
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 you should take, you should consult an exchange participant or other securities dealer licensed as a licensed person under the Securities and Futures Ordinance, bank manager, solicitor, certified public accountant or other professional adviser.

If you have sold or transferred all your shares in The Grande Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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GRANDE
THE GRANDE HOLDINGS LIMITED
嘉域集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

**PROPOSED APPOINTMENT OF AUDITOR
PROPOSED REMOVAL OF DIRECTOR
PROPOSED APPOINTMENT OF DIRECTOR
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting of the Company to be held at the office of the Company on 11/F., The Grande Building, 398 Kwun Tong Road, Kowloon, Hong Kong on Friday, 11 November 2016 at 9:00 a.m. is set out on page 8 to 9 of this circular.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the special general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the special general meeting (or any adjournment of such meeting) should you so wish.

26 October 2016

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DEFINITIONS

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

“AGM”	the Company’s 2016 annual general meeting held on Monday, 25 July 2016
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	The Grande Holdings Limited (嘉城集團有限公司), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and whose Shares are listed on the Main Board of the Stock Exchange
“Crowe Horwath”	Crowe Horwath (HK) CPA Limited
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolutions”	the ordinary resolutions to be proposed and passed at the SGM as set out in the SGM Notice
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Requisition Notice”	a requisition notice dated 24 October 2016 from the Requisitioning Shareholders to the Company
“Requisitioning Shareholders”	Sino Bright Enterprises Co., Ltd. and McVitie Capital Limited

DEFINITIONS

“SGM Notice”	notice of the SGM which is set out on pages 8 to 9 of this circular
“SGM”	the special general meeting of the Company to be held at the office of the Company on 11/F., The Grande Building, 398 Kwun Tong Road, Kowloon, Hong Kong on Friday, 11 November at 9:00 a.m. or any adjournment thereof
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

References to time and dates in this circular are to time and dates in Hong Kong.

LETTER FROM THE BOARD OF DIRECTORS

GRANDE
THE GRANDE HOLDINGS LIMITED
嘉域集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

Executive Directors:

Mr. Tang Hoi Nam (*Chairman*)
Mr. Duncan Hon Tak Kwong
Mr. Eduard William Rudolf Helmuth Will
Mr. Manjit Singh Gill

Registered Office:

Wessex House, 5th Floor,
45 Reid Street,
Hamilton HM 12, Bermuda

Independent Non-Executive Directors:

Mr. James Mailer
Mr. Lau Ho Kit, Ivan
Mr. Chen Xiaoping

Principal Place of Business in

Hong Kong:

11/F., The Grande Building,
398 Kwun Tong Road,
Kowloon, Hong Kong

26 October 2016

To the Shareholders

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF AUDITOR
PROPOSED REMOVAL OF DIRECTOR
PROPOSED APPOINTMENT OF DIRECTOR
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of (i) the proposed change of auditor, the proposed removal of Director and the proposed appointment of Director; and (ii) the notice of the SGM to be convened and held for the purpose of considering and, if thought fit, approving the necessary resolutions in relation to the proposed change of auditor, the proposed removal of Director and the proposed appointment of Director, and to give all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the Ordinary Resolutions relating to the appointment of new auditor, the proposed removal of Director and the proposed appointment of Director.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 25 July 2016 in relation to the poll results of the AGM. As stated in the announcement, the ordinary resolution numbered 3 in respect of re-appointment of Crowe Horwath as auditor of the Company has not been passed by the Shareholders at the AGM. Accordingly, Crowe Horwath will cease to act as the auditor of the Company upon the appointment of a successor auditor.

The Board resolved, with the recommendation from the Audit Committee of the Company, to propose the appointment of Moore Stephens CPA Limited as the new auditor of the Company for the financial period ending 31 March 2017 and to hold office from the conclusion of the SGM until the conclusion of the next annual general meeting of the Company, subject to the approval by the Shareholders at the SGM.

The Company has received the following confirmation from Crowe Horwath:

“Except for the disclaimer of opinion that we have set out on the Independent Auditor’s Report on pages 11 to 13 of the Company’s 2015 Annual Report, we have no other matters that need to be brought to the attention of holders of securities or creditors of the Company.”

The Board and the Audit Committee of the Company have confirmed that there is no disagreement between Crowe Horwath and the Company, and there are no other matters in respect of the proposed change of auditor that need to be brought to the attention of the Shareholders.

The Directors consider the proposed appointment of auditor as set out in the SGM Notice is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of this Ordinary Resolution.

REQUISITION FROM SHAREHOLDERS

On 24 October 2016, the Company received the Requisition Notice from the Requisitioning Shareholders pursuant to which the Requisitioning Shareholders requisitioned for resolutions to be put forward to remove Mr. Tang Hoi Nam (“**Mr. Tang**”) as a Director and to appoint Mr. Michael Binney (“**Mr. Binney**”) as a Director at the forthcoming SGM.

LETTER FROM THE BOARD OF DIRECTORS

As at the date of deposit of the Requisition Notice, the Requisitioning Shareholders were purportedly holding, in aggregate, 3,710,004,472 Shares, representing approximately 67.55% of the total issued share capital of the Company.

Pursuant to bye-law 58 of the Bye-laws, Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The Board, having considered the details of the requisition as contained in the Requisition Notice, has resolved to include the resolutions for the removal of Mr. Tang as a Director and the appointment of Mr. Binney as a Director at the SGM pursuant to the Requisition Notice.

PROPOSED REMOVAL OF A DIRECTOR

Pursuant to the Requisition Notice, the Requisitioning Shareholders requested that a resolution be put forward to remove Mr. Tang as a Director.

An ordinary resolution will be proposed to remove Mr. Tang as a Director with immediate effect upon passing the relevant resolution at the SGM.

The Requisition Notice does not set out any reasons, information and/or grounds in respect of the proposed removal of Mr. Tang as a Director. Accordingly, the Board is not able to provide Shareholders with the above information for consideration.

PROPOSED APPOINTMENT OF A NEW DIRECTOR

Pursuant to the Requisition Notice, the Requisitioning Shareholders requested that a resolution be put forward to appoint Mr. Binney as a Director.

An ordinary resolution will be proposed to appoint Mr. Binney as a Director with immediate effect upon passing the relevant resolution at the SGM.

LETTER FROM THE BOARD OF DIRECTORS

The biography of Mr. Binney is summarized as follows:

Mr. Michael Andrew Barclay Binney, aged 57, currently serves as Deputy Chief Executive Officer (Finance Accounting & Company Secretarial) of the Company, a position he has held since June 2016. Mr. Binney is a Fellow of the Institute of Chartered Accountants in England and Wales, a Fellow of the Association of Chartered Certified Public Accountants and a Fellow of the Hong Kong Institute of Certified Public Accountants. From 2010 to March 2016, Mr. Binney served as an executive director and chief financial officer of the Vinarco International Group of Companies, an upstream supplier to the oil and gas industry in the Asia-Pacific region. Mr. Binney has served as a director of Emerson Radio Corp, a company incorporated in Delaware, the US and a 56.2% owned subsidiary of the Company whose shares are listed on the NYSE Alternext US, since June 2016 and was also previously a director of Emerson Radio Corp. from 2005 to 2008. He has served as a member of the board of directors of the Company as a non-executive director from 2009 to 2010 and an executive director from 2001 to 2009. Mr. Binney was also a member of the board of directors of Lafe Corporation Limited, a company listed on the Singapore Exchange Securities Trading Limited, as a non-executive director from 2009 to 2010 and as executive director from 2001 until 2009. Previous to the above appointments, Mr Binney worked at major international accounting firms including KPMG and PricewaterhouseCoopers.

In June 2016, Mr. Binney has entered into a service agreement with the Company for his position as Deputy Chief Executive Officer (Finance Accounting & Company Secretarial). The Board will make further announcement if a service contract is entered into with Mr. Binney for the proposed position of Director.

Save as otherwise disclosed in this circular, Mr. Binney confirms that: (i) he does not hold any other positions with the Company or other members of the Group; (ii) he has not held any directorships in the last three years in any public companies, the securities of which are listed on any securities market in Hong Kong and/or overseas, nor held any other major appointment or professional qualification; (iii) he does not have any interests in the shares or securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iv) he was not connected and has no relationship with any Directors, senior management, substantial Shareholders, or controlling Shareholders of the Company; (v) no other information that relates to Mr. Binney is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules; and (vi) there are no other matters relating to Mr. Binney that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD OF DIRECTORS

The Requisition Notice does not set out any reasons, information and/or grounds in respect of the proposed appointment of Mr. Binney as a Director. Accordingly, the Board is not able to provide Shareholders with the above information for consideration.

SGM

A notice convening the SGM to be held at the office of the Company on 11/F., The Grande Building, 398 Kwun Tong Road, Kowloon, Hong Kong on Friday, 11 November 2016 at 9:00 a.m. is set out on pages 8 to 9 of this circular. At the SGM, the Ordinary Resolutions will be proposed to approve the appointment of the auditor, the removal of Director and the appointment of Director.

ACTIONS TO BE TAKEN

A proxy form for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjourned meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the SGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

By order of the Board
The Grande Holdings Limited
Francis Hui
Company Secretary

NOTICE OF SPECIAL GENERAL MEETING

GRANDE
THE GRANDE HOLDINGS LIMITED
嘉域集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the special general meeting of The Grande Holdings Limited (the “**Company**”) will be held at the office of the Company on 11/F., The Grande Building, 398 Kwun Tong Road, Kowloon, Hong Kong on Friday, 11 November 2016 at 9:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. “**THAT** Moore Stephens CPA Limited is appointed as auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company, and that the board of directors of the Company is authorised to fix the remuneration.”
2. “**THAT** Mr. Tang Hoi Nam is removed from his position as a director of the Company with immediate effect upon passing of this resolution.”
3. “**THAT** Mr. Michael Andrew Barclay Binney is appointed as a director of the Company with immediate effect upon passing of this resolution and the board of directors of the Company is authorised to fix his remuneration.”

By order of the Board
The Grande Holdings Limited
Francis Hui
Company Secretary

Hong Kong, 26 October 2016

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Any shareholder entitled to attend and vote at the above meeting is entitled to appoint one or, if he/she is the holder of two or more shares, more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, a proxy form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong at not less than 48 hours before the time for holding the above meeting or any adjournment thereof. Completion and return of a proxy form will not preclude a shareholder of the Company from attending and voting in person if he/she is subsequently able to be present and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. A proxy form must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorised to sign the same.
4. In the case of joint holders of any shares, any one of such joint holders may vote at the above meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto. However, if more than one of such joint holders is present at the above meeting, either personally or by proxy, the joint holder whose name stands first in the Register of Member of the Company, will alone be entitled to vote in respect of such shares.
5. On a poll, every shareholder present at the meeting shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was so required or demanded.
6. The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.
7. References to time and dates in this notice are to Hong Kong time and dates.