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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 **KFM Kingdom Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the 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 the transferee(s).

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**KFM KINGDOM HOLDINGS LIMITED**

**KFM金德控股有限公司**

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

**(Stock Code: 3816)**

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

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the AGM to be held at Workshop C, 31/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong on Tuesday, 25 August 2020 at 10:00 a.m. is set out on pages 14 to 19 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM (no later than 10:00 a.m. on 23 August 2020 (Hong Kong time)) or any adjournment thereof. 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.

23 July 2020

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## DEFINITIONS

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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 Workshop C, 31/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong on Tuesday, 25 August 2020 at 10:00 a.m., the notice of which is set out on pages 14 to 19 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Associates”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	KFM Kingdom Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“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 General Mandate
“General 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 number of the issued Shares as at the date of passing the relevant resolution at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 July 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate number of which shall not exceed 10% of the aggregate number of issued Shares as at the date of passing the relevant resolution at the AGM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.1 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 Repurchases
“%”	per cent.

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LETTER FROM THE BOARD

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**KFM KINGDOM HOLDINGS LIMITED**

**KFM金德控股有限公司**

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

**(Stock Code: 3816)**

*Executive Directors:*

Mr. Sun Kwok Wah Peter

Mr. Wong Chi Kwok

*Non-executive Director:*

Mr. Zhang Haifeng (*Chairman*)

*Independent non-executive Directors:*

Mr. Wan Kam To

Ms. Zhao Yue

Mr. Shen Zheqing

*Registered office:*

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal place of business in Hong Kong:*

Workshop C, 31/F, TML Tower

3 Hoi Shing Road, Tsuen Wan

New Territories, Hong Kong

23 July 2020

*To the Shareholders*

Dear Sir or Madam

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF DIRECTORS**

**INTRODUCTION**

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of the AGM. Resolutions to be proposed at the AGM include, inter alia: (a) ordinary resolutions on the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate; and (b) ordinary resolutions relating to the proposed re-election of the Directors.

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## LETTER FROM THE BOARD

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### GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the General 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 number of the issued Shares on the date of passing of such resolution. On the basis of 600,000,000 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased prior to the AGM, the maximum number of Shares to be allotted and issued pursuant to the General Mandate will be 120,000,000;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate number of the issued Shares 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 General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

Each of the General 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 authority 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.

The Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

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 to this circular.

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 20 August 2020 to Tuesday, 25 August 2020, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with

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## LETTER FROM THE BOARD

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the Company's branch share registrar in Hong Kong, namely Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 19 August 2020.

### PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to article 105 of the Articles of Association, one-third of the Directors shall retire from office by rotation at each AGM of the Company. Mr. Zhang Haifeng and Mr. Wan Kam To shall retire from office by rotation at the AGM and, being eligible, offer themselves for re-election as Directors at the AGM.

The Nomination Committee, having reviewed the structure and composition of the Board and the confirmation of independence provided by Mr. Wan Kam To pursuant to Rule 3.13 of the Listing Rules, nominated Mr. Wan Kam To to the Board for it to recommend to Shareholders for re-election as an independent non-executive Director at the Annual General Meeting. The nomination was made in accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company. The Nomination Committee had also taken into account Mr. Wan's working profile and his extensive experience as set out in Appendix II to this circular, contributions of Mr. Wan to the Board and his commitment to his roles and it was satisfied with his independence having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules. The Nomination Committee considers that Mr. Wan will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Board accepted Nomination Committee's nomination and recommended Mr. Wan to stand for re-election as an independent non-executive Director by Shareholders at the Annual General Meeting. The Board is satisfied that Mr. Wan has the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director and consider Mr. Wan to be independent.

Given the extensive knowledge and experience of Mr. Zhang Haifeng, the Nomination Committee and the Board believe that his re-elections as Director is in the best interests of the Company and the Shareholders, and therefore recommend the Shareholders to reelect Mr. Zhang as a Director. Separate resolutions will be proposed for his re-election at the Annual General Meeting.

Biographical information of each of the Directors who are proposed to be re-elected at the AGM is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### ACTIONS TO BE TAKEN

Set out on pages 14 to 19 of this circular is a notice convening the AGM at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate; and
- (b) the proposed re-election of Directors.

Whether or not you are able to attend the AGM in person, you are requested to complete 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM (no later than 10:00 a.m. on 23 August 2020 (Hong Kong time)) or any adjournment thereof. 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.

### VOTING AT THE AGM

All resolutions at the AGM shall be conducted by way of poll, and the results of the AGM will be announced by the Company in compliance with the Listing Rules.

### RECOMMENDATIONS

The Board considers that the ordinary resolutions in respect of the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate and the proposed re-election of Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the AGM.

### GENERAL INFORMATION

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  
**KFM Kingdom Holdings Limited**  
**Zhang Haifeng**  
*Chairman*



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## **APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

### **1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities 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.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 600,000,000 Shares in issue.

The Repurchase Mandate will enable the Directors to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate number of the issued Shares on the date of passing the relevant ordinary resolution in the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no Shares will be issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 60,000,000 Shares.

### **3. REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the best interests 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.

### **4. FUNDING OF REPURCHASES**

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so

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## APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

### 5. GENERAL

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 most recent 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 or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

### 6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 calendar months immediately preceding the Latest Practicable Date are as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2019</b>		
July	0.43	0.33
August	0.41	0.34
September	0.38	0.32
October	0.38	0.31
November	0.37	0.32
December	0.37	0.30
<b>2020</b>		
January	0.38	0.34
February	0.38	0.33
March	0.35	0.26
April	0.30	0.24
May	0.26	0.22
June	0.24	0.20
July (up to the Latest Practicable Date)	0.25	0.23

**7. 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 repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

**8. CONNECTED PERSON**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention 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) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company, or has any such connected person undertaken not to do so, in the event that the grant of Repurchase Mandate to the Directors is approved by the Shareholders.

**9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, 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. As a result, a Shareholder or 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 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Massive Force Limited ("MFL") beneficially owned 449,999,012 Shares, representing approximately 75.0% of the existing issued Shares. The issued ordinary shares of MFL are owned as to 40.0% by Mr. Zhang Yongdong.

Assuming that the issued share capital of the Company remains unchanged up to the date of the AGM and in the event that the Repurchase Mandate is exercised in full, the shareholding of MFL in the Company will be increased to approximately 83.33%. On the basis of the current shareholding of MFL, an exercise of the Repurchase Mandate will not result in MFL becoming obliged to make a mandatory offer under Rule 26.1 of the Takeovers Code.

The Directors have no intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such extent as would result in the level of shareholdings in the Company held by the public falling below 25%. None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

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## APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

### 10. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following sets out the biographical information of the Directors eligible for re-election at the AGM:

**Non-executive Director**

**Mr. Zhang Haifeng (張海峰)**, aged 53, was appointed as a non-executive Director and chairman on 13 October 2016. Mr. Zhang Haifeng is currently the vice general manager of 內蒙古坤龍房地產開發有限責任公司 (Inner Mongolia Kun Long Real Estate Development Limited). Prior to his current position at Inner Mongolia Kun Long Real Estate Development Limited, he worked for various positions at 包頭市對外經濟貿易公司 (Baotou Foreign Economic Relations and Trade Limited) from 1988 to 2002.

Mr. Zhang Haifeng has not held any directorship in the last three years in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and does not have any other major appointments. Save as disclosed, Mr. Zhang Haifeng does not hold any other positions with the Company or any of its subsidiaries.

There is no service contract entered into between the Company and Mr. Zhang Haifeng. Pursuant to the letter of appointment entered into between the Company and Mr. Zhang Haifeng, Mr. Zhang Haifeng has been appointed as a non-executive Director without a specific fixed terms commencing from 13 October 2016. His appointment may be terminated by himself by serving not less than one month's notice in writing. Mr. Zhang Haifeng is subject to retirement and re-election in accordance with the code of corporate governance practices. The emolument of Mr. Zhang Haifeng is HK\$150,000 per annum which was determined by reference to the prevailing market rate.

As at the Latest Practicable Date, Mr. Zhang Haifeng did not have, and was not deemed to have, any interests in any other Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Mr. Zhang Haifeng does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or controlling Shareholders.

**Independent non-executive Director**

**Mr. Wan Kam To (尹錦滔)**, aged 67, was appointed as an independent non-executive Director on 22 September 2012. Mr. Wan Kam To graduated from Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in 1975 with a Higher Diploma in Accountancy. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Mr. Wan Kam To has been a practicing accountant in Hong Kong for over 30 years and has extensive experience in auditing and advisory work. Mr. Wan was a former partner of PricewaterhouseCoopers Hong Kong.

He is the Treasurer and member of the Council of the Open University of Hong Kong.

Mr. Wan Kam To is also currently an independent non-executive director of several listed companies, which are listed on the Stock Exchange, namely Fairwood Holdings Limited (stock code: 52), Haitong International Securities Group Limited (stock code: 665) since June 2018, China Resources Land Limited (stock code: 1109), A-Living Services Co., Ltd (stock code: 3319), and Target Insurance (Holdings) Limited (stock code: 6161). He has also served as an independent non-executive director of China World Trade Centre Co., Ltd., a company listed on the Shanghai Stock Exchange (the “SSE”) with stock code 600007, since November 2016.

Mr. Wan also previously served as an independent non-executive director of several listed companies, which are listed on the Stock Exchange, S. Culture International Holdings Limited (stock code: 1255) from May 2013 to July 2017, Kerry Logistics Network Limited (stock code: 636) from November 2013 to May 2019, Huaneng Renewables Corporation Limited (stock code: 958) from August 2010 to June 2019, Shanghai Pharmaceuticals Holding Company Limited (stock code: 2607) (“SPH”) from June 2013 to June 2019, Harbin Bank Co., Ltd. (stock code: 6138) from October 2013 to October 2019 and Dalian Port (PDA) Company Limited, which is listed on the Stock Exchange (stock code: 2880) (“PDA”) from June 2011 to June 2017 respectively. SPH and PDA are also listed on the SSE with stock code 601607 and 601880 respectively.

Save as disclosed, Mr. Wan Kam To has not held any directorship in the last three years in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and does not have any other major appointments. Save as disclosed, Mr. Wan Kam To does not hold any other position with the Company or any of its subsidiaries.

There is no service contract entered into between the Company and Mr. Wan Kam To. Pursuant to the letter of appointment entered into between the Company and Mr. Wan Kam To, Mr. Wan Kam To has been appointed as an independent non-executive Director for a term of two years from 22 September 2012.

Mr. Wan Kam To's appointment may be terminated by himself by serving not less than three months' notice in writing. Mr. Wan Kam To is subject to retirement and re-election in accordance with the code of corporate governance practices. The emolument of Mr. Wan Kam To is HK\$400,000 per annum which was determined by reference to the prevailing market rate.

As at the Latest Practicable Date, Mr. Wan Kam To did not have, and was not deemed to have, any interests in any other Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Wan Kam To does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or controlling Shareholders.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to the re-election of each of Mr. Zhang Haifeng and Mr. Wan Kam To and there is no information which is discloseable nor is/was Mr. Zhang Haifeng and Mr. Wan Kam To involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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### KFM KINGDOM HOLDINGS LIMITED

### KFM金德控股有限公司

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

**(Stock Code: 3816)**

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of KFM Kingdom Holdings Limited (“Company”) will be held at Workshop C, 31/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong on Tuesday, 25 August 2020 at 10:00 a.m. for the purpose of transacting the following business:

### ORDINARY BUSINESS

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“Directors”) and the auditors of the Company for the year ended 31 March 2020.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. Zhang Haifeng as Director;
  - (b) to re-elect Mr. Wan Kam To as Director; and
  - (c) to authorise the board of Directors to fix the Directors’ remuneration.
3. To re-appoint SHINEWING (HK) CPA Limited as the auditor of the Company and authorise the Board to fix their remuneration.

### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modifications):

4. “THAT:
  - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and all other applicable laws, the exercise by the directors of the Company during the Relevant Period (as defined in



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## NOTICE OF ANNUAL GENERAL MEETING

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paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares in the Company) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares in the Company) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares in the Company shall not exceed the aggregate of:
  - (aa) 20 per cent. of the aggregate number of the issued shares of the Company on the date of the passing of this resolution; and
  - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of any share of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate number of the issued shares of the Company on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) (“**Company Law**”) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“**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 in the Company open for a period fixed by the directors of the Company to holders of shares in the Company whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to purchase shares in the capital of the Company on the Stock Exchange or any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of shares in the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate number of the issued shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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, the Companies Law or any other applicable law of the Cayman Islands to be held; or
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
6. “**THAT** conditional on the passing of resolutions numbered 4 and 5 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 4 above be and is hereby extended by the addition to the aggregate number of the shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate number of the shares of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 5 above.”

By order of the Board  
**KFM Kingdom Holdings Limited**  
**Zhang Haifeng**  
*Chairman*

Hong Kong, 23 July 2020

*Principal place of business in Hong Kong:*  
Workshop C, 31/F, TML Tower  
3 Hoi Shing Road, Tsuen Wan  
New Territories, Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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### Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the meeting. A proxy need not be a member of the Company but must be present in person to represent him/her/it.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited ("**Branch Registrar**") at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time of the meeting (no later than 10:00 a.m. on 23 August 2020 (Hong Kong time)) or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint registered holders of a share in the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she/it were solely entitled thereto or if more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. For the purpose of ascertaining Shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 20 August 2020 to Tuesday, 25 August 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, namely Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 19 August 2020.
6. In relation to the proposed resolutions numbered 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). The Directors have no immediate plans to issue any new shares other than shares which may fall to be issued under the share option scheme of the Company.
7. In relation to the proposed resolution numbered 5 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in a circular to the shareholders.

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## NOTICE OF ANNUAL GENERAL MEETING

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### PRECAUTIONARY MEASURES FOR THE AGM

The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to the Company. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and stakeholders of the Company from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may be asked whether (a) he/she travelled outside of Hong Kong within the 14-day period immediately before the AGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

In addition, the Company reminds all Shareholders that attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and returning the proxy form attached to this circular.

If any Shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's share registrar as follows:

Tricor Investor Services Limited  
Level 54, Hopewell Center,  
183 Queen's Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
Tel: 2980 1333  
Fax: 2810 8185

*As at the date of this notice, the board of Directors comprises the executive Directors: Mr. Sun Kwok Wah Peter and Mr. Wong Chi Kwok; the non-executive Director: Mr. Zhang Haifeng (Chairman); and the independent non-executive Directors: Mr. Wan Kam To, Ms. Zhao Yue and Mr. Shen Zheqing.*