

THE 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 stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Hong Kong Finance Group Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its 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.



Hong Kong Finance Group Limited
香港信貸集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1273)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting of the Company (the "AGM") to be held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen's Road East, Admiralty, Hong Kong, on Thursday, 31 July 2014 at 4:30 p.m. is set out on pages 17 to 21 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event 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 preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Hong Kong, 27 June 2014

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	4
Proposed Grant of Issue Mandate, Repurchase Mandate and Extension Mandate	5
Proposed Re-election of the Retiring Directors	6
AGM	6
Voting by way of Poll	6
Responsibility Statement	7
Recommendation	7
General	7
Miscellaneous	7
APPENDIX I – EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE	8
APPENDIX II – PARTICULARS OF THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AT THE AGM	11
NOTICE OF AGM	17

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen’s Road East, Admiralty, Hong Kong, on Thursday, 31 July 2014 at 4:30 p.m., a notice of which is set out on pages 17 to 21 of this circular
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Asia Ford”	Asia Ford Investment Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors of the Company
“Charterfame”	Charterfame Investment Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Hong Kong Finance Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability with its Shares listed on the Stock Exchange
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors 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
“Group”	the Company and its subsidiaries

DEFINITIONS

“HK Finance”	Hong Kong Finance Company Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company
“HKF Overseas”	HKF Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of the Company and the intermediate holding company of the indirect wholly-owned subsidiaries of the Company namely Max Art, HK Finance, Charterfame, Asia Ford and Oriental Credit
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“Latest Practicable Date”	20 June 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Date”	2 October 2013, on which dealings in Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Max Art”	Max Art Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Oriental Credit”	Oriental Credit (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors 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 passing the relevant resolution at the AGM
“Retiring Directors”	the Directors retiring at the AGM and, who being eligible, are offering themselves for re-election at the AGM, in accordance with the Articles of Association
“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 share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time
“Tin Ching Holdings”	Tin Ching Holdings Limited, a company incorporated in the British Virgin Islands, owned as to 50% by each of Mr. Chan Koung Nam and Mr. Chan Kwong Yin William, and a Controlling Shareholder of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per centum of percentage

LETTER FROM THE BOARD



Hong Kong Finance Group Limited
香港信貸集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1273)

Executive Directors:

Mr. Chan Koung Nam
Mr. Chan Kwong Yin William (*Chairman*)
Mr. Tse Pui To (*Chief Executive Officer*)

Independent Non-executive Directors:

Mr. Chan Siu Wing Raymond
Mr. Chu Yat Pang Terry
Mr. Cheung Kok Cheong

Registered office:

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

*Headquarters and principal place
of business:*

Room 3410, 34th Floor
Tower Two, Lippo Centre
89 Queensway
Hong Kong

27 June 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Company will propose resolutions at the AGM to, inter alia, (a) grant to the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate upon the expiry of the current general mandates to issue Shares and repurchase Shares granted to the Directors by written resolutions of the then sole Shareholder passed on 4 September 2013; and (b) re-elect the Retiring Directors.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further information on the resolutions to be proposed at the AGM for granting the general mandates to Directors to allot, issue, deal with and repurchase Shares, and the re-election of the Retiring Directors, and to give you notice of the AGM at which the resolutions will be proposed to consider and, if thought fit, approve such matters.

PROPOSED GRANT OF ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the written resolutions passed by the then sole Shareholder on 4 September 2013, the Directors were granted (a) a general and unconditional 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 on the Listing Date; (b) a general and unconditional mandate to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue on the Listing Date; and (c) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to the mandate to repurchase securities referred to in (b) above.

The above general mandates will expire at the conclusion of the AGM. At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with the Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

The full text of the above resolutions are set out in resolutions numbered 6 to 8 as set out in the notice of the AGM contained in pages 18 to 20 of this circular.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I “Explanatory Statement on the Repurchase Mandate” to this circular.

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Chan Koung Nam, Mr. Chan Kwong Yin William (Chairman) and Mr. Tse Pui To (Chief Executive Officer); and the independent non-executive Directors are Mr. Chan Siu Wing Raymond, Mr. Chu Yat Pang Terry and Mr. Cheung Kok Cheong (“Existing Directors”).

Pursuant to Article 83(3) of the Articles of Association of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election. Accordingly, all Existing Directors appointed by the Board will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election.

The Nomination Committee has reviewed and also recommended to the Board that the above-mentioned Existing Directors are eligible for reappointment. Particulars of each of the Retiring Directors proposed to be re-elected at the AGM which are required to be disclosed by the Listing Rules are set out in Appendix II “Particulars of the Retiring Directors Proposed for Re-election at the AGM” to this circular.

AGM

A notice of the AGM is set out on pages 17 to 21 of this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkex.com.hk) and of the Company (www.hkfinance.hk) respectively.

To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and be deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM and any adjournment thereof, if you so wish.

VOTING BY WAY OF POLL

For good corporate governance and as requested by Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, the chairman of the AGM will demand a poll on each of the resolutions set out in the notice of the AGM in accordance

LETTER FROM THE BOARD

with the Articles of Association, except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative manner (as defined under the Listing Rules) to be voted on by a show of hands. On a poll, every Shareholder present in person or by proxy, or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he is the holder.

The poll voting results conducted at the AGM will be published by an announcement to be made by the Company in accordance with the Listing Rules following the conclusion of the AGM at the websites of the Stock Exchange and of the Company respectively.

RESPONSIBILITY STATEMENT

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 misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of the AGM including (a) the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (b) the re-election of the Retiring Directors, are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By Order of the board of directors of
Hong Kong Finance Group Limited
Chan Kwong Yin William
Chairman and Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate.

LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase shares on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 415,000,000 Shares in issue.

The Repurchase Mandate will enable the Directors to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing the relevant ordinary resolution at the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no further Shares will be issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 41,500,000 Shares.

The Repurchase Mandate, unless revoked or varied by way of an ordinary resolution of the Shareholders in general meeting, will expire at the conclusion of the next annual general meeting of the Company.

FUNDING OF REPURCHASE

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interest of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital and/or gearing position of the Company as compared with the position disclosed in the Company's annual report for the year ended 31 March 2014, being the most recently published audited accounts, in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements and/or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) currently intend to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No connected person (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so if the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING

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

THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code.

Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code. As at the Latest Practicable Date and insofar the Directors are aware of, a Controlling Shareholder owned 300,000,000 Shares, representing 72.3% of the issued share capital of the Company. In the event that the Repurchase Mandate was exercised in full, (i) the interest of the Controlling Shareholder in the Company will be increased to approximately 80.3%. On the basis of the aforesaid increase in shareholding, under Rule 26 of the Takeovers Code, an obligation to make a general offer to Shareholders may arise as a result of an exercise of the mandate. Save as aforesaid disclosed, the Directors are not presently aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in hands of public falling below the prescribed minimum percentage of 25% in the Listing Rules.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) since 2 October 2013, being the Listing Date, up to and including the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange since 2 October 2013, being the Listing Date, and up to the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
October (from the Listing Date)	1.20	0.95
November	1.04	0.82
December	1.00	0.85
2014		
January	0.95	0.86
February	1.02	0.88
March	0.95	0.84
April	0.91	0.76
May	0.86	0.78
June (up to the Latest Practicable Date)	0.91	0.82

The following are the particulars, as required to be disclosed by the Listing Rules, of the Retiring Directors proposed for re-election at the AGM:

MR. CHAN KOUNG NAM

Mr. Chan KOUNG NAM (陳光南) (“**Mr. Chan**”), aged 58, is the executive Director. He is the brother of Mr. Chan Kwong Yin William and one of the founders of the Group. He is also a director of Tin Ching Holdings, HKF Overseas, HK Finance, Charterfame, Asia Ford, Max Art, Oriental Credit. He has over fifteen years of experience in money lending business and is responsible for the strategic planning and overall development of the Group.

Mr. Chan entered into a service contract with the Company for a term of three years commencing from 2 October 2013 and is renewable automatically for successive terms of three years, and may be terminated by not less than three months’ notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual salary of HK\$1,200,000, a guaranteed bonus equivalent to one month’s salary, and a discretionary bonus (which is determined with reference to the Group’s operating results and the performance of the specific Director). For the year ended 31 March 2014, Mr. Chan received remuneration of HK\$1,045,000 and a discretionary bonus of HK\$167,000. The amount of remuneration of the executive Directors is determined by the remuneration committee of the Company on the basis of the relevant executive Director’s experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. Chan was indirectly interested in 300,000,000 Shares, representing approximately 72.3% of the issued share capital of the Company. Save as disclosed herein, Mr. Chan was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chan does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. Chan does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHAN KWONG YIN WILLIAM

Mr. Chan Kwong Yin William (陳光賢) (“**Mr. William Chan**”), aged 49, is the executive Director and the Chairman. He is the brother of Mr. Chan KOUNG NAM and one of the founders of the Group. He is also a director of Tin Ching Holdings, HKF Overseas, HK Finance, Charterfame, Asia Ford, Max Art, Oriental Credit. He has over fifteen years of experience in money lending business and is responsible for overseeing the Group’s business operation and development as well as monitoring the Group’s corporate strategy and administration. Mr. William Chan also supervises the formulation of the Group’s marketing strategy and the execution of the relevant marketing programs.

Mr. William Chan entered into a service contract with the Company for a term of three years commencing from 2 October 2013 and is renewable automatically for successive terms of three years, and may be terminated by not less than three months' notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual salary of HK\$1,200,000, a guaranteed bonus equivalent to one month's salary, a discretionary bonus (which is determined with reference to the Group's operating results and the performance of the specific Director), and a quarter located at Flat A on 30th Floor of Tower 9, The Palazzo, 28 Lok King Street, Shatin, Hong Kong. For the year ended 31 March 2014, Mr. William Chan received remuneration of HK\$1,045,000 and a discretionary bonus of HK\$167,000. The amount of remuneration of the executive Directors is determined by the remuneration committee of the Company on the basis of the relevant executive Director's experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. William Chan was indirectly interested in 300,000,000 Shares, representing approximately 72.3% of the issued share capital of the Company. Save as disclosed herein, Mr. William Chan was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. William Chan does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. William Chan does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. TSE PUI TO

Mr. Tse Pui To (謝培道), aged 48, is the executive Director and the Chief Executive Officer who was appointed in September 2013. Mr. Tse joined the Group in December 2002 and is responsible for managing the Group's business operation with focus on mortgage loan sales, after-sales activities and other administrative functions. Prior to joining the Group, Mr. Tse worked as and held senior positions in various financial institutions such as The Sanwa Bank Limited, International Bank of Asia Limited (now known as Fubon Bank (Hong Kong) Limited) and Belgian Bank (now merged into Industrial and Commercial Bank of China (Asia)) and was mainly responsible for corporate finance activities and business promotions.

Mr. Tse entered into a service contract with the Company for a term of three years commencing from 2 October 2013 and is renewable automatically for successive terms of three years, and may be terminated by not less than three months' notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual salary of HK\$960,000, a guaranteed bonus equivalent to one month's salary, and a discretionary bonus (which is determined with reference to the Group's operating results and the performance of the specific Director). For the year ended 31 March 2014, Mr. Tse received remuneration of HK\$630,000 and a discretionary bonus of HK\$352,000. The amount of remuneration of the executive Directors is determined by the remuneration committee of the Company on the basis of the relevant executive Director's experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. Tse was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Tse does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. Tse does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHAN SIU WING RAYMOND

Mr. Chan Siu Wing Raymond (陳兆榮) ("**Mr. Raymond Chan**"), aged 49, is the independent non-executive Director who was appointed in September 2013. Currently Mr. Raymond Chan is an executive director of ENM Holdings Limited (stock code: 128) and independent non-executive directors of both Nature Flooring Holding Company Limited (to be renamed as "Nature Home Holding Company Limited") (stock code: 2083) and Quali-Smart Holdings Limited (stock code: 1348), the shares of these three companies are listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Phoenitron Holdings Limited (stock code: 8066), the shares of which are listed on Growth Enterprise Market of the Stock Exchange. Mr. Raymond Chan was an independent non-executive director of Orient Energy and Logistics Holdings Limited which was delisted from the Frankfurt Stock Exchange on 15 December 2012.

Mr. Raymond Chan possesses over twenty years of experience in the field of accounting, taxation, finance and trust. Mr. Raymond Chan obtained a bachelor of economics degree from the University of Sydney in April 1986. Mr. Raymond Chan is a member of HKICPA, a certified practicing accountant of the Australian Society of Certified Practising Accountants and a member of the Macau Society of Certified Practising Accountants.

Mr. Raymond Chan entered into a service contract with the Company for a term of two years commencing from 2 October 2013 and thereafter it may be extended for such period as he and the Company may agree in writing, and may be terminated by not less than one month's notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual fee of HK\$120,000. For the year ended 31 March 2014, Mr. Raymond Chan received fee of HK\$69,000. The amount of fee of the independent non-executive Directors is determined by the remuneration committee of the Company on the basis of the relevant independent non-executive Director's experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. Raymond Chan was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Raymond Chan does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. Raymond Chan does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHU YAT PANG TERRY

Mr. Chu Yat Pang Terry (朱逸鵬), aged 42, is the independent non-executive Director who was appointed in September 2013. At present, Mr. Chu is a managing director of Halcyon Capital Limited which specialises in initial public offerings and corporate advisory in mergers and acquisitions.

Mr. Chu possesses over twenty years of experience in corporate finance and auditing. Mr. Chu used to work for an international accounting firm and other corporate finance arms of listed financial institutions in Hong Kong.

Mr. Chu graduated from The University of Western Ontario in Canada with a bachelor of arts degree in June 1992 and from The University of Hull in the United Kingdom with a master of business administration (investment and finance) degree in June 1997. He also obtained a diploma in accounting from the School of Business and Economics of the Wilfrid Laurier University in Canada in October 1993. Mr. Chu is a member of HKICPA.

Mr. Chu entered into a service contract with the Company for a term of two years commencing from 2 October 2013 and thereafter it may be extended for such period as he and the Company may agree in writing, and may be terminated by not less than three months' notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual fee of HK\$180,000. For the year ended 31 March 2014, Mr. Chu received fee of HK\$104,000. The amount of fee of the independent non-executive Directors is determined by the remuneration committee of the Company on the basis of the relevant independent non-executive Director's experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. Chu was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chu does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. Chu does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHEUNG KOK CHEONG

Mr. Cheung Kok Cheong (張國昌), aged 56, is the independent non-executive Director who was appointed in September 2013. He is also a practising solicitor of the High Court of Hong Kong since November 1993. Currently Mr. Cheung is a partner of S.H. Chan & Co., a solicitors' firm in Hong Kong.

Mr. Cheung obtained a bachelor of arts degree from the University of Hong Kong in 1981 and a bachelor of laws degree from the University of London in 1990. Mr. Cheung was thereafter awarded the postgraduate certificate in laws by the University of Hong Kong in 1991.

Mr. Cheung entered into a service contract with the Company for a term of two years commencing from 2 October 2013 and thereafter it may be extended for such period as he and the Company may agree in writing, and may be terminated by not less than three months' notice in writing served by either party on the other. Pursuant to the terms of the contract, he will be entitled to an annual fee of HK\$120,000. For the year ended 31 March 2014, Mr. Cheung received fee of HK\$69,000. The amount of fee of the independent non-executive Directors is determined by the remuneration committee of the Company on the basis of the relevant independent non-executive Director's experience, responsibility, workload and the time devoted to the Group and is subject to the review of the remuneration committee from time to time.

As at the Latest Practicable Date, Mr. Cheung was not interested nor deemed to be interested in any Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheung does not hold, and has not held any other position in the Group nor any directorship in other listed public companies in the last three years. In addition, Mr. Cheung does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He has confirmed that he is not aware of any matters that need to be brought to the attention of the Shareholders or any information that is required to be disclosed herein pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.



Hong Kong Finance Group Limited
香港信貸集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1273)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Hong Kong Finance Group Limited (the “**Company**”) will be held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen’s Road East, Admiralty, Hong Kong, on Thursday, 31 July 2014 at 4:30 p.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements together with the directors’ report and the independent auditor’s report of the Company for the year ended 31 March 2014.
2. To declare a final dividend of HK2.8 cents per share for the year ended 31 March 2014.
3. To re-elect the following retiring directors of the Company:
 - (i) Mr. Chan Koung Nam
 - (ii) Mr. Chan Kwong Yin William
 - (iii) Mr. Tse Pui To
 - (iv) Mr. Chan Siu Wing Raymond
 - (v) Mr. Chu Yat Pang Terry
 - (vi) Mr. Cheung Kok Cheong
4. To authorise the board of directors of the Company to fix the directors’ remuneration.
5. To re-appoint PricewaterhouseCoopers as auditors of the Company from the conclusion of this meeting until the conclusion of the next annual general meeting of the Company, and to authorise the board of directors of the Company to fix their remuneration.

NOTICE OF AGM

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

6. **“THAT:**

- (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), 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 and otherwise deal with any unissued shares in the capital of the Company and to make, issue or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into shares of the Company) which will or 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 (as hereinafter defined) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which will or might require the shares in the capital of the Company to be issued either during or after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal value of the share capital allotted or agreed conditionally or unconditionally to be allotted or issued (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 (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares upon the exercise of options which may be granted under any share option scheme or under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or any other person of shares or rights to acquire shares of the Company; or (iii) any scrip dividend schemes or similar arrangements providing for the allotment and issue 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) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the total nominal value of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF AGM

(d) for the purpose 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 is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) (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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

7. **“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 shares of the Company 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 which is recognised 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/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the aggregate nominal value of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total nominal value of the share capital of the Company in issue as at the date of passing of this resolution, and the authority granted 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; or
 - (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 or any applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this resolution.”
8. “**THAT** conditional upon the ordinary resolutions numbered 6 and 7 of the notice convening this meeting being passed, the general mandate granted to the directors of the Company to allot, issue and otherwise deal with any unissued shares pursuant to the ordinary resolution numbered 6 of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company 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 value of the share capital of the Company repurchased by the Company under the authority granted pursuant to the ordinary resolution numbered 7 of the notice convening this meeting, provided that such extended amount shall not exceed 10% of the total nominal value of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the board of directors of
Hong Kong Finance Group Limited
Chan Kwong Yin William
Chairman and Executive Director

Hong Kong, 27 June 2014

NOTICE OF AGM

Notes:

1. A member entitled to attend and vote at the meeting shall be entitled to appoint another person as his/her/its proxy to attend and, on a poll, vote on his/her/its behalf. A member who is the holder of two or more shares may appoint more than one proxy to represent him and, on a poll, vote on his/her/its behalf. A proxy need not be a member of the Company.
2. In order to be valid, a proxy form together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Wednesday, 30 July 2014 to Thursday, 31 July 2014, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the annual general meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 29 July 2014.
4. The final dividend is payable to the Shareholders whose names appear on the register of members of the Company which will be closed on Wednesday, 20 August 2014. For determining the entitlement to the recommended final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 19 August 2014.
5. According to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association of the Company, any vote of shareholders at general meeting of the Company must be taken by poll. Therefore, all proposed resolutions put to the vote at the meeting will be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
6. With regard to ordinary resolutions numbered 3 and 6 to 8 of this notice, the directors of the Company have no immediate plan to repurchase any existing Shares in the Company or to issue any new Shares in the Company. A circular giving details of the re-election of directors of the Company and general mandates to issue and to repurchase shares will be despatched to shareholders of the Company. The biographical details of the retiring directors who are subject to re-election at the meeting and an explanatory statement on the repurchase of shares are set out in Appendix II and Appendix I to the circular, respectively.
7. As at the date of this notice, the Company comprises Mr. Chan Kwong Yin William (Chairman), Mr. Chan Koung Nam and Mr. Tse Pui To (Chief Executive Officer) being the executive directors, Mr. Chan Siu Wing Raymond, Mr. Chu Yat Pang Terry and Mr. Cheung Kok Cheung being the independent non-executive directors.