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

If you have sold or transferred all your shares in **KWAN ON HOLDINGS LIMITED**, you should at once hand this circular with the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

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This circular, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM**”) of the Stock Exchange 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 or this circular misleading.



KWAN ON HOLDINGS

均安控股

KWAN ON HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 08305)

PROPOSALS FOR GRANT OF ISSUE MANDATE AND REPURCHASE MANDATE RETIREMENT OF DIRECTORS AND RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (“**AGM**”) of Kwan On Holdings Limited (the “**Company**”) to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 29 July 2016 (Friday) at 3:00 p.m. is set out on pages 14 to 17 of this circular.

A form of proxy is enclosed with this circular. Whether or not you intend to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) should you so desire.

This circular will remain on the “Latest Company Announcements” page of the Stock Exchange website at www.hkexnews.hk for 7 days from the date of its posting. This circular will also be posted on the Company’s website at www.kwanonconstruction.com.

23 June 2016

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CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 29 July 2016 (Friday) at 3:00 p.m., the notice of which is set out on pages 14 to 17 of this circular
“AGM Notice”	the notice convening the AGM set out on pages 14 to 17 of this circular
“Articles of Association”	the articles of association of the Company adopted on 16 March 2015 and as amended from time to time
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Kwan On Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue and otherwise deal with Shares of up to 20% of the issued share capital of the Company on the date of AGM as set out in resolution number 4 of the AGM Notice
“Latest Practicable Date”	14 June 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

DEFINITIONS

“Listing Date”	27 March 2015, being the date of listing of the Shares on GEM
“PRC”	The People’s Republic of China and for the purpose of this circular, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares up to 10% of the issued share capital of the Company on the date of AGM, as set out in resolution number 5 in the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.

LETTER FROM THE BOARD



KWAN ON HOLDINGS

均安控股

KWAN ON HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 08305)

Executive Directors:

Mr. Wong Yee Tung, Tony

Mr. Kwong Wing Kie

Mr. Chung Chi Ngong

Registered Office:

PO Box 2681

Grand Cayman, KY1-1111

Cricket Square, Hutchins Drive

Cayman Islands

Independent non-executive Directors:

Mr. Ho Ho Ming

Prof. Lam Sing Kwong, Simon

Mr. Chan Chung Kik, Lewis

Head Office and Principal Place

of Business in Hong Kong:

5/F, So Hong Commercial Building

41, 43, 45 & 47 Jervois Street

Hong Kong

23 June 2016

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GRANT OF
ISSUE MANDATE AND REPURCHASE MANDATE
RETIREMENT OF DIRECTORS AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to: (i) provide you with details of the proposed Issue Mandate and the proposed Repurchase Mandate and the extension of the Issue Mandate by addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate; (ii) set out an explanatory statement regarding the Repurchase Mandate; (iii) furnish you with details of the proposed re-election of Directors; and (iv) give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved by its then Shareholders on 29 September 2015. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the AGM. At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to allot, issue and otherwise deal with Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if so granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

The Issue Mandate allows the Company to allot, issue and otherwise deal with Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or the laws of the Cayman Islands; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "**Relevant Period**").

As at the Latest Practicable Date, the issued share capital of the Company comprised 960,000,000 Shares. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 192,000,000 new Shares under the Issue Mandate, representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

GENERAL MANDATE TO REPURCHASE SHARES

The Company's existing mandate to repurchase Shares was approved by it then Shareholders on 29 September 2015. Unless otherwise renewed, the existing mandate to repurchase Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to repurchase Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution. The Repurchase Mandate allows the Company to make purchases only during the Relevant Period.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the issued share capital of the Company comprised 960,000,000 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 96,000,000 Shares under the Repurchase Mandate, representing 10% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is set out in Appendix I to this circular to provide the requisite information regarding the Repurchase Mandate to the Shareholders.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 84 of the Articles of Association, Mr. Kwong Wing Kie and Prof. Lam Sing Kwong, Simon will retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the AGM.

Details of the above retiring Directors who are subject to re-election at the AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the GEM Listing Rules.

AGM

A notice convening the AGM to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 29 July 2016 (Friday) at 3:00 p.m. is set out on page 14 to 17 of this circular.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

A form of proxy for use by Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the AGM or any adjournment thereof (as the case may be) should you so desire.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of retiring Directors are in the 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 AGM and as set out in the AGM Notice.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 or this circular misleading.

By Order of the Board
Kwan On Holdings Limited
Wong Yee Tung, Tony
Managing Director

This appendix serves as an explanatory statement as required under the GEM Listing Rules to provide the requisite information to Shareholders for consideration of the Repurchase Mandate pursuant to Rule 13.08 of the GEM Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 960,000,000 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased between the Latest Practicable Date and the date of AGM, the Company will be allowed to repurchase a maximum of 96,000,000 Shares during the Relevant Period.

2. SOURCE OF FUNDS

The Directors propose that the repurchase of Shares under the Repurchase Mandate would be financed from the Company's internal resources.

In repurchasing the Shares, the Company may only apply funds which are legally available for such purposes in accordance with the constitutive documents of the Company, the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands. The Company will not purchase the Shares on GEM 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.

3. REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of exercising the proposed Repurchase Mandate, the Directors believe that the flexibility afforded by the proposed Repurchase Mandate would be beneficial to the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that repurchase of Shares will benefit the Company and Shareholders as a whole.

4. SHARE PRICES

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

	Shares Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
July	0.76	0.35
August	0.65	0.49
September	0.61	0.50
October	0.61	0.51
November	0.66	0.52
December	0.54	0.46
2016		
January	0.52	0.36
February	0.43	0.36
March	0.45	0.39
April	0.60	0.38
May	0.80	0.51
June (up to the Latest Practicable Date)	0.87	0.75

5. UNDERTAKING

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

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares 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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 of the Takeovers Code.

As at the Latest Practicable Date, the following shareholders had interests representing 5% or more of the issued share capital of the Company:

Name	Shares held	Nature of interest	Approximate percentage of total issued Shares	
			As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Twilight Treasure Limited ("Twilight Treasure")	332,028,000	Beneficial owner (Notes 1 and 2)	34.59	38.43
Success Ally Investments Limited ("Success Ally")	332,028,000	Interest of controlled corporation (Notes 2 and 3)	34.59	38.43
Fortune Decade Investments Limited ("Fortune Decade")	387,972,000	Beneficial owner (Notes 1 and 4)	40.41	44.90
Mr. Wong Yee Tung, Tony ("Mr. Tony Wong")	720,000,000	Interest of controlled corporation (Notes 1, 2 and 3)	75.00	83.33
Mr. Kwong Wing Kie ("Mr. Kwong")	332,028,000	Interest of controlled corporation (Notes 2 and 5)	34.59	38.43
Ms. Chiu Gar Man ("Ms. Chiu")	720,000,000	Interests of spouse (Note 6)	75.00	83.33

Notes:

1. The issued share capital of the Company is legally and beneficially owned as to approximately 40.41% by Fortune Decade and as to approximately 34.59% by Twilight Treasure.
2. The entire issued share capital of Twilight Treasure is legally and beneficially owned as to 87.5% by Success Ally and as to 12.5% by Decade Success.
3. The entire issued share capital of Success Ally is legally and beneficially owned by Mr. Tony Wong.
4. The entire issued share capital of Fortune Decade is legally and beneficially owned by Mr. Tony Wong.
5. The entire issued share capital of Decade Success is legally and beneficially owned by Mr. Kwong.
6. Ms. Chiu is deemed to be interested in the 720,000,000 Shares held by Mr. Tony Wong pursuant to the SFO by virtue of her being the spouse of Mr. Tony Wong.

On the basis of the aforesaid increase of shareholding, Twilight Treasure, Success Ally Investments, Fortune Decade and Mr. Kwong will be obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full. The Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

7. DISCLOSURE OF INTERESTS OF DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

- (i) As at the Latest Practicable Date, none of the Directors nor, to the best of their respective knowledge and belief and having made all reasonable enquiries, their associates (as defined under the GEM Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders and is exercised, to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate.
- (ii) As at the Latest Practicable Date, no connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares in the event that the Repurchase Mandate is approved by the Shareholders.

8. MATERIAL ADVERSE CHANGE

As compared with the financial position of the Company as at 31 March 2016 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

9. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of the Shares (whether on GEM or otherwise) in the twelve months preceding the Latest Practicable Date.

The following are particulars of the Directors proposed to be re-elected at the AGM:

RE-ELECTION OF DIRECTORS**Mr. Kwong Wing Kie (鄺永基)**

Mr. Kwong, aged 62, was appointed as an executive Director on 6 December 2012. Mr. Kwong is responsible for overseeing all the civil and building projects of our Group. Mr. Kwong obtained from The University of Hong Kong a bachelor's degree of science in engineering in November 1976. Mr. Kwong is a registered professional engineer in civil, structural and geotechnical disciplines and also a registered safety officer. Mr. Kwong joined our Group in 1988 as a technical services manager and has been responsible for managing civil engineering contracts. Mr. Kwong has more than 20 years' of experience in the construction industry.

As at the Latest Practicable Date, Mr. Kwong is interested in 332,028,000 Shares held through Twilight Treasure (representing 34.59% of the issued share capital of the Company). The entire issued share capital of Twilight Treasure is legally and beneficially owned as to 87.5% by Success Ally and as to 12.5% by Decade Success. Mr. Kwong is the sole director and the sole shareholder of Decade Success.

Save as disclosed above, Mr. Kwong has not held any other position within the Group and has not held any directorship in any other listed companies in Hong Kong or overseas in the last three years. He has no relationships with any Directors, senior management or substantial shareholders of the Company.

Mr. Kwong has entered into a service agreement with the Company for an initial term of three years commencing on 16 March 2015 and, subject to retirement by rotation or re-election in accordance with the Articles of Association, will continue thereafter until terminated in accordance with the terms of the agreement and the initial annual salary for him is HK\$1,140,000. Such salary will be reviewed annually by the Board and the remuneration committee; and he is entitled to a discretionary bonus as the remuneration committee of the Company may recommend to the Board and which the Board may approve.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Kwong as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Professor Lam Sing Kwong, Simon (林誠光) (“Prof. Lam”)

Prof. Lam, aged 57, was appointed as an independent non-executive Director on 16 March 2015. Prof. Lam is currently a professor of Management at the Faculty of Business and Economics of The University of Hong Kong. Prof. Lam obtained a doctorate degree in commerce from The Faculty of Economics and Commerce at The Australian National University in April 1996. Prof. Lam has published a number of academic papers and case analysis on the topics of corporate strategy, organisation development and operations management. Before joining The University of Hong Kong, Prof. Lam worked as a regional support manager of a bank. He has extensive experience in corporate management, strategic development of organisations and corporate finance.

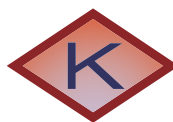
Prof. Lam is currently an independent non-executive director of Overseas Chinese Town (Asia) Holdings Limited (stock code: 3366) since May 2009, Beijing Enterprises Clean Energy Group Limited (Stock code: 1250), Sinomax Group Limited (stock code: 1418) since March 2014, and King Force Security Holdings Limited (stock code: 8315) since July 2014 to June 2016, the issued shares of which are listed on the Main Board or GEM of the Stock Exchange. Prof. Lam was an independent non-executive director of Chun Sing Engineering Holdings Limited (stock code: 2277) from December 2014 to April 2016, and Glory Flame Holdings Limited (stock code: 8059) from August 2014 to March 2016, the issued shares of which are listed on the Main Board or GEM of the Stock Exchange.

Save as disclosed above, Prof. Lam has not held any other position within the Group and has not held any directorship in any other listed companies in Hong Kong or overseas in the last three years. He has no relationships with any Directors, senior management or substantial shareholders of the Company.

Prof. Lam has entered into a letter of appointment with the Company for an initial term of three years commencing on 27 March 2015 and, subject to retirement by rotation or re-election in accordance with the Articles of Association, will continue thereafter until terminated in accordance with the terms of the agreement and the initial annual salary for him is HK\$150,000.

Save as disclosed above, the Company considers that in relation to the re-election of Prof. Lam as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF AGM



KWAN ON HOLDINGS

均安控股

KWAN ON HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 08305)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of shareholders of Kwan On Holdings Limited (the “**Company**”) will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on 29 July 2016 (Friday) at 3:00 p.m., to consider and, if thought fit, to pass with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 March 2016.
2. To re-appoint Shinewing (HK) CPA Limited as auditors of the Company and its subsidiaries for the year ending 31 March 2017 and authorise the Board to fix their remuneration;
3. (a) To re-elect Mr. Kwong Wing Kie as an executive Director and the board of Directors be authorised to fix his Director’s remuneration; and
(b) To re-elect Prof. Lam Sing Kwong, Simon as an independent non-executive Director and the board of Directors be authorised to fix his Director’s remuneration;
4. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), 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 additional shares of HK\$0.01 (the “**Share**”) each in the share capital of the Company or securities convertible into such shares or options, warrants, or similar right to subscribe for any shares or convertible securities of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional Shares in the Capital of the Company) during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any options granted under any share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible persons thereunder of shares or rights to subscribe for shares in the capital of the Company; (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part a dividend pursuant to the articles of association of the Company (the “**Articles of Association**”) from time to time; or (iv) an issue of shares 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 of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the Company or the Directors to holders of shares of the Company 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 as at that date (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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF AGM

5. “**THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the share capital of the Company on the Growth Enterprise Market of the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers to repurchase such shares are subject to and in accordance with all applicable laws and requirements of the GEM Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF AGM

6. “**THAT** conditional upon the passing of resolutions 4 and 5 as set out in this notice convening the Meeting of which this resolution forms part, the general mandate granted to the directors of the Company pursuant to Resolution 4 as set out in this notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in this notice convening the Meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

By Order of the Board
Kwan On Holdings Limited
Wong Yee Tung, Tony
Managing Director

Hong Kong, 23 June 2016

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized on its behalf.
3. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the above 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.
4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to resolution No. 3, Mr. Kwong Wing Kie and Prof. Lam Sing Kwong, Simon will retire from office at the Meeting in accordance with the Articles of Association and, being eligible, will offer themselves for re-election. Biographical details of these Directors are set out in Appendix II to this circular.
7. An explanatory statement as required by the GEM Listing Rules in connection with the repurchase mandate under resolution No. 5 above is set out in Appendix I to this circular.
8. The transfer books and Register of Members of the Company will be closed from 25 July 2016 (Monday) to 29 July 2016 (Friday), both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 22 July 2016 (Friday).
9. A form of proxy for use by shareholders at the Meeting is enclosed.