
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 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 **KVB Kunlun Financial Group Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or 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.

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 **KVB Kunlun**
KVB KUNLUN FINANCIAL GROUP LIMITED
昆侖國際金融集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8077)

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

A notice convening the annual general meeting of KVB Kunlun Financial Group Limited (the “Company”) to be held on Wednesday, 10 May 2017 at 10:30 a.m. (Hong Kong time) at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong is set out on pages 13 to 17 of this circular.

A form of proxy is also enclosed. Whether or not you intend to attend and vote at the annual general meeting of the Company, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding of the annual general meeting of the Company or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting of the Company, or any adjourned meeting thereof (as the case may be), should you so wish. In such event, the form of proxy shall be deemed to be revoked.

This circular, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited 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.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page and the website of the Company at www.kvblastco.com for at least seven days from the date of its publication.

28 March 2017

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 of the Stock Exchange 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 shall have the following meanings unless the context indicates otherwise:

“2016 Annual Report”	the annual report of the Company for the financial year ended 31 December 2016
“AGM”	the annual general meeting of the Company to be held on Wednesday, 10 May 2017, at 10:30 a.m. (Hong Kong time) at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong, the notice of which is set out on pages 13 to 17 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	KVB Kunlun Financial Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Directors”	the directors of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to allot and issue Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution

DEFINITIONS

“Latest Practicable Date”	23 March 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Notice of AGM”	the notice of the AGM as set out on pages 13 to 17 of this circular
“PRC”	the People’s Republic of China
“Registrar”	Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



KVB KUNLUN FINANCIAL GROUP LIMITED

昆侖國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8077)

Executive Directors:

Mr. Liu Stefan (*Chief Executive Officer*)

Mr. Ng Chee Hung Frederick

Non-executive Directors:

Mr. Li Zhi Da (*Chairman*)

Mr. Stephen Gregory McCoy

Independent Non-executive Directors:

Ms. Zhao Guixin

Mr. Cornelis Jacobus Keyser

Mr. Lin Wenhui

Registered Office:

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman

KY1-1111

Cayman Islands

***Head Office and Principal Place
of Business:***

Suites 7501 & 7508, 75/F

International Commerce Centre

1 Austin Road West, Kowloon

Hong Kong

28 March 2017

To the Shareholders:

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to, among other things, (a) grant to the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (b) re-elect the retiring Directors.

LETTER FROM THE BOARD

REFRESHMENT OF THE GENERAL MANDATES

On 12 May 2016, resolutions were passed by the then Shareholders granting general mandates to the Directors to exercise the powers of the Company: (i) to issue new shares of the Company; (ii) to repurchase shares of the Company; and (iii) to extend the general mandate granted to the Director to issue shares by the nominal amount of shares repurchased. The above mentioned mandates will lapse at the conclusion of the AGM.

To facilitate future allotment and issue of shares by the Directors on behalf of the Company, it is proposed that at the AGM, separate ordinary resolutions will be proposed to the Shareholders to consider and, if thought fit, to grant to the Directors (i) the Issue Mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of such resolution; (ii) the Repurchase Mandate to repurchase Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of such resolution; and (iii) the Extension Mandate to extend the Issue Mandate by the amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate.

The relevant resolutions are set out as resolutions numbered 7 to 9 in the notice of AGM. The Issue Mandate, Repurchase Mandate and Extension Mandate, if granted at the AGM, will be valid up to (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the laws of the Cayman Islands or any other applicable laws to be held; or (iii) the passing of an ordinary resolution by the members of the Company in general meeting revoking or varying the authority given to the Directors by this resolution, whichever occurs first.

As at the Latest Practicable Date, a total of 2,033,240,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company prior to the AGM, the Company will be allowed to issue a maximum of 406,648,000 Shares representing 20% of the aggregate nominal amount of the issued share capital of the Company as the date of the AGM.

EXPLANATORY STATEMENT

The explanatory statement required by the GEM Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions relating to the proposed Repurchase Mandate at the AGM.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprised two executive Directors, namely Mr. Liu Stefan and Mr. Ng Chee Hung Frederick, two non-executive Directors, namely Mr. Li Zhi Da and Mr. Stephen Gregory McCoy, and three independent non-executive Directors, namely Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. In accordance with article 84 of the Articles, Mr. Liu Stefan, Mr. Stephen Gregory McCoy and Mr. Lin Wenhui will retire by rotation at the AGM and they, being eligible, will offer themselves for re-election as Directors at the AGM.

LETTER FROM THE BOARD

The biographical details of the retiring Directors proposed for re-election at the AGM are set out in Appendix II to this circular.

AGM

A notice of the AGM is set out on pages 13 to 17 of this circular. At the AGM, resolutions will be proposed to approve, among other things:

- (i) the re-election of retiring Directors; and
- (ii) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate.

A form of proxy is enclosed with this circular. Whether or not you intend to attend and vote at the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Registrar as soon as practicable and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should you so wish. In such event, the form of proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 May 2017 to Wednesday, 10 May 2017, both days inclusive, during the period no transfers of shares of the Company will be registered. In order to qualify for attending and voting at the 2017 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Registrar for registration by no later than 4:00 p.m. (Hong Kong time) on Thursday, 4 May 2017.

RECOMMENDATION

The Directors believe that the resolutions proposed in the Notice of AGM, including, among others, the granting of the Issue Mandate, the Repurchase Mandate and Extension Mandate and the re-election of the retiring Directors are in the best interests of the Company as well as to the Shareholders. Accordingly, the Directors recommend you to vote in favour of the relevant resolutions as set out in the notice of AGM.

GENERAL INFORMATION

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

Yours faithfully,
By order of the Board of
KVB Kunlun Financial Group Limited
Liu Stefan
Executive Director

This explanatory statement contains the information required pursuant to Rule 13.08 of the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

1. REGULATIONS OF THE GEM LISTING RULES

(a) Shareholders' approval

All repurchase of securities on GEM by a company with its primary listing on GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transaction.

(b) Source of funds

Repurchase must be financed out of funds which are legally available for such purpose and in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands. The Company may not repurchase its own securities on GEM 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.

(c) Suspension of repurchase

Pursuant to the GEM Listing Rules, the Company shall not purchase its Shares on GEM at any time after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information is made publicly available. In particular, during the period of one month immediately preceding the earlier of:

- (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with Rule 17.48 of the GEM Listing Rules) for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of its results for any year, half-year or quarter-year period under Rules 18.49, 18.78 or 18.79 of the GEM Listing Rules or any other interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, the Company may not purchase its Shares on GEM, unless the circumstances are exceptional.

(d) Core Connected persons

Under the GEM Listing Rules, a company shall not knowingly repurchase shares from a core connected person (as defined under the GEM Listing Rules) and a core connected person shall not knowingly sell his shares to the company.

2. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 2,033,240,000 Shares in issue. Assuming that no further Shares will be issued or repurchased before the date of the AGM, exercise in full of the Repurchase Mandate could result in up to 203,324,000 Shares being repurchased by the Company during the period in which the Repurchase Mandate remains in force.

The Repurchase Mandate, if granted at the AGM, will be valid up to (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 or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

3. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. 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 its earnings per Share.

4. SOURCE OF FUNDING

In repurchasing Shares, the Company may only apply funds legally available for such purpose, in accordance with its Articles and the laws of Cayman Islands, including funds from the Company's available cash flow or working capital facilities. The Company may not repurchase its own securities on GEM 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.

5. EFFECT OF EXERCISING THE REPURCHASE MANDATE

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 financial statements of the Group for the year ended 31 December 2016 contained in 2016 Annual Report) in the event that the proposed repurchases in the Repurchase Mandate were to be exercised in full at any time during the proposed purchase period. However, 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 Group or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

6. DIRECTORS' UNDERTAKING

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

As at the Latest Practicable Date and to the best of the knowledge of the Directors who have made all reasonable enquiries, none of the Directors nor their respective close associates (as defined in the GEM Listing Rules) has any present intention, in the event that the resolution relating to the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or has undertaken not to do so.

7. EFFECT OF TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights in the Company increases, 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 (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 obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Directors were aware, the Repurchase Mandate, if granted and exercised in full, would not give rise to any obligation on any existing Shareholder to make a mandatory general offer under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such extent that may result in a public shareholding of less than 25%, the prescribed minimum percentage of the Shares in issue required by the Stock Exchange to be held by the public.

8. SHARE PRICES

The highest and lowest prices at which the Shares have traded on GEM during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	Highest traded price HK\$	Lowest traded price HK\$
2016		
March	1.080	0.810
April	0.940	0.770
May	0.840	0.780
June	0.840	0.720
July	0.790	0.730
August	0.850	0.700
September	0.760	0.680
October	0.720	0.650
November	0.700	0.570
December	0.660	0.550
2017		
January	0.620	0.520
February	0.620	0.480
March (<i>up to the Latest Practicable Date</i>)	0.510	0.440

9. REPURCHASE IN THE PAST SIX MONTHS

During the previous six months preceding the Latest Practicable Date, the Company has not repurchased any of its Shares (whether on GEM or otherwise).

10. CORE CONNECTED PERSON

No core connected person (as defined in the GEM Listing Rules) has notified the Company that he has any 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 and the Company is authorised to make purchases of the Shares.

APPENDIX II BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The biographical details of the retiring Directors proposed for re-election at the AGM are summarized in this appendix as required by the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolutions relating to the re-election:

Mr. LIU Stefan (劉欣諾先生) (“Mr. Liu”), aged 50, is the Chief Executive Officer of the Company. He is also a director of certain subsidiaries of the Company. Mr. Liu is one of the responsible officers of KVB Kunlun International (HK) Limited (“KVB HK”) and is also a director of KVB Kunlun Holdings Limited (“KVB Holdings”) and certain subsidiaries of KVB Holdings which do not belong to the Group.

Mr. Liu was appointed as the managing director of the Group in March 2006 and the country manager of New Zealand and Australia in August 2011. He was appointed as a Director of the Company on 9 November 2010 and is responsible for the overall management and strategic development of the Group.

Before joining the Group, Mr. Liu served as the managing director of Aiming International (New Zealand) Co. Limited from August 1997 to August 2001 and was responsible for fostering the development plan, structuring investment direction and strategy, liaising and maintaining relationships with business partners and searching for and maintaining public relationship with potential strategic investors.

With his previous and current positions in the Group and other companies, Mr. Liu has obtained over 14 years of experience in the forex market which is relevant to the management, operation and development of the Group. Mr. Liu obtained his bachelor’s degree in arts from the Tianjin Foreign Studies University (天津外國語大學) in July 1989.

As at the Latest Practicable Date, Mr. Liu is personally interested in 25,820,000 Shares (including share options for subscribing for 16,300,000 option shares), representing approximately 1.27% of the issued share capital of the Company. Save as disclosed above, Mr. Liu does not have, and is not deemed to have, any interest in any Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Liu has entered into a service agreement with the Company for a term of three years commencing from 3 July 2016 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Liu is currently entitled to a director’s fee of HK\$240,000 per annum. The remuneration package of Mr. Liu was recommended by the Remuneration Committee and determined by the Board with the authorisation given by the Shareholders at the annual general meeting, with reference to prevailing market conditions and his role and responsibilities.

APPENDIX II BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Stephen Gregory McCOY (“Mr. McCoy”), aged 64, joined the Group in October 2006 as the senior manager of operations and was later appointed the country manager of Australia in 2008. Mr. McCoy is also a director of KVB Kunlun Pty Ltd and LXL Capital III Limited. Mr. McCoy is also a director of other subsidiaries of KVB Holdings which do not belong to the Group. Before joining the Group, Mr. McCoy worked at Arab Bank Australia Limited as an internal auditor from May 2002 to December 2003 and later as the head of operations from January 2004 to October 2006 and was responsible for managing the operations department of the bank including treasury settlements, retail operations, loan administration, office administration, trade finance and product compliance in line with regulatory authorities and policies and procedures of the bank and before that, Mr. McCoy worked at Westpac Banking Corporation for over 30 years from February 1969 to April 2001 and last held the position of manager of operational risk. With the previous and current positions held by Mr. McCoy in the Group and other companies, Mr. McCoy has obtained over 44 years of combined experience in the financial services industry which is relevant to the operation and development of the Group. Mr. McCoy was appointed as a Director on 15 April 2011.

As at the Latest Practicable Date, Mr. McCoy is personally interested in 2,000,000 Shares (all are share options for subscribing for 2,000,000 option shares), representing approximately 0.10% of the issued share capital of the Company. Save as disclosed above, Mr. McCoy does not have, and is not deemed to have, any interest in any Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. McCoy has entered into a letter of appointment with the Company for a term of three years commencing from 3 July 2016 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. McCoy is currently entitled to a director’s fee of HK\$120,000 per annum. The remuneration package of Mr. McCoy was recommended by the Remuneration Committee and determined by the Board with the authorisation given by the Shareholders at the annual general meeting, with reference to prevailing market conditions and his role and responsibilities.

Mr. LIN Wenhui (林文輝先生) (“Mr. Lin”), aged 38, joined the Group in July 2011. Mr. Lin is currently the audit director of Fujian Yango Holdings Group Limited (福建陽光集團有限公司). With effect from 1 July 2014, Mr. Lin is temporarily transferred to the Board of Supervisors of SAC in the State Council for the inspection of enterprises directly under the central government. He was an audit manager of Deloitte Touche Tohmatsu in Beijing from September 2011 to August 2016. From April 2009 to September 2011, Mr. Lin was a manager of RSM China Certified Public Accountants (中瑞岳華會計師事務所). Mr. Lin served as a project manager in the taxation and accounting services department of Reanda Certified Public Accountants (利安達會計師事務所有限公司) from September 2004 to March 2006 and a manager assistant in the audit department of the same firm from April 2006 to December 2008. From August 2002 to September 2004, Mr. Lin worked in the accounting department of the head company of the Beijing Shougang Oxygen Plant (北京首鋼氧氣廠) which was engaged in the production and sales of oxygen and other gases for industrial enterprises. Mr. Lin obtained his bachelor’s degree in accounting from the Harbin University of Commerce (哈爾濱商業大學) in July 2002. Mr. Lin obtained his certificate of accounting professional from the Finance Bureau of Beijing (北京市財政局) in June 2003 and passed the PRC’s national accounting examinations and was awarded the certificate issued by the Committee of the Registered Accountant Examination of the Ministry of Finance (財政部註冊會計師考試委員會) in April 2005. Mr. Lin has been a member of the Chinese Institute of Certified Public Accountants recognised by the Ministry of Finance of the PRC (中華人民共和國財政部) since April 2008. Mr. Lin was appointed as a Director on 16 July 2011.

**APPENDIX II BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS
PROPOSED FOR RE-ELECTION**

As at the Latest Practicable Date, Mr. Lin is personally interested in 800,000 Shares (including share options for subscribing for 600,000 option shares), representing approximately 0.04% of the issued share capital of the Company. Save as disclosed above, Mr. Lin does not have, and is not deemed to have, any interest in any Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Lin has entered into a letter of appointment with the Company for a term of three years commencing from 16 July 2014 (amended by a supplemental agreement dated 7 March 2016) and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Lin is currently entitled to a director's fee of HK\$240,000 per annum. The remuneration package of Mr. Lin was recommended by the Remuneration Committee and determined by the Board with the authorisation given by the Shareholders at the annual general meeting, with reference to prevailing market conditions and his role and responsibilities.

General

Save as disclosed above, neither of Mr. Liu, Mr. McCoy nor Mr. Lin have held any other major appointment and qualifications, nor have any of them any relationship with any Director, senior management, substantial or controlling shareholders of the Company.

Other than the directorship in the Company and save as disclosed above, neither of Mr. Liu, Mr. McCoy nor Mr. Lin hold other positions with the Company or other members of the Company, nor have they held any directorship in other listed companies in the past three years.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other matters relating to the proposed re-election of each of Mr. Liu, Mr. McCoy and Mr. Lin that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



KVB KUNLUN FINANCIAL GROUP LIMITED

昆侖國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8077)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of KVB Kunlun Financial Group Limited (“Company”) will be held on Wednesday, 10 May 2017, at 10:30 a.m. (Hong Kong time) at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements, directors’ report and independent auditor’s report of the Company for the year ended 31 December 2016
2. To re-elect Mr. Liu Stefan as a director of the Company
3. To re-elect Mr. Stephen Gregory McCoy as a director of the Company
4. To re-elect Mr. Lin Wenhui as a director of the Company
5. To authorise the board of directors to fix the remuneration of the directors
6. To re-appoint PricewaterhouseCoopers as the auditors of the Company and to authorise the board of directors to fix their remuneration

By way of special business, to consider and, if thought fit, pass, with or without amendments, the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

7. **“THAT:**
 - (a) subject to paragraph (c) of this resolution below, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM Listing Rules”) of The Stock Exchange of Hong Kong (“Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined in this resolution) of all the powers of the Company to allot, issue or deal with unissued shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options 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, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined in this resolution); or
 - (ii) any share option scheme or similar arrangement of the Company 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 of 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 in force from time to time; or
 - (iv) the exercise of rights of subscription or conversion under the terms of any warrants or convertible bonds issued by the Company or any securities which are convertible into shares of the Company, shall not exceed 20 per cent. 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 purpose of this resolution:

“**Relevant Period**” means the period from the date of 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 of association of the Company, the laws of the Cayman Islands or any other applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the members of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares in the Company, or offer or issue 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 register of members of the Company on a fixed record date in proportion to their then holdings of shares as at that date (subject 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 or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

8. “**THAT:**

- (a) subject to paragraph (b) of this resolution below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined in this resolution) of all the powers of the Company to repurchase its own shares on the Growth Enterprise Market of the Stock Exchange or any other stock exchange on which shares in the capital of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the GEM Listing Rules, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased by the Company on the Growth Enterprise Market of the Stock Exchange or any other stock exchange recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the authority granted to the directors of the Company pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of 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 of association of the Company, the laws of the Cayman Islands or any other applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the members of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

9. “**THAT** conditional upon the passing of resolution no. 7 and resolution no. 8 above, the general mandate granted to the directors of the Company pursuant to resolution no. 8 above and for the time being in force to exercise the powers of the Company to allot, issue or deal with unissued shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power, be and is hereby extended by the aggregate nominal amount of shares in the share capital of the Company repurchased by the Company since the granting of such general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares, provided that such amount of shares shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

Yours faithfully,
By order of the Board of
KVB Kunlun Financial Group Limited
Liu Stefan
Executive Director

Hong Kong, 28 March 2017

Registered office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:

Suites 7501 & 7508, 75/F
International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting may appoint one or more than one proxy to attend and to vote on his behalf. A proxy need not be a member of the Company.
2. Where there are joint holders of any share any one of such joint holders may vote, either in person 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 any meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
3. To be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Whether or not you propose to attend the meeting in person, you are strongly urged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending the meeting and voting in person if you so wish. In the event that you attend the meeting after having lodged the form of proxy, it will be deemed to have been revoked.

NOTICE OF ANNUAL GENERAL MEETING

5. The register of members of the Company will be closed from Friday, 5 May 2017 to Wednesday, 10 May 2017, both days inclusive, during the period no transfers of shares of the Company will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration by no later than 4:00 p.m. (Hong Kong time) on Thursday, 4 May 2017.
6. In compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, all resolutions to be proposed at the meeting convened by this notice will be voted on by way of poll.

As at the date of this notice, the Board comprises the following Directors:

Executive Directors:

Mr. Liu Stefan (*Chief Executive Officer*)

Mr. Ng Chee Hung Frederick

Non-executive Directors:

Mr. Li Zhi Da (*Chairman*)

Mr. Stephen Gregory McCoy

Independent Non-executive Directors:

Ms. Zhao Guixin

Mr. Cornelis Jacobus Keyser

Mr. Lin Wenhui

This notice will remain on the "Latest Company Announcements" page of the website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at www.hkgem.com and the website of the Company at www.kvblastco.com for at least seven days from the date of its publication.