
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your securities in China Renji Medical Group Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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.



China Renji Medical Group Ltd
中國仁濟醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 648)

**PROPOSED
CAPITAL REORGANISATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of the Company (the “**EGM**”) to be held at Suites 903–905, 9th Floor., Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong on Thursday, 31 October 2013 at 3:30 p.m. is set out on pages 10 to 12 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk and the Company at www.renjimedical.com.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the registered office of the Company at 30/F., 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 EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

7 October 2013

CONTENTS

	<i>Page</i>
Definitions	1
Expected Timetable	3
Letter from the Board	4
Notice of EGM	10

DEFINITIONS

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

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance, Cap 32 of the Laws of Hong Kong
“Company”	China Renji Medical Group Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange
“Court”	the High Court of Hong Kong
“Directors”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Suites 903–905, 9th Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong, on Thursday, 31 October 2013 at 3:30 p.m. for the Shareholders to consider and, if thought fit, approve the Proposed Capital Reduction and the Proposed Share Premium Cancellation
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	2 October 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“China” or “PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, The Macau Special Administrative Region and Taiwan)
“Proposed Capital Reduction”	the proposed reduction of the share capital of the Company by reducing the issued and paid-up capital of the Company to the extent of HK\$0.099 on each of the Shares in issue and by reducing the nominal value of all the unissued Shares from HK\$0.1 each to HK\$0.001 each

DEFINITIONS

“Proposed Capital Reorganisation”	the proposed capital reorganisation of the Company involving the Proposed Capital Reduction and the Proposed Share Premium Cancellation
“Proposed Share Premium Cancellation”	the cancellation of the share premium account of the Company as at the effective date of the Proposed Capital Reduction
“Reduced Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company upon the Proposed Capital Reduction having become effective
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company before the Proposed Capital Reorganisation having become effective or the Reduced Share(s), as the case maybe
“Shareholder(s)”	holder(s) of the Share(s) or the Reduced Share(s) (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The following expected timetable is indicative only and is subject to change due to factors including the availability of the Court and outcome of the Court hearings. Shareholders will be informed of any changes to the expected timetable by press announcement(s).

2013

Latest time for lodging forms of proxy for the EGM	3:30 p.m. 29 October
EGM	3:30 p.m. 31 October
Direction hearing by the Court (<i>Note 1</i>)	17 December
Notice of the hearing date of the petition published in the newspapers (<i>Note 1</i>)	20 December

2014

Hearing for petition to confirm the Proposed Capital Reorganisation (<i>Note 1</i>)	18 February
Announcement of the result of hearing of petition to confirm the Proposed Capital Reorganisation to be published (<i>Note 2</i>)	18 February
Registration of the Order of the Court to confirm the Proposed Capital Reorganisation and the minute thereof with the Company Registry (<i>Note 3</i>)	28 February
Proposed Capital Reorganisation having become effective (<i>Notes 3 and 4</i>)	28 February
Notice of registration of the order published in the newspaper	5 March

Notes:

1. The date of hearing is subject to the availability of the Court and is therefore subject to change. Further announcement(s) will be made by the Company as and when appropriate.
2. Subject to results of the hearing for the petition.
3. The Proposed Capital Reorganisation will become effective when it is confirmed by the Court and a copy of the order of the Court and Minutes of Reduction approved by the Court containing the particulars required under the Companies Ordinance are delivered to the Companies Registry for registration, which is expected to take place on 28 February 2014.
4. Arrangement for free exchange of new share certificate will be made immediately after the Proposed Capital Reorganisation becomes effective, details of which will be disclosed in the announcement of the result of hearing.

LETTER FROM THE BOARD



China Renji Medical Group Ltd

中國仁濟醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 648)

Executive Directors:

Mr. Tang Chi Chiu (*Chairman*)
Mr. Chan Ka Chung
Mr. Wang Jianguo

Registered office:

30th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Kwok Chung On
Mr. Wu Chi Keung
Ms. Wu Yan

7 October 2013

*To the Shareholders and
for information only, the option holders and the note holders,*

Dear Sir or Madam,

**PROPOSED
CAPITAL REORGANISATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 25 June 2013 relating to the Proposed Capital Reorganisation. The purpose of this circular is to provide you with, among other things, (i) details regarding the Proposed Capital Reorganisation; (ii) a notice convening the EGM; and (iii) other information as required under the Listing Rules.

THE PROPOSED CAPITAL REORGANISATION

The Company proposed to effect the Proposed Capital Reduction to reduce the authorised share capital of the Company from HK\$2,000,000,000 divided into 20,000,000,000 Shares of HK\$0.1 each to HK\$20,000,000 divided into 20,000,000,000 Reduced Shares of HK\$0.001 each by (i) reducing the issued and paid-up capital of the

LETTER FROM THE BOARD

Company to the extent of HK\$0.099 on each of the Shares in issue such that the nominal value of each of the issued Share of HK\$0.1 each will be reduced to HK\$0.001 per Reduced Share; and (ii) reducing the nominal value of each of the authorised but unissued Shares of HK\$0.1 each to the extent of HK\$0.099 to HK\$0.001 per Reduced Share. In addition, the Company also proposed to effect the Proposed Share Premium Cancellation through cancellation of the share premium account of the Company after the Proposed Capital Reduction has become effective such that the credit arising from the Proposed Capital Reduction and the Proposed Share Premium Cancellation will be used to eliminate the accumulated losses of the Company.

Taking into account that (i) the Company has a total of 13,545,112,521 Shares in issue with issued and paid-up share capital amounting to approximately HK\$1,354,511,252 as at the Latest Practicable Date; (ii) the share premium account of the Company amounted to approximately HK\$981,851,000 based on the audited financial statements of the Company for the year ended 31 December 2012, it is expected that credits arising from the Proposed Capital Reduction and the Proposed Share Premium Cancellation will amount to approximately HK\$1,340,966,140 and HK\$981,851,000 respectively. Subject to the approval of the Court and to the extent permitted by the Court, the aforesaid credits in the aggregate amount of approximately HK\$2,322.82 million arising from the Proposed Capital Reduction and the Proposed Share Premium Cancellation will be used to eliminate the accumulated losses of the Company (which amounted to approximately HK\$2,211.52 million based on the Company's audited financial statements for the year ended 31 December 2012) and the remaining balance (if any) of which will be transferred to the distributable reserve account of the Company and will be dealt with and applied in accordance with such directions and subject to such conditions as the Court may impose (if any), and/or in such manners as the Directors consider appropriate.

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Proposed Capital Reduction and the Proposed Share Premium Cancellation become effective, the share capital structure of the Company will be as follows:

	Share capital of the Company before the Proposed Capital Reduction	Share capital of the Company immediately after the Proposed Capital Reduction becoming effective
Par value	HK\$0.1	HK\$0.001
Number of authorized share	20,000,000,000	20,000,000,000
Authorized share capital	HK\$2,000,000,000	HK\$20,000,000
Number of issued share	13,545,112,521	13,545,112,521
Amount of issued share capital	HK\$1,354,511,252	HK\$13,545,113

LETTER FROM THE BOARD

CONDITIONS OF THE PROPOSED CAPITAL REDUCTION AND PROPOSED SHARE PREMIUM CANCELLATION

The Proposed Capital Reduction and the Proposed Share Premium Cancellation are subject to, among other things, the following conditions:

- (i) the passing of the special resolution(s) to approve the Proposed Capital Reduction and the Proposed Share Premium Cancellation at the EGM to be convened by the Company;
- (ii) the confirmation of the Proposed Capital Reduction and the Proposed Share Premium Cancellation by the Court and the registration of the order of the Court and the minute thereof containing particulars required under the Companies Ordinance by the Registrar of Companies in Hong Kong;
- (iii) compliance with the relevant procedures and requirements under the Listing Rules to effect the Proposed Capital Reduction and the Proposed Share Premium Cancellation; and
- (iv) the Listing Committee of the Stock Exchange having granted the approval to the listing of, and permission to deal in, the Reduced Shares as a result of the Proposed Capital Reduction.

The Proposed Capital Reduction and the Proposed Share Premium Cancellation will become effective when the above conditions having been satisfied. However, since the Proposed Capital Reduction and the Proposed Share Premium Cancellation are subject to the confirmation by the Court, the date on which the Proposed Capital Reduction and the Proposed Share Premium Cancellation having become effective is not ascertainable as at the Latest Practicable Date. An application will be made to the Court as soon as practicable regarding the Proposed Capital Reduction and the Proposed Share Premium Cancellation. Further announcement(s) will be made to inform the Shareholders on the expected effective date and, as necessary or appropriate, the progress and results of the application to the Court.

REASONS FOR THE PROPOSED CAPITAL REORGANISATION AND IMPACT ON THE COMPANY AND THE SHAREHOLDERS

The Company is principally engaged in the provision of medical equipment and service for the network of its medical centres specialising in the diagnosis and treatment of tumours and/or cancer related diseases in China.

As detailed in the Company's annual report for the year ended 31 December 2012, although the Group was able to turn around to record a consolidated net profit after taxation of approximately HK\$61.26 million for the year ended 31 December 2012, the Company still had accumulated loss of approximately HK\$2,211.52 million as at 31 December 2012. After the Proposed Capital Reduction and Proposed Share Premium Cancellation having become effective with credit arising from the Proposed Capital Reduction and Proposed Share Premium Cancellation being applied to eliminate the

LETTER FROM THE BOARD

accumulated loss of the Company, the capital and reserves of the Company will more closely reflect the available net assets of the Company and would provide the Company with a capital structure that would, subject to performance, permit the payment of dividends as and when the Directors consider it appropriate in the future.

Under the Companies Ordinance, the Company is not permitted to issue new Shares at a discount to the par value of the Shares unless, amongst other things, the issue is authorised by a resolution of the Shareholders and is sanctioned by the Court. Given that the price of the Shares has been trading significantly below its par value since the resumption of the trading of the Shares on 5 April 2013, the Proposed Capital Reduction will facilitate and provide flexibility to the Company in respect of its potential fund raising and acquisition activities for purposes of, among other things, accommodating the development plan of the Company. However, save for the proposed subscription of 2,700,000,000 unlisted warrants by the executive Director, Mr. Chan Ka Chung, which constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules as detailed in the announcements of the Company dated 5 July 2013 and 9 September 2013, as at the Latest Practicable Date, the Company did not have any plan for and was not in negotiation of any such activities.

The Directors (including the independent non-executive Directors) are of the view that, other than the expenses to be incurred in relation to the Proposed Capital Reduction and the Proposed Share Premium Cancellation, the Proposed Capital Reduction and the Proposed Share Premium Cancellation will not have a material effect on the financial position of the Group. It is also expected that the implementation of the Proposed Capital Reduction and the Proposed Share Premium Cancellation will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders. Based on the above, the Directors (including the independent non-executive Directors) considered that the Proposed Capital Reduction and the Proposed Share Premium Cancellation would be in the interests of the Company and the Shareholders as a whole.

APPLICATION FOR LISTING OF THE REDUCED SHARES

Application will be made by the Company to the Listing Committee of the Stock Exchange for granting the listing of, and the permission to deal in, the Reduced Shares arising from the Proposed Capital Reduction and the Proposed Share Premium Cancellation.

Upon the Proposed Capital Reduction and the Proposed Share Premium Cancellation becoming effective, the Reduced Shares shall rank *pari passu* in all respects with each other in accordance with the articles of association of the Company. The Proposed Capital Reduction and the Proposed Share Premium Cancellation will not result in any change in the relative rights of the Shareholders.

Subject to the granting of the listing of, and the permission to deal in, the Reduced Shares on the Stock Exchange, the Reduced Shares will be accepted as eligible securities by HKSCC for deposits, clearance and settlement in CCASS with effect from the commencement date of dealings in the Reduced Shares on the Stock Exchange or, under

LETTER FROM THE BOARD

contingent situation, such other date as determined by the HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

CERTIFICATES FOR THE REDUCED SHARES

Arrangements will be made so that subject to the Proposed Capital Reduction and the Proposed Share Premium Cancellation becoming effective, the Shareholders may submit their existing certificates for the Shares to the Company's registrar in exchange for certificates for the Reduced Shares free of charge during a certain period after the Proposed Capital Reduction and the Proposed Share Premium Cancellation have become effective. After the expiry of such period, certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.5 per share certificate (or such higher amount as allowed by the Stock Exchange from time to time). Existing certificates for the Shares will cease to be good for delivery but will continue to be good evidence of legal title to the Reduced Shares. Shareholders will be informed with details of such exchange arrangements as and when appropriate.

WARNING

Shareholders should also be aware of and take note that the Proposed Capital Reduction and the Proposed Share Premium Cancellation are conditional upon satisfaction of the conditions precedent set out in the paragraphs headed "Conditions of the Proposed Capital Reduction and the Proposed Share Premium Cancellation" above, which may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

EGM

A notice convening the EGM to be held at Suites 903–905, 9th Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong, on Thursday, 31 October 2013 at 3:30 p.m. is set out on pages 10 to 12 of this circular. A proxy form for the EGM is enclosed. Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the registered office of the Company at Unit 3001, 30/F., 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 holding of the EGM or any adjournments thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournments thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked. To the best knowledge, information and belief of the Directors, having made all reasonable

LETTER FROM THE BOARD

enquiries, no Shareholders are required to abstain from voting for the resolution to be proposed at the EGM to approve the Proposed Capital Reorganisation and the transactions thereunder.

GENERAL

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

Having considered the above, the Directors (including the independent non-executive Directors) are of the view that the Proposed Capital Reorganisation is in the interests of the Company and the Shareholders as a whole, and recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Proposed Capital Reduction and the Proposed Share Premium Cancellation.

By Order of the Board of
China Renji Medical Group Limited
Tang Chi Chiu
Chairman

NOTICE OF EGM



China Renji Medical Group Ltd

中國仁濟醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 648)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of China Renji Medical Group Limited (the “**Company**”) will be held at Suites 903–905, 9th Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong on Thursday, 31 October 2013 at 3:30 p.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** pursuant to the circular of the Company dated 7 October 2013 (the “**Circular**”), (a copy of which has been produced to the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification) condition upon: (i) the High Court of Hong Kong making an order confirming the Proposed Capital Reorganisation (as defined below) pursuant to sections 58 to 60 of the Companies Ordinance; (ii) the registration by the Registrar of Companies in Hong Kong a copy of the Court Order and a copy of the minute containing the required particulars pursuant to section 61 of the Companies Ordinance; and (iii) the compliance with any conditions as may be imposed by the Court in relation to the Proposed Capital Reorganisation,

- (a) the nominal value of each issued share of HK\$0.1 (an “**Issued Share**”) in the issued share capital of the Company be reduced to HK\$0.001 by cancelling the paid-up capital to the extent of HK\$0.099 on each Issued Share and any director(s) of the Company (the “**Director(s)**”) be and is(are) hereby authorised to apply the credit arising therefrom to eliminate part of the Company’s accumulated losses (the “**Reduction of Issued Share Capital**”);
- (b) the nominal value of each authorised but unissued share of HK\$0.1 (an “**Unissued Share**”) in the authorised but unissued share capital of the Company be diminished to HK\$0.001 by cancelling the authorised but unissued share capital to the extent of HK\$0.099 on each Unissued Share (together with Reduction of Issued Share Capital as the “**Proposed Capital Reduction**”);

NOTICE OF EGM

- (c) the entire amount standing to the credit of the share premium account of the Company as at 31 December 2012 in the sum of approximately HK\$981,851,000 be cancelled and any of the Director(s) be and is(are) hereby authorised to apply the credit arising from the share premium cancellation to eliminate in full accumulated losses of the Company as at 31 December 2012 (the “**Proposed Share Premium Cancellation**”, together with the Proposed Capital Reduction as the “**Proposed Capital Reorganisation**”); and
- (d) any one or more of the Directors and/or the company secretary of the Company be and is/are hereby authorised to do all such acts and things, and to sign, approve and execute any documents, including under seal where applicable, which in his/their opinion may be necessary, desirable or expedient to implement and/or to give effect to the Proposed Capital Reorganisation, including but not limited to seeking confirmation from the Court, authorising Counsel to provide any undertaking on behalf of the Company as necessary to the Court in relation to the Proposed Capital Reorganisation.”

For and on behalf of
the board of directors of
China Renji Medical Group Limited
Tang Chi Chiu
Chairman

Hong Kong, 7 October 2013

Registered office:
30/F., Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

NOTICE OF EGM

Notes:

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint one proxy or, if he/she/it is a holder of more than one share, more proxies to attend and vote instead of him/her/it. A proxy needs not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
- (ii) Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the registered office of the Company at Unit 3001, 30/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting.
- (iv) Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person at the meeting or any adjournment thereof if he/she/it so desires. If a member attends the meeting after having deposited the form of proxy, his/her/its form of proxy will be deemed to have been revoked.