entitled to director's remuneration of HK\$120,000 in total per annum. Such remuneration is determined with reference to her experience, duties and responsibilities in the Company, as well as the contributions that she may bring to the Group.

As at the Latest Practicable Date, Ms. To does not have any interests in the Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Leung Louis Ho Ming, aged 37, was appointed as an independent non-executive Director and member of the audit committee and nomination committee and chairman of the remuneration committee of the Company on 9 February 2020. Mr. Leung has been appointed as the financial controller and company secretary of AL Group Limited (a company listed on GEM of the Stock Exchange with stock code: 8360) since September 2019. Mr. Leung was a chief financial officer and company secretary of Prosperous Future Holdings Limited (formerly known as China Child Care Corporation Limited, a company listed on the Main Board of the Stock Exchange with stock code: 1259) from June 2017 to May 2019 and from January 2018 to May 2019 respectively. Mr. Leung holds a bachelor degree of Science in Quantitative Finance from The Chinese University of Hong Kong in 2004. He has been a member of Hong Kong Institute of Certified Public Accountant since 2008 and has over 10 years of experience in accounting and auditing for Hong Kong listed and private companies.

Mr. Leung has entered into an appointment letter as an independent non-executive Director with the Company for a term from 9 February 2020 to 8 February 2021, and he is subject to retirement by rotation and re-election in accordance with the Articles of Association, the Listing Rules and the Companies Ordinance. Mr. Leung is entitled to a director's emoluments of HK\$120,000 in total per annum (which was determined having considered the experience, duties and responsibilities of Mr. Leung and the prevailing market rate of companies of comparable size and similar operation).

APPENDIX I BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

As at the Latest Practicable Date, Mr. Leung does not have any interests in the Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Liu, Mr. Tung, Ms. To and Mr. Leung (i) do not hold any other positions in the Company or any of its subsidiaries; (ii) do not have other relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) do not hold any other directorships held in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the date hereof; and (iv) do not have other major appointments or professional qualifications.

Save as disclosed, there are no other matters relating to the re-election of Ms. Liu as an executive Director and each of Mr. Tung, Ms. To and Mr. Leung as an independent non-executive Director that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

** English name of such entity is the transliteration of its Chinese name for reference only.*

This appendix is an explanatory statement given to all Shareholders relating to the resolution to be proposed at the AGM in relation to the Repurchase Mandate, which contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules:

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company has 3,199,373,986 Shares in issue.

Subject to the passing of ordinary resolution numbered 5 as set out in the notice of AGM set out on pages 21 to 22 of this circular and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 319,937,398 Shares representing slightly less than 10% of the number of issued Shares, during the period from the passing of the resolution until (i) the conclusion of the next annual general meeting of the Company after the AGM; (ii) the expiration of the period within which the next annual general meeting of the Company after the AGM is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or the 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 Articles of Association, the Listing Rules and the applicable laws of Hong Kong. The Company may not repurchase its own Shares on Main Board for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

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 consolidated financial statements of the Group contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Main Board in each of the twelve calendar months immediately preceding the Latest Practicable Date, and the current month up to the Latest Practicable Date were as follows:

	Highest ^(Note) HK\$	Lowest ^(Note) HK\$
May 2019	1.550	1.320
June 2019	1.490	1.300
July 2019	1.530	1.040
August 2019	1.190	0.970
September 2019	1.250	1.150
October 2019	1.390	1.200
November 2019	1.330	1.140
December 2019	1.460	1.180
January 2020	1.620	1.190
February 2020	2.050	1.490
March 2020	1.890	1.160
April 2020	1.780	1.480
May 2020 (up to the Latest Practicable Date)	1.750	1.560

Note: The figures refer to the highest or lowest price (as the case may be) per Share during the corresponding month.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has notified the Company of any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No core connected person has notified the Company that it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE CONSEQUENCE

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 Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As of the Latest Practicable Date, the controlling Shareholder (namely Mr. Wei Chunxian, through his shareholdings in Wintime Company Limited and Gang Rui International Investment (HK) Ltd.) held 2,246,160,464 Shares, representing approximately 70.21% of the total number of the Shares in issue. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate which is proposed to be granted, assuming that there is no change in the issued share capital of the Company after the Latest Practicable Date, Mr. Wei Chunxian (through his shareholdings in Wintime Company Limited and Gang Rui International Investment (HK) Ltd.) is not expected to incur an obligation to make a general offer to Shareholders as a result of an exercise of the Repurchase Mandate in full. The Directors have no intention to exercise the Repurchase Mandate to such an extent so as to trigger a mandatory offer or the number of Shares which are in the hands of 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 Listing Rules). Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any buy-backs pursuant to the Repurchase Mandate.

8. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares had been made by the Company (whether on Main Board or otherwise) during the period from the six calendar months immediately preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



GR PROPERTIES LIMITED

國銳地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of GR Properties Limited (the “**Company**”) will be held at Unit 1103–06, China Building, 29 Queen’s Road Central, Hong Kong on Tuesday, 30 June 2020 at 10:30 a.m. to transact the following businesses:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company for the year ended 31 December 2019 and the reports of the directors of the Company (the “**Directors**” and each a “**Director**”) and the independent auditor thereon.
2.
 - (a) To re-elect Ms. Liu Shuhua as an executive Director;
 - (b) To re-elect Mr. Tung Woon Cheung Eric as an independent non-executive Director;
 - (c) To re-elect Ms. To Tsz Wan Vivien as an independent non-executive Director;
 - (d) To re-elect Mr. Leung Louis Ho Ming as an independent non-executive Director; and
 - (e) To authorise the board of Directors to fix the Directors’ remuneration.
3. To re-appoint the retiring auditor, Ernst & Young, and to authorise the Board to fix the auditor’s remuneration.

And to consider and, if thought fit, pass with or without amendment(s), the following resolutions as ordinary resolutions:

NOTICE OF ANNUAL GENERAL MEETING

4. “**THAT:**

- (a) subject to paragraph (c) below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “**Shares**”) and to make or grant offers, agreements, options and warrants to subscribe for Shares and other securities which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, warrants and other securities which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend 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 (the “**Articles**”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of 20 per cent. of the aggregate number of Shares in issue on the date of the passing of this resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of shares after the passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles in force from time to time, or any other applicable law of Hong Kong to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares 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 exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. **“THAT**

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all powers of the Company to repurchase issued Shares on The Stock Exchange of Hong Kong Limited or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for such purpose, subject to and in connection with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as may be amended from time to time, be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(ii) the aggregate number of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the aggregate number of the Shares in issue as at the date of the passing of this resolution (or such number of Shares as adjusted to the extent there is a change to the number of the total issued Shares after the date of passing this resolution as a result of sub-division or consolidation of Shares), and this approval shall be limited accordingly; and

(iii) for the purpose of this resolution:

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

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and

(c) the date on which the revocation, variation or renewal of the repurchase mandate by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon ordinary resolutions numbered 4 and 5 set out above being passed, the aggregate number of Shares which are repurchased by the Company under the authority granted to the Directors as mentioned in ordinary resolution numbered 5 above shall be added to the aggregate number of the Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to ordinary resolution numbered 4 set out above.”

By order of the Board
GR Properties Limited
Wei Chunxian
Chairman

Hong Kong, 29 May 2020

Registered office:
Suite 1603, 16th Floor
Wheelock House
20 Pedder Street
Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 24 June 2020 to Tuesday, 30 June 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 23 June 2020.
- (b) A shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a shareholder of the Company.
- (c) In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's share registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting or any adjournment thereof (as the case may be). In calculating the aforementioned notice period, no account is to be taken of any part of a day that is a public holiday.
- (d) With reference to the proposed resolution no. 2 above, Ms. Liu Shuhua, Mr. Tung Woon Cheung Eric, Ms. To Tsz Wan Vivien and Mr. Leung Louis Ho Ming will retire from the board of Directors. All of them are proposed to be re-elected at the Meeting. Particulars of the aforementioned Directors are set out in Appendix I to the circular of the Company dated 29 May 2020.
- (e) In relation to the proposed resolution no. 4 above, approval is being sought from the shareholders of the Company for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the Listing Rules subject to the conditions set out in such proposed resolution. The Directors have no immediate plans to issue any new Shares.
- (f) If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time between 9:00 a.m. and 3:00 p.m. on the date of the Meeting, the Meeting will be automatically postponed or adjourned. The Company will post an announcement on the Company's website (www.grproperties.com.hk) and the Stock Exchange's website (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting.

The Meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the Meeting under bad weather condition bearing in mind their own situations.

- (g) All references to times and dates in this notice are to Hong Kong times and dates.
- (h) Please see pages 4 to 5 of the circular of the Company dated 29 May 2020 for measures being taken to try to prevent and control the spread of the novel coronavirus (COVID-19) at the Meeting, including:
 - compulsory temperature checks and health declaration
 - recommended wearing of surgical face masks
 - no distribution of corporate gifts and refreshments

NOTICE OF ANNUAL GENERAL MEETING

- appropriate distancing and spacing in line with the guidance from the Hong Kong Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding
- (i) Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the Meeting venue. In order to facilitate the prevention and control of the novel coronavirus (COVID-19), and to safeguard the health and safety of attending shareholders, the Company encourages shareholders to consider NOT to attend the AGM in person, and advises Shareholders to appoint the chairman of the Meeting as their proxy to vote on the relevant resolutions at the Meeting as an alternative to attending the Meeting in person.
- (j) Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.