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GRAND PEACE GROUP HOLDINGS LIMITED

福澤集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 08108)

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR, CHAIRMAN AND MEMBER OF THE REMUNERATION COMMITTEE, MEMBER OF THE AUDIT COMMITTEE AND MEMBER OF THE NOMINATION COMMITTEE

The board (the “**Board**”) of directors (“**Director(s)**”) of Grand Peace Group Holdings Limited (the “**Company**”) announces that:

Mr. Huen Ho Yin resigned as an Independent Non-executive Director, Chairman and member of the Remuneration Committee, members of each of the Audit Committee and the Nomination Committee in pursuit of his personal business and development with effect from 3 February 2020.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR, CHAIRMAN AND MEMBER OF THE REMUNERATION COMMITTEE, MEMBERS OF EACH OF THE AUDIT COMMITTEE AND THE NOMINATION COMMITTEE

The Board announces that Mr. Huen Ho Yin (“**Mr. Huen**”) has resigned as an Independent Non-executive Director, chairman and member of the Remuneration Committee, members of each of the Audit Committee and the Nomination Committee of the Company with effect from 3 February 2020 in pursuit of his personal career development. Mr. Huen has confirmed that (i) he has no claim against the Company for loss of office or on any other account whatsoever; (ii) there is no outstanding agreement or arrangement relating to his office under which the Company has or could have any obligation to him; and (iii) he has no disagreement with the Board and there is no other matters in respect of his resignation that need to be brought to the attention of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or the shareholders of the Company and the Board.

The Board takes this opportunity to express its gratitude to Mr. Huen for his valuable contributions during his tenure of office in the Company.

COMPLIANCE WITH RULES 5.05, 5.06 AND 5.28 OF THE GEM LISTING RULES

Rule 5.05(1) of the GEM Listing Rules provides that every board of directors must include at least 3 independent non-executive directors.

Following the resignation of Mr. Huen, the Board comprises of two Independent Non-executive Directors only. As such, the number of Independent Non-executive Directors falls below the minimum number of independent non-executive directors as prescribed by Rule 5.05(1) of the GEM Listing Rules.

Rule 5.28 of the GEM Listing Rules provides that every issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required by Rule 5.05(2).

Following the resignation of Mr. Huen to the Audit Committee, the Audit Committee comprises of two Independent Non-executive Directors only. As such, the number of Non-executive Directors falls below the minimum number of non-executive directors as prescribed by Rule 5.28 of the GEM Listing Rules.

The Company is in the process of identifying an additional Independent Non-executive Director and shall make its best endeavors to appoint a suitable one within three months to meet the requirements set out in Rules 5.06 and 5.28 of the GEM Listing Rules.

Save as disclosed above, there is no other matter regarding the resignation of independent non-executive director and the composition of the Audit Committee which needs to be brought to the attention of the shareholders of the Company and to the Stock Exchange.

By Order of the Board
Grand Peace Group Holdings Limited
Sun, Miguel
Executive Director

Hong Kong, 4 February 2020

As at the date of this announcement, the Board comprises Mr. Sun, Miguel, Mr. He Weiqing and Mr. Wong Wai Leung as Executive Directors, and Mr. Chin Kwan Lam, Raymond and Mr. Huang Hongbin as Independent Non-executive Directors.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Listed Company Information" page for at least seven days from the date of its posting and on the website of the Company at www.hk08108.com.

** for identification purpose only*