

NOTICE UNDER SECTION 208(1) OF THE
SECURITIES AND FUTURES ORDINANCE (Chapter 571)
(‘The Ordinance’)

WHEREAS

- (1) A restriction notice was issued pursuant to sections 204 and 205 of the Ordinance on 24 May 2016 in respect of Kingsway Financial Services Group Limited (‘the Specified Corporation’) in relation to the account of WEI Juan (client code: M009515);
- (2) A Consent Order was made by Deputy High Court Judge Anson Wong SC on 27 January 2017 in proceedings brought by the Securities and Futures Commission (‘the Commission’) under section 213 of the Ordinance;
- (3) It appears to the Commission for the reasons set out in the Statement of Reasons of even date that it is necessary to exercise the powers conferred by section 208 of the Ordinance to withdraw the restriction notice dated 24 May 2016.

THE COMMISSION HEREBY GIVES NOTICE THAT:—

1. Pursuant to section 208 of the Ordinance, the Commission withdraws the prohibition and/or requirement imposed by the Restriction Notice on the Specified Corporation.

This Notice takes effect at the time of service upon the Specified Corporation.

Dated this 14th day of February 2017.

For and on behalf of
Securities and Futures Commission
Ashley ALDER *Chief Executive Officer*

STATEMENT OF REASONS
PURSUANT TO SECTION 209(2) OF
THE SECURITIES AND FUTURES ORDINANCE (Chapter 571)
(‘the Ordinance’)

1. Kingsway Financial Services Group Limited (‘the Specified Corporation’) is a corporation licensed under the Ordinance to carry on Type 1, 2, 4 and 9 regulated activities.
2. A restriction notice was issued against the Specified Corporation on 24 May 2016 in respect of the account of WEI Juan (client code: M009515) (‘the Specified Client’). The restriction notice prohibits the Specified Corporation from entering into transactions concerning the shares of TeleEye Holdings Limited (‘TeleEye’, currently known as CircuTech International Holdings Limited) including processing any withdrawals of shares of TeleEye and/or any transfers of monies arising from the disposal of shares in TeleEye, disposing of or dealing with the shares of TeleEye on the instructions of the Specified Client or any person acting on her behalf, and requires the Specified Corporation to notify the Securities and Futures Commission (‘the Commission’) immediately upon receiving any instruction concerning the shares of TeleEye from the Specified Client or any person acting on her behalf.
3. On 30 September 2016, the Commission commenced legal proceedings under section 213 of the Ordinance against, amongst others, the Specified Client. The Commission also made an application to the Court for an interim injunction prohibiting the Specified Client from disposing of, dealing with or diminishing the value of the shares in TeleEye and \$9,762,215.48 in cash held by her with the Specified Corporation.
4. On 27 January 2016, the Specified Client agreed to pay HK\$12,949,875 into Court under joint and several liability with another defendant in the aforesaid legal proceedings, out of which HK\$3,657,584.64 is to be paid from the account held by the Specified Client with the Specified Corporation. It is therefore necessary to withdraw the restriction notice so as to allow the Specified Client to make payment of the aforesaid sum from her account at the Specified Corporation into Court.

5. In these circumstances, the Commission considers it necessary to withdraw the restriction notice imposed on the Specified Corporation pursuant to section 208(1) of the Ordinance.

Dated this 14th day of February 2017.

For and on behalf of
Securities and Futures Commission
Ashley ALDER *Chief Executive Officer*