

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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RM GROUP HOLDINGS LIMITED

御藥堂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8185)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS, REFRESHMENT OF
SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

Resolutions will be proposed at the Annual General Meeting of RM Group Holdings Limited to be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 4 August 2014 at 2:30 p.m. to approve the matters referred to in this circular.

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

30 June 2014

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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, the following expressions have the following meanings unless the context otherwise requires:

“Able Island”	Able Island Group Limited, a company incorporated in BVI, is an investment holding company, the entire issued share capital of which is held by Mr. Chan Yan Tak, the chairman, an executive Director and the chief executive officer of the Company
“Annual General Meeting”	the annual general meeting of the Company to be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 4 August 2014 at 2:30 p.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Associate(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Director(s)
“Board Meeting”	Board meeting of the Company
“Company”	RM Group Holdings Limited, an company incorporated in Cayman Islands with limited liability, the Shares of which are listed on GEM
“Connected Persons”	shall have the meaning ascribed to it under the GEM Listing Rules
“Controlling Shareholder”	shall have the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market 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
“INED”	the independent non-executive director(s) of the Company

DEFINITIONS

“Latest Practicable Date”	26 June 2014, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Memorandum of Association”	the memorandum of Association of the Company, as amended from time to time
“Nomination Committee”	nomination committee of the Company
“Option(s)”	option(s) granted to the eligible persons under the Share Option Scheme
“PRC”	the People’s Republic of China
“Remuneration Committee”	remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate to be given to the Directors at the Annual General Meeting to exercise the powers of the Company to repurchase at any time until the next annual general meeting of the Company or such earlier period as stated in the Share Repurchase Resolution the Shares up to a maximum of 10% of the fully paid-up issued share capital of the Company at the date of passing of the Share Repurchase Resolution
“Scheme Mandate Limit”	the limit imposed under the rules of the Share Option Scheme on the total number Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme, being 10% of the Company’s issued share capital as at the date of adoption of the Share Option Scheme and thereafter, if refreshed, shall not exceed 10% of the Shares in issue as at the date of approval of the refreshment by the Shareholders in the Annual General Meeting
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 24 September 2013
“Share Repurchase Resolution”	the ordinary resolution referred to in resolution no. 5B of the notice of the Annual General Meeting

DEFINITIONS

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



RM GROUP HOLDINGS LIMITED

御藥堂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8185)

Executive Directors:

Mr. Chan Yan Tak (*Chairman*)
Mr. Wong Mau Tai
Mr. Foo Chi Ming

Non-Executive Director:

Madam Tsang Pui Man

Independent Non-Executive Directors

Professor Ng Ka Ming
Mr. Cheng Kwok Kin, Paul
Mr. Wei Jianan

Registered Office:

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

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

21/F., Man Shing Industrial Building
307-311 Castle Peak Road
Kwai Chung
Hong Kon

30 June, 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS, REFRESHMENT OF
SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting including (i) the grant of the Repurchase Mandate; (ii) the grant of the general mandate to issue new Shares; (iii) the re-election of Directors who are going to be retired and offer themselves for re-election at the Annual General Meeting; and (iv) the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

The previous general mandate to purchase by the Company on the Stock Exchange of Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of Listing of the Shares on GEM was granted to the Directors on 24 September 2013 pursuant to the written resolutions passed by the sole Shareholder. This general mandate will expire at the conclusion of the Annual General Meeting. The Share Repurchase Resolution will be proposed at the Annual General Meeting to approve the grant of the Repurchase Mandate to the Directors. The Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolution 5B of the notice of the Annual General Meeting.

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

3. GENERAL MANDATE TO ISSUE NEW SHARES

The previous general mandate to allot, issue and deal with unissued Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the listing of the Shares on GEM was granted to the Directors on 24 September 2013 pursuant to the written resolutions passed by the sole Shareholder. This general mandate will expire at the conclusion of the Annual General Meeting.

An ordinary resolution to grant a general mandate to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing such ordinary resolution will be proposed at the Annual General Meeting. As at the Latest Practicable Date, the issued share capital of the Company comprised 515,000,000 fully paid-up Shares. If there is no allotment or repurchase of Shares after the Latest Practicable Date and up to the date of the Annual General Meeting, the maximum number of new Shares to be issued under the proposed general mandate to allot, issue and deal with additional Shares will be 103,000,000 Shares.

4. RE-ELECTION OF DIRECTORS

In relation to the proposed resolution 3 as set out in the notice of the Annual General Meeting regarding the re-election of the retiring Directors, Mr. Wong Mau Tai, Mr. Foo Chi Ming and Madam Tsang Pui Man shall retire from the Board by rotation in accordance with article 84(1) of the Articles of Association at the Annual General Meeting. All the retiring Directors shall be eligible for re-election at the Annual General Meeting.

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

LETTER FROM THE BOARD

5. REFRESHMENT OF SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME

Pursuant to a written resolution of the Company passed on 24 September 2013, the Company has conditionally adopted the Share Option Scheme, which has been taken effect on 11 October 2013. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. Pursuant to the Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company (i.e. the Scheme Mandate Limit), shall not, in aggregate, exceed 51,500,000 representing 10% of the total number of Shares in issue as at the date of the listing of the Shares on GEM. The Company may refresh the Scheme Mandate Limit by an ordinary resolution of the Shareholders at general meeting provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit; and
- (b) options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other Share Option Scheme(s) of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

Notwithstanding the foregoing, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

As at the Latest Practicable Date, there were in total 26,500,000 outstanding Options carrying rights to subscribe for 26,500,000 Shares, representing approximately 5.1% of the total issued share capital of the Company as at the Latest Practicable Date. Up to the Latest Practicable Date, the total number of Options granted under the Share Option Scheme was 36,500,000 Options, in which 10,000,000 Options had been lapsed; and none of the Options had been exercised and/or cancelled. Accordingly, the available limit under the Scheme Mandate Limit can only allow the grant of Options to subscribe for 15,000,000 Shares, representing approximately 2.9% of the total issued share capital of the Company as at the Latest Practicable Date.

The Board considers that share option is an important incentive for motivating and/or rewarding the Group's employees to contribute to the success of the Group's business and financial performance. As the granting of Options to the employees of the Group will not affect the Group's cash flow but will help the Company to retain and/or recruit employees and to provide them with a direct economic interest in attaining the long term business objectives of the Company, the Board has decided to grant to those eligible persons such number of options which will provide sufficient incentives to them to achieve the Group's business goals. In order

LETTER FROM THE BOARD

to facilitate the Company to maximise the use of Options to retain and/or recruit employees, the Company wishes to take the opportunity of the Annual General Meeting to seek Shareholders' approval for the refreshment of the Scheme Mandate Limit.

If the refreshment of the Scheme Mandate Limit is approved at the Annual General Meeting, based on the 515,000,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be allotted and issued and no Shares will be repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company may grant further Options carrying rights to subscribe for up to a total of 51,500,000 Shares under the Share Option Scheme (representing 10% of the issued share capital of the Company as at the date of the Annual General Meeting). The Board considers that the refreshment of the Scheme Mandate Limit is in the interests of the Company and its Shareholders as a whole. The refreshment of the Scheme Mandate Limit is conditional on:

- (a) the passing of the resolution to approve the refreshment of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in such number of Shares representing 10% of the Shares in issue as at the date of the Annual General Meeting, which may be issued pursuant to exercise of Options to be granted under the refreshed Scheme Mandate Limit.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued by the Company (representing 10% of the Shares in issue as at the date of the Annual General Meeting) which may be issued pursuant to exercise of Options to be granted under the refreshed Scheme Mandate Limit.

6. VOTING BY POLL

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

The poll results will be published on the Company's website at www.royalmedic.com and the Stock Exchange's website at www.hkexnews.hk after the conclusion of the Annual General Meeting.

7. ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 15 to 19 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not

LETTER FROM THE BOARD

less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Annual General Meeting if you so wish.

8. RECOMMENDATION

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

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

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

The following is the explanatory statement required to be sent to Shareholders under the GEM Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Repurchase Mandate to be proposed at the Annual General Meeting.

1. SHARE REPURCHASE PROPOSAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 515,000,000 fully paid-up Shares. It is proposed that up to a maximum of 10% of the fully paid-up Shares in issue at the date of passing of the Share Repurchase Resolution to approve the Repurchase Mandate may be repurchased by the Directors. Subject to the passing of the Share Repurchase Resolution, on the basis that no further Shares are issued prior to the Annual General Meeting and without taking into account of other restrictions, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 51,500,000 fully paid-up Shares.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

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

It is not expected that there would be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2013/14 Annual Report) even if the proposed repurchases were to be exercised in full at any time during the proposed repurchase period. Nevertheless, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS' UNDERTAKING AND CONNECTED PERSONS

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

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

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

5. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share repurchase pursuant to the Repurchase Mandate, any such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (depending on the level of increase of Shareholders' interests) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, Able Island was directly interested in 385,400,000 Shares as disclosed under the SFO, which constituted approximately 75.00% of the voting rights attaching to the issued share capital of the Company. Were the Repurchase Mandate to be exercised in full, which is considered to be unlikely in the current circumstances, Able Island would (assuming that there is no change in relevant facts and circumstances) hold approximately 83.11% of the voting rights attaching to the issued share capital of the Company. It is considered that, in the absence of any special circumstances, an obligation to make a mandatory offer as referred to above as a result of a share repurchase is unlikely to arise. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

6. SHARE REPURCHASES MADE BY THE COMPANY

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

7. MARKET PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange since the commencement date of dealing of the Shares on GEM up to the Latest Practicable Date are as follows:

Year	Month	Shares	
		Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
2013	October (from 11 October 2013, being the commencement date of dealing of the Shares on GEM)	2.95	1.93
	November	2.10	1.34
	December	2.37	1.72
2014	January	2.04	1.51
	February	2.25	1.67
	March	2.24	1.80
	April	2.10	1.82
	May	1.90	1.69
	June (up to the Latest Practicable Date)	1.93	1.55

Save for the information set out below, there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraph 17.51(2)(h) to 17.51(2)(v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in respect of the following Directors who stand for re-election at the Annual General Meeting.

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

Mr. Wong Mau Tai, aged 60, is an executive Director. He joined the Group in 2009 and was appointed as Director since 5 December 2011. Mr. Wong is currently a director of most subsidiaries of the Company. Mr. Wong graduated from the Griffin College of Washington in the United States of America with a bachelor degree in business administration. He was the general manager of the Group from July 2009 to October 2011, mainly responsible for the production, packaging and logistic functions of the Group. He possesses more than 17 years of working experience in various business segments ranging from telecommunication, transportation to property development industry. Mr. Wong has strong knowledge in the health food and pharmaceutical trading business segment. Mr. Wong has served as the manager of New World Development Company Limited and New World China Land Limited and has been engaged as the assistant to director and general manager of New World First Bus Services (China) Limited. Mr. Wong, being executive Director and director of most subsidiaries of the Company, is entitled to a remuneration package comprising a fixed basic salary of HK\$60,000 per month and was increased to HK\$70,000 per month since February 2014, and a discretionary bonus of HK\$60,000 for the year ended 31 March 2014 and is eligible for participating into the Share Option Scheme.

Mr. Foo Chi Ming (傅志明), aged 49, is an executive director of our Company. He joined the Company as a non-executive Director on 16 August 2012 and was re-designated as an executive Director on 16 July 2013. Mr. Foo is currently the compliance officer of the Company under the GEM Listing Rules. Mr. Foo was awarded a professional diploma in accountancy from the City University of Hong Kong and a bachelor degree of Arts in accountancy from the City University of Hong Kong. Mr. Foo is an experienced business executive with more than 15 years of experience in accounting, auditing and financial consulting industries. Mr. Foo takes on responsibilities of overseeing the financial strategy of the Group and assists Mr. Chan, the chairman of the Board, to oversee the corporate strategy of the Group. Mr. Foo is also a director and a chief financial officer of Green Salt Management Limited and Qinghai Salt Industry Co., Limited (青海省鹽業股份有限公司). Mr. Foo worked for the audit department of Deloitte Touche Tohmatsu and has worked as an associate director of Deloitte & Touche Corporate Finance Limited, focusing on mergers and acquisitions and capital raising transaction activities. Mr. Foo, being executive Director and the compliance officer of the Company, is entitled to a remuneration package comprising a fixed basic salary of HK\$20,000 per month and was increased to HK\$100,000 per month since the re-designation as executive director in July 2013 and is eligible for participating into the Share Option Scheme.

Madam Tsang Pui Man (曾佩雯), aged 43, is a non-executive Director. She was appointed as a Director on 5 December 2011. Madam Tsang obtained a diploma in management studies awarded jointly by the Hong Kong Polytechnic University and the Hong Kong Management Association. Madam Tsang has worked as the assistant manager of Sing Tao Club Limited. Madam Tsang is responsible for assisting Mr. Chan, the chairman of the Board, in formulating strategies for human resource functions and financial management. Madam Tsang is the spouse of Mr. Chan, the chairman of the Board and the chief executive officer. Madam Tsang, being non-executive Director, is entitled to a remuneration package comprising a fixed basic salary of HK\$20,000 per month and is eligible for participating into the Company's Share Option Scheme.

Madam Tsang was adjudged bankrupt by virtue of the bankruptcy order made by the High Court of Hong Kong on 19 January 2000 as a result of the bankruptcy petitions made by the Creditor against her on 25 October 1999 for her default in repayment of the Loan granted by the Creditor to Mr. Chan (the chairman of the Board of the Company) and Madam Tsang (the liability of them in respect of the Loan being joint and several). The Loan owed to the Creditor was mainly arising from the indebtedness under a property mortgage. As confirmed by Madam Tsang, she did not repay the loan and by the expiration of four years since her bankruptcy order, Madam Tsang was discharged from bankruptcy on 19 January 2004 pursuant to the section 30A of the Bankruptcy Ordinance (Chapter 6, the Laws of Hong Kong) and a Certificate of Discharge was made by the High Court of Hong Kong on 23 April 2004. The Company confirms that the Loan was not incurred in the course of any business carried on by Madam Tsang. In view of the circumstances of the Loan and the discharge of Madam Tsang's bankruptcy in 2004, as well as her contribution to the success of the Group, the Directors believe that Madam Tsang has the character, experience and integrity to act as a Director and will be able to demonstrate a standard of competence commensurate with her positions as a director of a listed issuer as required under the GEM Listing Rules.

As at the Latest Practicable Date, Mr. Wong Mau Tai and Mr. Foo Chi Ming held 5,000,000 Options granted by the Company which may be exercised in between 22 November 2013 and 21 November 2016 (both days inclusive) at the exercise price of HK\$1.64 per Option.

Madam Tsang Pui Man is the spouse of Mr. Chan, who owns the entire issued share capital of Able Island and holds 500,000 Options granted by the Company which may be exercised in between 22 November 2013 to 21 November 2016. Accordingly, Madam Tsang is deemed to be interested in the 385,400,000 shares of the Company held by Able Island and the Options held by Mr. Chan by virtue of the SFO.

Other than disclosed above, Mr. Wong Mau Tai, Mr. Foo Chi Ming and Madam Tsang Pui Man do not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Wong Mau Tai and Mr. Foo Chi Ming have entered into service contracts with the Company for a term of three years and Madam Tsang Pui Man has entered into a service contract with the Company for a term of two years, all of them are subject to retirement by rotation and re-election in accordance with the provision of the Company's Articles of

Association. Pursuant to the Articles of Association, the Directors shall retire from office no later than the third annual general meeting of the Company after he was last elected or re-elected. Therefore, the term of appointment of the Directors is effectively three years. Save as disclosed above, each of the retiring Directors do not have any relationships with any Directors, senior management or substantial shareholders of the Company nor hold or did not hold any directorships in other public listed companies in the past 3 years.

The Directors' emoluments are recommended by the Remuneration Committee and on the basis of the relevant Director's experience, responsibility, workload and the time devoted to the Group. A resolution authorising, inter alia, the Board to fix all Directors' remuneration for the year ending 31 March 2015 will be put forward at the Annual General Meeting for the Shareholders' approval.

NOTICE OF ANNUAL GENERAL MEETING



RM GROUP HOLDINGS LIMITED

御藥堂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8185)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of RM Group Holdings Limited (the “**Company**”) will be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 4 August 2014 at 2:30 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors and of the auditors for the year ended 31 March 2014.
2. To declare a special dividend for the year ended 31 March 2014.
3.
 - (a) To re-elect Mr. Wong Mau Tai as a director of the Company;
 - (b) To re-elect Mr. Foo Chi Ming as a director of the Company;
 - (c) To re-elect Madam Tsang Pui Man as a director of the Company;
 - (d) To fix the maximum number of directors of the Company and to authorise the board of directors of the Company to fix their remuneration.
4. To re-appoint the auditor and to authorise the board of directors of the Company to fix its remuneration.
5. To consider as special business, and if thought fit, pass the following resolutions as ordinary resolutions with or without amendments:

ORDINARY RESOLUTIONS

A. “THAT:

- (a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures

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and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

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

shall not exceed the aggregate of:

- (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and
- (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the Shareholders) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum

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equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution),

and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any other applicable laws of Cayman Islands to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the Company on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

B. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of

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the share capital of the Company in issue at the date of passing of this Resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and

(c) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any other applicable laws of Cayman Islands to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the Shareholders in general meeting.”

C. “**THAT**, conditional upon the passing of Resolution No. 5B, the general mandate granted to the directors of the Company (pursuant to Resolution No. 5A or otherwise) and for the time being in force to exercise the powers of the Company to allot shares be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted by the resolution set out as Resolution No. 5B.”

6. As special business, to consider and, if thought fit, pass the following resolution as Ordinary Resolution:

“**THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in such number of shares in the capital of the Company representing 10% of the shares in issue as at the date of passing this resolution, which may be issued pursuant to exercise of options to be granted under the Refreshed Scheme Mandate Limit (as defined below), the existing scheme mandate limit under the share option scheme passed by the shareholders by the Company on 24 September 2013, the Company has conditionally adopted and it has been taken effect on 11 October 2013 (“**Share Option Scheme**”) be refreshed so that the number of shares to be allotted and issued pursuant to the exercise of the

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options under the Share Option Scheme and other share option scheme(s) of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised) shall not exceed 10% of the shares in issue as at the date of the passing of this resolution (“**Refreshed Scheme Mandate Limit**”) and that any director of the Company be and are hereby authorised to do such act and execute such document to effect the Refreshed Scheme Mandate Limit.”

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

Hong Kong, 30 June 2014

*Head Office and Principal Place
of Business in Hong Kong:*
21/F., Man Shing Industrial Building
307–311 Castle Peak Road
Kwai Chung
Hong Kong

Notes:

1. Every member entitled to attend and vote at the above meeting (or at any adjournment thereof) (the “**AGM**”) is entitled to appoint up to two individuals as his proxies. A proxy need not be a member of the Company. The number of proxies appointed by a clearing house (or its nominee) is not subject to the aforesaid limitation.
2. Where there are joint holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share will alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy by a notary public of that power or authority), must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong, of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not be preclude a member from attending the AGM and voting in person if he so wishes.
4. The registers of members of the Company (the “**Registers of Members**”) will be closed from Friday, 1 August 2014 to Monday, 4 August 2014 (both days inclusive) during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged for registration with Tricor Investor Services Limited at the above address not later than 4:00 p.m. on Thursday, 31 July 2014.
5. The Registers of Members will also be closed on Friday, 8 August 2014 and no transfer of shares will be effected on that date. In order to qualify for the proposed special dividend, all transfers accompanied by the relevant share certificates must be lodged for registration with Tricor Investor Services Limited at the above address not later than 4:00 p.m. on Thursday, 7 August 2014.
6. All the resolutions set out in this notice shall be decided by way of poll.