

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

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

If you have sold or transferred all your shares in Zhong Ao Home Group Limited 中奧到家集團有限公司 (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**Zhong Ao Home Group Limited**  
**中奧到家集團有限公司**

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

**(Stock Code: 1538)**

**GRANTING OF GENERAL MANDATES TO ISSUE AND  
TO BUY BACK SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
APPOINTMENT OF NEW AUDITOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Imperial Room IV, Mezzanine Floor – Towers Wing, The Royal Pacific Hotel & Towers, China Hong Kong City, 33 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 26 May 2017 at 2:00 p.m. is set out on pages 16 to 20 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and of the Company (<http://www.gdzawy.com>).

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share register in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or at any adjourned meeting. If the member attend and vote at the Annual General Meeting, the authority of his/her proxy shall be deemed to be revoked.

25 April 2017



## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Imperial Room IV, Mezzanine Floor – Towers Wing, The Royal Pacific Hotel & Towers, China Hong Kong City, 33 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 26 May 2017 at 2:00 p.m.;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Buyback Mandate”	a general unconditional mandate to be granted to the Directors to exercise all power of the Company to buy back Shares on the Stock Exchange, which shall not exceed 10% of the total number of Shares in issue as at the date of passing of the relevant resolution;
“Companies Law”	The Companies Law of the Cayman Islands;
“Company”	Zhong Ao Home Group Limited 中奧到家集團有限公司, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange;
“Deloitte”	Deloitte Touche Tohmatsu, Certified Public Accountants
“Director(s)”	director(s) of the Company;
“Ernst & Young”	Ernst & Young, Certified Public Accountants
“General Mandates”	the Buyback Mandate and the Issuance Mandate;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issuance Mandate”	a general unconditional mandate to be granted to the Directors to exercise the powers of the Company to allot, issue or deal with unissued Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution;

## DEFINITIONS

“Latest Practicable Date”	18 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the Growth Enterprise Market of the Stock Exchange;
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan);
“Pre-IPO Option Scheme”	the pre-IPO share option scheme adopted by the Company on 20 April 2015;
“Proposed Appointment of New Auditor”	the proposed appointment of Ernst & Young as the new auditor of the Company following the retirement of Deloitte;
“SFC”	the Securities and Futures Commission of Hong Kong;
“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;
“Share Premium Account”	the share premium account of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-Backs; and
“%”	per cent.



## Zhong Ao Home Group Limited

中奧到家集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1538)

*Executive Directors:*

Mr. Liu Jian (*Chairman and Chief Executive Officer*)  
Ms. Chen Zhuo  
Mr. Liang Bing  
Mr. Long Weimin

*Non-executive Directors:*

Mr. Wei Zhe  
Ms. Wu Qimin  
Mr. Lam Yiu Por  
Mr. Zheng Dong

*Independent Non-executive Directors:*

Mr. Lee Kwok Tung Louis  
Mr. Yuan Boyin  
Mr. Wu Haibing  
Mr. Zhang Weilun

*Registered Office:*

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

*Headquarters and Principal Place of  
Business in the PRC:*

1-2/F, Block 5,  
Southern Olympic Garden,  
Han Xi Avenue, Zhong Cun  
Panyu, Guangzhou, Guangdong,  
the PRC

*Principal Place of Business in  
Hong Kong*

Suite Nos. 5 and 6, 9th Floor  
Tower 2, China Hong Kong City  
33 Canton Road, Tsimshatsui  
Hong Kong

25 April 2017

*To the Shareholders*

Dear Sirs or Madams,

**GRANTING OF GENERAL MANDATES TO ISSUE AND  
TO BUY BACK SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
APPOINTMENT OF NEW AUDITOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the General Mandates to the Directors; (ii) re-electing of the retiring Directors; (iii) the Proposed Appointment of New Auditor; and (iv) giving Shareholders the notice of the Annual General Meeting.

## LETTER FROM THE BOARD

### 2. GENERAL MANDATES TO ISSUE AND TO BUY BACK SHARES

At the annual general meeting of the Company held on 31 May 2016, approval was given by Shareholders for the granting of, inter alia, general mandates to the Directors to (i) buy back Shares on the Stock Exchange up to 10% of the number of issued Shares of the Company as at the date of passing of the relevant resolution; and (ii) allot and issue Shares not exceeding 20% of the number of issued Shares of the Company as at the date of passing of the relevant resolution. In accordance with the terms of the approval, these general mandates will lapse at the conclusion of the Annual General Meeting.

The Board takes the view that it would be in the interests of the Company and the Shareholders as a whole if the general mandates were renewed.

An ordinary resolution will be proposed at the Annual General Meeting to approve the granting of Issuance Mandate to the Directors to allot, issue or deal with unissued Shares not exceeding 20% of the total number of Shares of the Company in issue as at the date of passing of relevant resolution. As at the Latest Practicable Date, the Company had 794,172,000 Shares in issue. Assuming that there is no issuance of Shares or any buy-back of Shares from the Latest Practicable Date up to the date of the Annual General Meeting, up to a maximum of 158,834,400 Shares may be issued under the Issuance Mandate.

An ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Buyback Mandate to the Directors to buy back Shares on the Stock Exchange with the total number of Shares which represent up to 10% of the total number of the Shares of the Company in issue as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the Company had 794,172,000 Shares in issue. Assuming that there is no issuance of Shares or any buy-back of Shares from the Latest Practicable Date up to the date of the Annual General Meeting, up to a maximum of 79,417,200 Shares may be bought back under the Buyback Mandate.

With reference to the Issuance Mandate and the Buyback Mandate, the Directors wish to state that they have no immediate plan to issue any Shares or to buy back any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing 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 granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in Appendix I to this circular.

## LETTER FROM THE BOARD

### 3. RE-ELECTION OF DIRECTORS

Pursuant to Article 84 of the Company's Articles of Association, Mr. Lee Kwok Tung Louis, Mr. Zhang Weilun, Mr. Yuan Boyin, Mr. Wu Haibing shall retire by rotation at the Annual General Meeting.

In addition, pursuant to Article 83 (3) of the Company's Articles of Association Mr. Zheng Dong who has been appointed by the Board shall hold office until the Annual General Meeting.

All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The re-election of Directors has been reviewed by the Nomination Committee which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the Annual General Meeting. The Nomination Committee has also assessed the independence of all Independent Non-executive Directors ("INEDs") of the Company including the INEDs to be re-elected at the Annual General Meeting. All the INEDs of the Company satisfy the independence guidelines set out in Rule 3.13 of the Listing Rules.

Brief biographical details of the above Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### 4. PROPOSED APPOINTMENT OF NEW AUDITOR

Reference is made to the announcement of the Company dated 20 April 2017 in relation to the Proposed Appointment of New Auditor of the Company. Deloitte will retire as the auditor of the Company upon expiration of its current term of office at the close of the Annual General Meeting and will not seek for re-appointment.

The Board resolved, with the recommendation from the audit committee, to propose the appointment of Ernst & Young as the new auditor of the Company following the retirement of Deloitte and to hold office until the conclusion of the next annual general meeting of the Company, subject to the approval of the Shareholders at the Annual General Meeting.

The Board is of the view that the Proposed Appointment of New Auditor will help the cost control of the Group and that it would be in the best interest of the Company as well as the Shareholders as a whole.

The Company has, on 20 April 2017, received a letter from Deloitte confirming that, up to 20 April 2017, there are no matters in respect of its retirement that need to be brought to the attention of the Shareholders and the Board has also confirmed that there is no disagreement between Deloitte and the Company, and there are no other matters in respect of the Proposed Appointment of New Auditor that need to be brought to the attention of the Shareholders.

## LETTER FROM THE BOARD

### 5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 16 to 20 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.gdzawy.com>). To be valid, this form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the Annual General Meeting or at any adjourned meeting. If the member attend and vote at the Annual General Meeting, the authority of his/her proxy form shall be deemed to be revoked.

### 6. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules and the Company's Articles of Association, all votes of the Shareholders at the Annual General Meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted upon by a show of hands.

The results of the poll will be published after the conclusion of the Annual General Meeting on the respective websites of the Hong Kong Exchanges and Clearing Limited and the Company.

### 7. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Buyback Mandate) and Appendix II (Details of the Directors proposed to be re-elected at the Annual General Meeting) to this circular.

### 8. RECOMMENDATION

The Directors consider that the resolutions to be proposed at the Annual General Meeting for (i) the granting of the General Mandates to the Directors; (ii) re-electing of the retiring Directors; and (iii) the Proposed Appointment of New Auditor as set out in the notice of the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.



## LETTER FROM THE BOARD

### 9. 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 the circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
On behalf of the Board  
**Zhong Ao Home Group Limited**  
**Liu Jian**  
*Chairman and Chief Executive Officer*

This appendix serves as the explanatory statement required to be sent to the Shareholders by the Listing Rules to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the proposed Buyback Mandate to be granted to the Directors, which relates to the Shares.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the Company had 794,172,000 Shares in issue.

Subject to the passing of the proposed resolution in respect of the granting of the Buyback Mandate at the Annual General Meeting and on the basis that no Shares are issued or bought back prior to the Annual General Meeting, the Company will be allowed under the Buyback Mandate to buy back a maximum of 79,417,200 Shares (representing 10% of the total number of Shares in issue as at the date of the granting of the Buyback Mandate).

## **2. REASON FOR SHARE BUY-BACK**

Buy-back of Shares will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share or both.

## **3. FUNDING OF SHARE BUY-BACK**

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and Articles of Association of the Company, the Listing Rules and the applicable laws and regulations from time to time in force of the Cayman Islands. A listed company is prohibited from buying back 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 from time to time.

Under the Cayman Islands law, any buy-back by the Company may be made out of profits of the Company or from sums standing to the credit of the Share Premium Account of the Company or out of the proceeds of a fresh issue of Share made for the purpose of the buy-back or, if authorized by the Articles of Association and subject to the Companies Law, out of capital and, in case of any premium payable on the buy-back, out of profits of the Company or from sums standing to the credit of the Share Premium Account of the Company, or if authorized by our Articles of Association and subject to the Companies Law, out of capital.

#### 4. IMPACT OF SHARE BUY-BACK

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2016 in the event that the buy-back of Shares were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the buy-back of Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. SHARE PRICES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange in each of the previous twelve months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2016</b>		
January	1.85	1.18
February	1.31	0.96
March	1.44	1.16
April	1.37	1.25
May	1.39	1.21
June	1.38	1.19
July	1.29	1.18
August	1.21	1.06
September	1.29	1.11
October	1.17	1.10
November	1.31	1.14
December	1.30	1.10
<b>2017</b>		
January	1.19	1.13
February	1.30	1.16
March	1.25	1.09
April (up to and including the Latest Practicable Date)	1.03	0.98

#### 6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise all powers of the Company to make buy-back pursuant to the Buyback Mandate and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in Rule 1.01 of the Listing Rules), has any present intention to sell any Shares to the Company or its subsidiaries under the Buyback Mandate if such resolution is approved by the Shareholders.

No other core connected persons (as defined in Rule 1.01 of the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Buyback Mandate is approved by the Shareholders.

## 7. TAKEOVERS CODE

If on the exercise of the powers to buy back Shares pursuant to the Buyback 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.

To the best knowledge and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, Mr. Liu Jian, Dawngate Limited and Qichang International Limited, the controlling shareholders of the Company (as defined in the Listing Rules), were interested in 435,820,000 Shares representing approximately 54.88% of the total issued Shares of the Company. On the basis that no Shares are issued or bought back prior to the date of the Annual General Meeting, in the event that the Directors should exercise in full the Buyback Mandate, the shareholding of the controlling shareholders will increase to approximately 60.97% of the total issued Share of the Company. Such increase in shareholding would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will ensure that the Buyback Mandate will not be exercised to such extent that would result in the public shareholding of the Company will be less than the minimum public float requirement of 25% of the total issued Share of the Company.

**8. SHARE BUY-BACK MADE BY THE COMPANY**

The Company bought back a total of 372,000 Shares on the Stock Exchange in the six months preceding the Latest Practical Date, with details as follows:

<b>Date</b>	<b>Number of Shares bought-back</b>	<b>Purchase price per Share</b>	
		<b>Highest HK\$</b>	<b>Lowest HK\$</b>
11 November 2016	40,000	1.18	1.18
14 November 2016	18,000	1.17	1.14
15 November 2016	90,000	1.22	1.18
16 November 2016	150,000	1.22	1.20
12 December 2016	34,000	1.24	1.20
14 December 2016	40,000	1.19	1.19
	<u>372,000</u>		

The Shares buy-back were subsequently cancelled. Save as disclosed above, the Company has not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

*As required by the Listing Rules, the following are the particulars of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting:*

#### **MR. LEE KWOK TUNG LOUIS**

**Mr. Lee Kwok Tung Louis**, aged 49, joined the Company and was appointed as an independent non-executive director of the Company in November 2015. Mr. Lee has gained over 24 years of experience with unlisted groups, listed groups and professional firms in finance, accounting and auditing since 1993. Mr. Lee graduated from Macquarie University, Australia with a bachelor's degree in Economics in April 1993. Mr. Lee has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since October 1999 and a certified practicing accountant of the CPA Australia since June 1996.

Mr. Lee is currently an independent non-executive director of CGN Mining Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 01164), an independent non-executive director of Winto Group (Holdings) Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 08238) and an independent non-executive director of Windmill Group Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (Stock code: 08409).

Mr. Lee has entered into a service contract with the Company for an initial fixed term of three years renewable automatically until terminated by not less than three months' notice in writing served by either the Company or the respective Director. He is also subject to retirement by rotation at least once every three years at the Annual General Meeting of the Company in accordance with the Articles of Association. He is entitled to a director's fee of HK\$180,000 per annum (which is covered by the service contract) as determined by the Board with the recommendation of the remuneration committee by reference to comparable companies, his experience, time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Lee did not have any interest in Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Lee had no relationship with any Directors, senior management, substantial Shareholders of the Company.

#### **MR. ZHANG WEILUN**

**Mr. Zhang Weilun**, aged 44, joined the Company and was appointed as an independent non-executive director of the Company on 5 November 2015. Prior to joining the Group, he worked as an assistant project manager and project manager at Shimizu Corporation (清水建設株式会社) from June 1996 to November 1997 and from December 1997 to May 1998 respectively. During 1999 to 2004, he successively served as a general manager of Nanguo Olympic Garden (南國奧林匹克花園), a president, vice-chairman and director of Wuhan Chengcheng Cultural Investment Group Co., Ltd. (武漢誠成文化投資集團股份有限公司) (later changed to Wuhan Aoyuan City Development Co., Ltd. (武漢奧園城市發展股份有限公司) and then Wuhan Wanhong Group Co., Ltd. (武漢萬鴻集團股份有限公司)) (stock code: 600681), a company listed on the Shanghai Stock Exchange, an executive

vice president and a director of Aoyuan Group Limited (奧園集團有限公司). Mr. Zhang has been the chairman and general manager of Guangzhou Willsun Real Estate Co., Ltd. (廣州維森置業有限公司) since 2005. Mr. Zhang graduated from Wuhan University of Hydraulic and Electrical Engineering (武漢水利電力大學) with a bachelor's degree in civil engineering in 1993.

Mr. Zhang has entered into a service contract with the Company for an initial fixed term of three years renewable automatically until terminated by not less than three months' notice in writing served by either the Company or the respective Director. He is also subject to retirement by rotation at least once for every three years at the Annual General Meeting of the Company in accordance with the Articles of Association. He is also entitled to a director's fee of HK\$180,000 per annum (which is covered by the service contract) as determined by the Board with the recommendation of the remuneration committee by reference to comparable companies, his experience, time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Zhang did not have any interest in Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Zhang had no relationship with any Directors, senior management, substantial Shareholders of the Company.

#### **MR. WU HAIBING**

**Mr. Wu Haibing**, aged 44, joined the Company and was appointed as an independent non-executive director of the Company on 5 November 2015. Mr. Wu has over 15 years of experience in finance. Mr. Wu worked for PricewaterhouseCoopers in the United States from May 2000 to February 2006. He later worked as a senior manager in the assurance department of PricewaterhouseCoopers Zhong Tian CPAs Limited Company from February 2006 to November 2007. Since October 2007, he has been serving as the chief financial officer of Plateno Hotels Group (formerly known as 7 Days Group Holdings Limited). Mr. Wu graduated from Shanghai Jiao Tong University (上海交通大學) with a bachelor's degree in economics in July 1994 and received a master's degree in business administration from Michigan State University in May 2000. Mr. Wu is currently an independent non-executive director of Acron International Inc., a company listed on the New York Stock Exchange (NYSE: ATV).

Mr. Wu has entered into a service contract with the Company for an initial fixed term of three years renewable automatically until terminated by not less than three months' notice in writing served by either the Company or the respective Director. He is subject to retirement by rotation at least once for every three years at the Annual General Meeting of the Company in accordance with the Articles of Association. He is also entitled to a director's fee of HK\$180,000 per annum (which is covered by the service contract) as determined by the Board with the recommendation of the remuneration committee by reference to comparable companies, his experience, time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Wu did not have any interest in Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Wu had no relationship with any Directors, senior management, substantial Shareholders of the Company.

#### MR. YUAN BOYIN

**Mr. Yuan Boyin**, aged 52, joined the Company and was appointed as an independent non-executive director of the Company on 5 November 2015. Prior to joining the Group, from July 1997 to October 2000, Mr. Yuan served as the managing director of China Resources Supermarket (Suzhou) Co., Ltd. (華潤超級市場(蘇州)有限公司). From November 2000 to May 2007, he was employed by B&Q (China) Investment Co., Ltd. (百安居(中國)投資有限公司) and held management positions of vice president of operations, vice president of buying, executive vice president of commercial and executive vice president of B2B business. From June 2007 to August 2011, he was employed by China Vanke Co., Ltd. (萬科企業股份有限公司) and his last position held was group executive vice president. From August 2011 to December 2012, he served as the president of Red Star Macalline Group Corporation Ltd. (紅星美凱龍家居集團股份有限公司). From January 2013 to August 2013, he served as the chief executive officer of Shanghai Red Star Macalline Investment Co., Ltd. (上海紅星美凱龍投資有限公司). He has been holding the post of the CEO of Shanghai Brillia Business Management Consulting Co., Ltd. (上海柏迎企業管理諮詢有限公司) since September 2013 till now and the Chairman of Shanghai Yuntai Investment Co., Ltd. (上海雲太投資有限公司董事長) since June 2015 till now. Mr. Yuan graduated from Fudan University (復旦大學) with a bachelor's degree in Science in 1985. He later obtained a master's degree in engineering from Tsinghua University (清華大學) in 1987. Mr. Yuan was a director and an executive chairman of Scintronix Corporation Ltd., a company which was listed on the Singapore Exchange, from November 2013 to February 2014.

Mr. Yuan has entered into a service contract with the Company for an initial fixed term of three years renewable automatically until terminated by not less than three months' notice in writing served by either the Company or the respective Director. He is also subject to retirement by rotation at least once every three years at the Annual General Meeting of the Company in accordance with the Articles of Association. He is entitled to a director's fee of HK\$180,000 per annum (which is covered by the service contract) as determined by the Board with the recommendation of the remuneration committee by reference to comparable companies, his experience, time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Yuan did not have any interest in Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Yuan had no relationship with any Directors, senior management, substantial Shareholders of the Company



**MR. ZHENG DONG**

**Mr. Zheng Dong**, aged 51, joined the Company and was appointed as a non-executive director of the Company on 5 January 2017. Mr. Zheng has over 20 years of experience in sales and property development. From May 2011 to March 2016, Mr. Zheng was the general manager of Yixing Hongli Oriental Tourism Real Estate Development Company Limited (宜興鴻立東方旅遊地產開發有限公司). From April 2007 to March 2011, Mr. Zheng was the director and general manager of Jiangsu Zhong Tang Real Estate Company Limited (江蘇中堂置業有限公司). From October 1996 to March 2007, Mr. Zheng held various management positions at China Sports Industry Group Company Limited (中體產業集團股份有限公司). Mr. Zheng held sales position in a number of other companies between 1988 and 1997. Mr. Zheng graduated from Liaoning University with a bachelor's degree in Economics in 1988, and obtained a master's degree in Economics from Liaoning University in 1996 and a master's degree in Project Management from University of Management & Technology in 2005.

Mr. Zheng has entered into a service contract with the Company commencing from 5 January 2017 until terminated by not less than one month's notice in writing served by either the Company or the respective Director. He is subject to retirement by rotation at least once every three years at the Annual General Meeting of the Company in accordance with the Articles of Association. Mr. Zheng will receive emolument of HK\$120,000 per annum which is determined by the Board with the recommendation of the remuneration committee by reference to comparable companies, his experience, time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Zheng did not have any interest in Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Zheng had no relationship with any Directors, senior management, substantial Shareholders of the Company.

**GENERAL**

Save as disclosed, none of the retiring Directors has been a director of any publicly listed companies in the past three years, and save as disclosed, there are no matters that need to be brought to the attention of the Shareholders in respect of the re-election of each of the retiring Director and there is no other information in relation to each of the retiring Director that need to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

# NOTICE OF ANNUAL GENERAL MEETING



## Zhong Ao Home Group Limited 中奧到家集團有限公司

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

**(Stock Code: 1538)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Zhong Ao Home Group Limited (the “Company”) will be held at Imperial Room IV, Mezzanine Floor – Towers Wing, The Royal Pacific Hotel & Towers, China Hong Kong City, 33 Canton Road, Tsimshatsui, Kwoloon, Hong Kong on Friday, 26 May 2017 at 2:00 p.m. for the purpose of transacting the following businesses:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and the auditor of the Company for the year ended 31 December 2016.
2. To re-elect Mr. Lee Kwok Tung Louis as an independent non-executive director.
3. To re-elect Mr. Zhang Weilun as an independent non-executive director.
4. To re-elect Mr. Wu Haibing as an independent non-executive director.
5. To re-elect Mr. Yuan Boyin as an independent non-executive director.
6. To re-elect Mr. Zheng Dong as a non-executive director.
7. To authorise the board (the “Board”) of Directors to fix the remuneration of the Directors.
8. To appoint Ernst & Young as the independent external auditor to hold office until conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.
9. To consider and if thought fit, pass with or without amendments the following resolutions as an ordinary resolutions:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued Shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate total number of Shares allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by the Stock Exchange; or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of Shares of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution of the Shareholders of the Company in a general meeting revoking or varying the authority set out in this resolution.

**“Rights Issue”** means an offer of shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in Hong Kong, or in any territory applicable to the Company).”

## NOTICE OF ANNUAL GENERAL MEETING

10. To consider and if thought fit, pass with or without amendments the following resolutions as an ordinary resolutions:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, rules and regulations of the SFC and the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares authorised to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of total number of Shares of the Company in issue as at the date of passing of this resolution and the said approval 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;
- (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 Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution of the Shareholders of the Company in a general meeting revoking or varying the authority set out in this resolution.”

## NOTICE OF ANNUAL GENERAL MEETING

11. To consider and if thought fit, pass with or without amendments the following resolutions as an ordinary resolutions:

“**THAT** conditional upon the passing of the resolutions 9 and 10 as set out in the notice convening the Annual General Meeting, the General Mandates granted to the Directors pursuant to resolution 9 to exercise the powers of the Company to allot, issue and deal with unissued Shares be and is hereby extended by the addition to the aggregate number of Shares of the Company bought back by the Company under the authority granted pursuant to the resolution 10 of the notice convening the Annual General Meeting, provided that such extended amount shall not exceed 10% of total number of Shares of the Company in issue as at the date of passing this resolution.”

By Order of the Board  
**Zhong Ao Home Group Limited**  
**Liu Jian**  
*Chairman and Chief Executive Officer*

Hong Kong, 25 April 2017

*Notes:*

1. Any member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more Shares of the Company is entitled to appoint more than one proxy to represent him/her and vote on his/her behalf. If more than one proxy is appointed, the number of Shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. A proxy need not be a member of the Company. A form of proxy for use at the Annual General Meeting is enclosed herewith.
2. To be valid, this form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the Annual General Meeting or at any adjourned meeting. If the member attend and vote at the Annual General Meeting, the authority of his/her proxy shall be deemed to be revoked.
3. Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of member of the Company in respect of the joint holding.
4. To ascertain Shareholders' entitlement to attend and vote at the Annual General Meeting, register of members of the Company will be closed from Tuesday, 23 May 2017 to Friday, 26 May 2017, both days inclusive, during which period no transfer of Shares of the Company will be registered. In order to qualify for entitlement to attend and vote at the Annual General Meeting, all transfer of Shares accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 4:30 p.m. on Monday, 22 May 2016.

## NOTICE OF ANNUAL GENERAL MEETING

5. In the event that a black rainstorm warning signal or a tropical cyclone warning signal number 8 or above is hoisted or remains hoisted at 12:00 noon or any time after 12:00 noon on Friday, 26 May 2017, the Annual General Meeting will be adjourned until further notice.

Further announcement notifying Shareholders of details (including the date, time and venue) of the adjourned meeting will be posted on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://gdzawy.com>).

If a black rainstorm warning signal or a tropical cyclone warning signal number 8 or above is cancelled at or before 12:00 noon on the date of the Annual General Meeting, and where conditions permit, the Annual General Meeting will be held as scheduled.