
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker 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 Kwung's Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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KWUNG'S HOLDINGS LIMITED

曠世控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1925)

**PROPOSED DECLARATION AND PAYMENT OF
SPECIAL DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting of Kwung's Holdings Limited to be held at Unit 1203B, 1204-05, 12th Floor, World-Wide House, No. 19 Des Voeux Road Central, Central, Hong Kong, on Tuesday, 17 January 2023 at 11:00 a.m. or any adjournment thereof is set forth on pages 8 to 9 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 48 hours before the time fixed for holding the extraordinary general meeting (or any adjournment thereof) to the office of the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjourned meeting if you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of the Shareholders and to prevent the spreading of the COVID-19 pandemic, attendees of the EGM are required to wear surgical face masks and there will be no provision of refreshments or drinks or souvenir at the EGM. Attendees of the EGM who do not wear surgical face masks or are subject to any Hong Kong Government prescribed quarantine may be denied entry to the EGM venue as permitted by the applicable laws of Hong Kong. For the health and safety of the Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy and to return their proxy forms by the time specified above, instead of attending the EGM in person.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF EGM	8

DEFINITIONS

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

“Articles”	the articles of association adopted by the Company on 16 December 2019, and as amended from time to time
“Board”	the board of Directors
“Company”	Kwung’s Holdings Limited (曠世控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1925)
“COVID-19”	The novel coronavirus disease 2019
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened on Tuesday, 17 January 2023 for the purpose of considering and approving the declaration and payment of the Special Dividend out of the Share Premium Account
“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 People’s Republic of China
“Latest Practicable Date”	22 December 2022, 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
“RMB”	Renminbi Yuan, the lawful currency of the People’s Republic of China
“Share Premium Account”	the share premium account of the Company, the amount standing to the credit of which was approximately RMB249,653,000 (approximately HK\$271,749,000) as at 30 June 2022 based on the unaudited interim condensed consolidated financial statements of the Group as at that date

DEFINITIONS

“Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Special Dividend”	the proposed special dividend of HK7 cents per Share as recommended by the Board
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

* *References to time and dates in this circular are to Hong Kong time and dates.*

LETTER FROM THE BOARD

KWUNG'S HOLDINGS LIMITED
曠世控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1925)

Executive Directors:

Mr. JIN Jianxin (*Chairman*)
Mr. TIAN Dong

Registered Office:

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

Non-executive Directors:

Mr. SHAO Patrick

Independent Non-executive Directors:

Mr. LAI Chun Yu
Ms. XU Qiong
Mr. ZHOU Kai

Principal Place of Business in Hong Kong:

Unit 1102, 11th Floor
Brill Plaza
No. 84 To Kwa Wan Road
To Kwa Wan
Kowloon
Hong Kong

29 December 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED DECLARATION AND PAYMENT OF
SPECIAL DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

As disclosed in the announcements of the Company dated 9 December 2022 and 21 December 2022, the Board resolved to recommend the declaration and payment of the Special Dividend out of the Share Premium Account.

The purpose of this circular is to provide you with information in respect of the resolution to be proposed at the EGM for the declaration and payment of the Special Dividend.

LETTER FROM THE BOARD

2. DECLARATION AND PAYMENT OF THE SPECIAL DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT

Subject to approval of the Shareholders, the Board recommended the declaration and payment of the special dividend of HK7 cents per Share out of the Share Premium Account.

As at the Latest Practicable Date, there were a total of 405,042,000 Shares in issue. Based on the number of issued Shares as at the Latest Practicable Date, the Special Dividend, if declared and paid, will amount to HK\$28,352,940 (approximately RMB26,048,000). Subject to the fulfilment of the conditions set out in the section headed “Conditions of the Payment of the Special Dividend out of the Share Premium Account” below, the Special Dividend is intended to be paid out of the Share Premium Account pursuant to Article 154 of the Articles.

As at 30 June 2022, based on the unaudited interim condensed consolidated financial statements of the Group, the amount standing to the credit of the Share Premium Account was approximately RMB249,653,000 (approximately HK\$271,749,000). Following the payment of the Special Dividend, there will be a remaining balance of approximately RMB223,605,000 (approximately HK\$243,396,000) standing to the credit of the Share Premium Account.

Conditions of the Payment of the Special Dividend out of the Share Premium Account

The payment of the Special Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders declaring and approving the payment of the Special Dividend out of the Share Premium Account pursuant to Article 154 of the Articles at the EGM; and
- (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Special Dividend is paid, unable to pay its debts as they fall due in the ordinary course of business.

Subject to the fulfilment of the above conditions, it is expected that the Special Dividend will be paid in cash no later than Friday, 3 February 2023 to those Shareholders whose names appear on the register of members of the Company at close of business on Monday, 30 January 2023, being the record date for determination of entitlement to the Special Dividend.

The conditions set out above cannot be waived. If the conditions set out above are not satisfied, the Special Dividend will not be paid.

LETTER FROM THE BOARD

Reasons for and Effect of the Payment of the Special Dividend Out of the Share Premium Account

The Board considers it appropriate to distribute the Special Dividend in recognition of the continuous support from the Shareholders.

After taking into consideration of the existing cash flows of the Group, the Board considers that the Company has sufficient cash flows to pay the Special Dividend. Save for the immaterial expenses incurred as a result of the payment of the Special Dividend, the Board believes that the payment of the Special Dividend out of the Share Premium Account will not have any material adverse effect on the financial position of the Group and does not involve any reduction in the authorised or issued share capital of the Company or any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares. The Directors consider that the declaration and proposed payment of the Special Dividend out of the Share Premium Account is in the interests of the Company and the Shareholders as a whole.

3. CLOSURE OF REGISTER OF MEMBERS

(i) For determining the Shareholders who are entitled to attend the EGM

For the purpose of determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 12 January 2023 to Tuesday, 17 January 2023 (both dates inclusive), during which period no transfer of shares will be registered.

In order to qualify for attending and voting at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 11 January 2023.

(ii) For determining the Shareholders who qualify for the Special Dividend

If the proposed declaration and payment of the Special Dividend is approved by the Shareholders at the EGM, for the purpose of determining the entitlement to the Special Dividend, the register of members of the Company will be closed from Thursday, 26 January 2023 to Monday, 30 January 2023 (both dates inclusive), during which period no transfer of shares will be registered.

LETTER FROM THE BOARD

In order to qualify for the proposed Special Dividend (subject to the approval by Shareholders at the forthcoming EGM), all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 20 January 2023.

4. EGM

A notice convening the EGM to be held at Unit 1203B, 1204-05, 12th Floor, World-Wide House, No. 19 Des Voeux Road Central, Central, Hong Kong, on Tuesday, 17 January 2023 at 11:00 a.m. is set forth on pages 8 to 9 of this circular. No Shareholder is required to abstain from voting in respect of the ordinary resolution to be proposed at the EGM to approve the declaration and payment of the Special Dividend out of the Share Premium Account.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 48 hours before the time fixed for holding the EGM (or any adjournment thereof) to the office of the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong. 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 and in such event, the instrument appointing a proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. Accordingly, the resolution as put to vote at the EGM will be taken by way of poll.

5. 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 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.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Board believes that the proposed declaration and payment of the Special Dividend out of the Share Premium Account is in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to vote in favour of the resolution as set out in the notice of EGM.

By order of the Board
Kwung's Holdings Limited
JIN Jianxin
Chairman and executive Director

NOTICE OF EGM

KWUNG'S HOLDINGS LIMITED 曠世控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1925)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Kwung’s Holdings Limited (the “Company”) will be held at Unit 1203B, 1204–05, 12th Floor, World-Wide House, No. 19 Des Voeux Road Central, Central, Hong Kong, on Tuesday, 17 January 2023 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendment, the following resolution of the Company as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT** the declaration and payment of a special dividend of HK7 cents per ordinary share out of the share premium account of the Company (the “**Special Dividend**”) to shareholders of the Company whose names appear on the register of members of the Company on the record date fixed by the board of directors (the “**Director(s)**”) of the Company for determining the entitlements to the Special Dividend be and is hereby approved; and any Director be and is hereby authorised to take such action, do such things and execute such further documents as the Director may at his absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Special Dividend.”

By order of the Board

Kwung’s Holdings Limited

JIN Jianxin

Chairman and executive Director

Hong Kong, 29 December 2022

Registered office:

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

NOTICE OF EGM

Principal place of business in Hong Kong:

Unit 1102, 11th Floor
Brill Plaza
No. 84 To Kwa Wan Road
To Kwa Wan, Kowloon
Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or, if he is holder of more than one share, more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrar of the Company, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjournment thereof).
3. The register of members of the Company will be closed from Thursday, 12 January 2023 to Tuesday, 17 January 2023 (both days inclusive), during which period no transfer of shares in the Company will be registered, for the purpose of determining the identity of the shareholders entitled to attend and vote at the EGM. In order to qualify for attending and voting at the EGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 11 January 2023.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.
5. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.