

## IMPORTANT

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

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular and the accompanying proxy form, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular and the accompanying proxy form.

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## **KINGWELL GROUP LIMITED** **京維集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1195)**

### **GENERAL MANDATE TO ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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Resolutions will be proposed at the annual general meeting (the “AGM”) of the Company to be held at Library Room, Basement 2, InterContinental Grand Stanford Hong Kong Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 16 December 2016 at 11:00 a.m. to approve the matters referred to in this circular. If you are unable to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

25 October 2016

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## DEFINITIONS

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

“2016 Annual Report”	the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 30 June 2016;
“AGM”	the annual general meeting of the Company to be held at Library Room, Basement 2, InterContinental Grand Stanford Hong Kong Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 16 December 2016 at 11:00 a.m. at which the 2016 Annual Report will be adopted;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors;
“Company”	Kingwell Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution;
“Latest Practicable Date”	17 October 2016, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company;

## DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

LETTER FROM THE BOARD



**KINGWELL GROUP LIMITED**  
**京維集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1195)**

*Executive Directors:*

Mr. Mu Dongsheng (*Chairman*)  
Mr. Yang Xue Jun (*Chief Executive Officer*)  
Mr. Sze Ming Yee

*Independent Non-executive Directors:*

Mr. Cheung Chuen  
Mr. Ling Aiwen  
Mr. Han Hongwei

*Registered Office:*

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

*Principal Office in Hong Kong:*

Units 314-315  
Wing On Plaza  
62 Mody Road  
Tsimshatsui East  
Kowloon

25 October 2016

*To the Shareholders*

Dear Sirs or Madams,

**GENERAL MANDATE TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

At the AGM, ordinary resolutions will be proposed to approve (i) the granting of the Issue Mandate; and (ii) the re-election of the retiring Directors.

This circular contains all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions approving the Company to issue Shares and to re-elect the retiring Directors.

## LETTER FROM THE BOARD

### 2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 18 December 2015, an ordinary resolution was passed by the Shareholders on granting the existing Issue Mandate to the Directors.

An ordinary resolution will be proposed at the AGM to revoke the existing Issue Mandate and to grant to the Directors a fresh Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, additional Shares with an aggregate nominal value not exceeding 20% of the aggregate of the total nominal value of the share capital of the Company in issue at the date of the passing of such resolution. Based on 2,884,091,737 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to allot, issue and deal with 576,818,347 Shares if the fresh Issue Mandate is granted at the AGM, which will remain in effect until 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 to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### 3. RE-ELECTION OF RETIRING DIRECTORS

*In relation to ordinary resolution number 2 set out in the notice of the AGM regarding the re-election of retiring Directors, Mr. Sze Ming Yee and Mr. Cheung Chuen shall retire as Directors by rotation at the AGM pursuant to articles 87(1) of the Articles of Association, and, being eligible, will offer themselves for re-election.*

Mr. Cheung Chuen, being Independent Non-Executive Director of the Company eligible for re-election at the AGM, has made a confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Cheung is independent in accordance with the independence guidelines and considers that he should be re-elected at the AGM. Mr. Cheung Chuen has served the Company for more than nine years. The Nomination Committee of the Company considered that his long service would not affect his exercise of independent judgment and was satisfied that Mr. Cheung Chuen has the required integrity and experience to continue fulfilling the role of Independent Non-Executive Director.

Taking into consideration of the above, the Board is of the view that Mr. Cheung Chuen remains independent notwithstanding the length of his service and should be re-elected at the AGM. In accordance with the Corporate Governance Code as set out in the Listing Rules, the re-election of Mr. Cheung Chuen will be subject to a separate resolution to be approved at the AGM.

## LETTER FROM THE BOARD

**Mr. Sze Ming Yee (施明義)**, aged 51, is an Executive Director of the Company. He has more than 21 years experience in property development and investment and is currently engaged in property development primarily in the PRC and primarily in Wenzhou. He also invests in securities in the PRC. He is a postgraduate student of Zhejiang University. Mr. Sze joined the Group on 15 January 2010 and is a director of Union Day Group Limited, a substantial shareholder of the Company.

Union Day Group Limited, which is 72% beneficial owned by Mr. Sze holds 384,198,376 Shares of 13.3% of the issued Shares within the meaning of Part XV of the SFO.

Mr. Sze has entered into a service agreement with the Company for a term of one year commencing from 1 January 2013, and his appointment will continue thereafter until terminated by six months' notice in writing served by either party on the other. Mr. Sze is subject to the retirement by rotation and re-election pursuant to the memorandum and Articles of Association. Mr. Sze is entitled to a monthly salary of HK\$20,000, plus year end discretionary bonus which will depend on performance of his duties as specified in his service agreement with the Company. The salary is determined by reference to his duties and responsibilities with the Company and the prevailing market rate of similar position.

As at the Latest Practicable Date, save as disclosed above, Mr. Sze (i) did not hold other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and has not held other major or professional appointments or any other positions in the Company or its subsidiaries; (ii) does not have any other interests in the Shares, underlying shares and debentures of the Company within the meaning of Part XV of the SFO; and (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

**Mr. Cheung Chuen (張全)**, aged 42, is an Independent Non-executive Director of the Company. He is a certified public accountant practicing in the United States of America and Hong Kong. Mr. Cheung graduated from Hong Kong Shue Yan University in 1999 with majoring in accounting and obtained a master degree in professional accounting from the Hong Kong Polytechnic University in 2004. He is a member of the American Institute of Certified Public Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Cheung has over the years gained extensive experience in accounting and auditing. He has been appointed as an Independent Non-executive Director of the Company since 30 September 2004. Mr. Cheung was an independent non-executive director of Anxin-China Holdings Limited (formerly known as Board Intelligence International Pharmaceutical Holdings Limited), a company listed in Hong Kong, from 14 September 2004 to 24 September 2015. Mr. Cheung currently is an executive director of China High Precision Automation Group Limited, a listed company in Hong Kong.

Mr. Cheung has entered into an appointment letter with the Company for a term of one year commencing from 1 January 2016 and is subject to retirement by rotation and offers himself for re-election in accordance with the Articles of Association. Mr. Cheung is entitled to a director's remuneration of HK\$144,000 per annum, which is determined based on the prevailing market rate, without any bonus payment.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, save as disclosed above, Mr. Cheung (i) did not hold other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and has not held other major or professional appointments or any other positions in the Company or its subsidiaries; (ii) does not have any other interests in the Shares, underlying shares and debentures of the Company within the meaning of Part XV of the SFO; and (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

*In relation to ordinary resolution number 2 regarding the re-election of retiring Director, Mr. Mu Dongsheng shall retire as Director at the AGM pursuant to article 86(3) of the Articles of Association, being eligible, Mr. Mu Dongsheng will offer himself for re-election.*

**Mr. Mu Dongsheng** (穆東升), aged 46, is an Executive Director of the Company. Mr. Mu has 19 years of working experience in management in both government and private sector in the PRC and abroad. Mr. Mu holds a Master's Degree in Laws from the Beijing Foreign Affairs College. Mr. Mu was appointed as an Executive Director on 15 January 2016 and was a consultant of the Company prior to joining the Company.

Mr. Mu has 13,000,000 shares options of 0.45% of the issued Shares within the meaning of Part XV of the SFO.

Mr. Mu has entered into a service agreement with the Company for a term of one year commencing from 15 January 2016, and his appointment will continue thereafter until terminated by six months' notice in writing served by either party on the other. Mr. Mu is subject to retirement by rotation and re-election pursuant to the memorandum and Articles of Association. Mr. Mu is entitled to a monthly salary of HK\$100,000, plus year end discretionary bonus which will depend on performance of his duties as specified in his service agreement with the Company. The salary is determined by reference to his duties and responsibilities with the Company and the prevailing market rate of similar position.

As at the Latest Practicable Date, save as disclosed above, Mr. Mu (i) did not hold other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and has not held other major or professional appointments or any other positions in the Company or its subsidiaries; (ii) does not have any other interests in the Shares, underlying shares and debentures of the Company within the meaning of Part XV of the SFO; and (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there are no other matters in relation to the re-election of Mr. Sze Ming Yee, Mr. Cheung Chuen and Mr. Mu Dongsheng that need to be brought to the attention of the Stock Exchange or the Shareholders. There is no information relating to all the retiring Directors that is required to be disclosed pursuant to Rules 13.51(2)(h)-(v) of the Listing Rules.



## LETTER FROM THE BOARD

### 4. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 8 to 10 of this circular. At the AGM, resolutions will be proposed to approve, *inter alia*, the granting of the Issue Mandate and the re-election of retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar and transfer office, Hong Kong Registrars Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the meeting if so wished.

### 5. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at general meetings must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM will therefore demand a poll for every resolution put to the vote of the AGM pursuant to article 66 of the Articles of Association. The results of poll will be published on the websites of the Stock Exchange and the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 6. RECOMMENDATION

The Directors consider that the Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM on pages 8 to 10 of this circular.

### 7. GENERAL INFORMATION

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.

Yours faithfully,  
For and on behalf of  
**Kingwell Group Limited**  
**Mu Dongsheng**  
*Chairman*

## NOTICE OF ANNUAL GENERAL MEETING



### **KINGWELL GROUP LIMITED**

**京維集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1195)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Kingwell Group Limited (the “Company”) will be held at Library Room, Basement 2, InterContinental Grand Stanford Hong Kong Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 16 December 2016 at 11:00 a.m. for the following purposes:

1. to receive and consider the audited consolidated financial statements and the reports of the directors and the auditors for the year ended 30 June 2016;
2. to re-elect the retiring directors and to authorise the board of directors to fix their remuneration;
3. to re-appoint Ernst & Young as auditors of the Company and to authorise the board of directors to fix their remuneration; and
4. as special businesses, to consider, and if thought fit, pass the following ordinary resolutions:

#### **ORDINARY RESOLUTION**

**“THAT**

- (a) subject to paragraph (c) below, 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 and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

## NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital 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), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights or conversion under the terms of any warrants or other securities issued by the Company as at the date of this resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares, or (iii) the exercise of the subscription rights under the share option scheme of the Company, or (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the memorandum and articles of association of the Company, from time to time shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as 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 expiration of the period within which the next annual general meeting of the Company required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares or an offer of warrants, options or other securities giving right to subscribe for Shares, open for a period fixed by the directors of the Company 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 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 recognized regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

## NOTICE OF ANNUAL GENERAL MEETING

The register of members of the Company will be closed from 12 December 2016 to 16 December 2016, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 9 December 2016.

Yours faithfully,  
For and on behalf of  
**Kingwell Group Limited**  
**Mu Dongsheng**  
*Chairman*

Hong Kong, 25 October 2016

*Notes:*

- (1) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A shareholder of the Company entitled to attend and vote at the above meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company. In order to be valid, the form of proxy must be completed and deposited at the Company's Hong Kong branch share registrar and transfer office, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any shareholder from attending and voting at the meeting if so wished.
- (2) Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjournment.