
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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in KNT Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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KNT

KNT HOLDINGS LIMITED

嘉藝控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1025)

PROPOSED RE-ELECTION OF DIRECTORS, PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

MEASURES TAKEN IN LIGHT OF CORONAVIRUS DISEASE 2019 (“COVID-19”)

Please see page 3 of this document for measures being taken to try to prevent and control the spread of the COVID-19 at the Annual General Meeting, including:

- compulsory temperature check and health declaration
- prohibit attendance at the Annual General Meeting if the attendee has a fever. Persons exhibiting flu-like symptoms may also be refused admittance
- prohibit attendance at the Annual General Meeting if the attendee has been to the countries in the 14-day period prior to the Annual General Meeting as stated in page 3 of this circular and/or such other countries or time periods as may be required or recommended by any government agencies from time to time
- no food served at the Annual General Meeting

Any person who does not comply with the precautionary measures may be denied entry into the Annual General Meeting venue. The Company encourages attendees who feel unwell (even without flu-like symptoms) to wear surgical masks and reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attend the Annual General Meeting in person.

The notice convening the Annual General Meeting of KNT Holdings Limited to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 21 August 2020 at 11:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, 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 Annual General Meeting (i.e. not later than 11:00 a.m. on Wednesday, 19 August 2020 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjournment meeting if they so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.kntholdings.com>).

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

23 July 2020

* For identification purpose only

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DEFINITIONS

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

| | |
|---------------------------|---|
| “Annual General Meeting” | the annual general meeting of the Company to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 21 August 2020 at 11:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 19 of this circular, or any adjournment thereof |
| “Articles of Association” | the articles of association of the Company currently in force |
| “Board” | the board of Directors |
| “Companies Law” | the Companies Law of the Cayman Islands |
| “Company” | KNT Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “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 |
| “Issuance Mandate” | a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting |
| “Latest Practicable Date” | 16 July 2020, 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 as amended from time to time |

DEFINITIONS

| | |
|----------------------------|---|
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company |
| “Share Repurchase Mandate” | a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time |

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the Coronavirus Disease 2019 (“COVID-19”) situation, the Company will be taking the following precautionary measures at the Annual General Meeting:

- All attendees will be required to undergo a temperature check and sign a health declaration form before entering the Annual General Meeting venue.
- Any person who has a fever will not be permitted to attend the Annual General Meeting. Persons exhibiting flu-like symptoms may also be refused admittance at the Company’s discretion.
- Any person, irrespective of nationality, who has been to France, Germany, Italy, Spain, Iran, Republic of Korea, Japan, ASEAN countries, Switzerland, the United Kingdom and the People’s Republic of China in the 14-day period prior to the Annual General Meeting and/or such other countries or time periods as may be required or recommended by any government agencies from time to time, will not be permitted to attend the Annual General Meeting.
- There will not be any food served at the Annual General Meeting.

Shareholders who are feeling unwell or have been placed on leave of absence on the date of the Annual General Meeting are advised not to attend the Annual General Meeting. Attendees who feel unwell (even without flu-like symptoms) are encouraged to wear surgical masks.

Shareholders who prefer not to attend or are restricted from attending the Annual General Meeting, may still vote by proxy and are advised to take note of the last date and time for the lodgement of the proxy form.

As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate in order to minimise any risk to Shareholders and others attending the Annual General Meeting and to comply with any requirements or recommendations of any government agencies from time to time.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of community spread of COVID-19.

The Annual General Meeting will commence sharply at 11:00 a.m., and Shareholders are encouraged to arrive at the Annual General Meeting venue at least half an hour prior to the meeting commencement time to avoid delays from precautionary measures mentioned above in the registration process. There will not be any vouchers or door gifts issued.

LETTER FROM THE BOARD

KNT

KNT HOLDINGS LIMITED

嘉藝控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1025)

Executive Directors:

Mr. Chong Sik
Mr. Chong Pun
Mr. Lam Chi Yuen

Registered Office:

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

Independent Non-executive Directors:

Mr. Leung Martin Oh Man
Mr. Lau Koong Yep
Mr. Yuen King Sum
Mr. Lau Kwok Fan

*Headquarters and principal place
of business in Hong Kong:*

30th Floor
EW International Tower
No. 120 Texaco Road
Tsuen Wan, New Territories
Hong Kong

23 July 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 21 August 2020.

* *For identification purpose only*

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Leung Martin Oh Man, Mr. Lau Koong Yep and Mr. Yuen King Sum shall retire at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The nomination committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The nomination committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive Directors who are due to retire at the Annual General Meeting. The Company considers that the retiring independent non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 23 August 2019, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting (i.e. a total of 52,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting).

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 23 August 2019, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 104,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 19 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

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.kntholdings.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, 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 Annual General Meeting (i.e. not later than 11:00 a.m. on Wednesday, 19 August 2020 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment meeting if you so wish. In such event, the form of proxy will be deemed to be revoked.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Repurchase Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
KNT Holdings Limited
Chong Sik
Chairman and Executive Director

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) LEUNG MARTIN OH MAN, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Leung Martin Oh Man, aged 39, was appointed as an independent non-executive Director on 31 January 2019. He is the chairman of audit committee and member of remuneration committee and nomination committee of the Company. Mr. Leung graduated from the University of Toronto with a Bachelor of Commerce degree in November 2002. He was admitted as a certified public accountant of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) in July 2006 and a member of the Hong Kong Institute of Surveyors in January 2014. He is currently registered as a certified public accountant (practising) of HKICPA.

Mr. Leung has over 15 years of experience in the field of financing, financial management, accounting, auditing and valuation. He worked with Deloitte Touche Tohmatsu from March 2003 to March 2011, where he was principally responsible for audit related matters and was also engaged with accounting and taxation related matters. He is currently serving as the general manager of TL Property Consultants International Limited responsible for making and execution of the company’s strategy and management of human resources and daily operation.

Mr. Leung has been serving as an independent non-executive director of Global Strategic Group Limited (a company listed on the GEM of the Stock Exchange, stock code: 8007) since October 2014. He also is serving various social responsibilities, including member of the Chinese People’s Political Consultative Conference (“CPPCC”) of Xuhui District of Shanghai, fellow member of the professionals committee of Shanghai Chinese Overseas Friendship Association, founding member of the Hong Kong Professionals and Senior Executives Association and director of the International Nature Loving Association Limited.

Save as disclosed above, Mr. Leung has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Leung has entered into a letter of appointment with the Company under which he agreed to act as an independent non-executive Director for a period of three years commencing from 28 February 2019 until terminated by not less than three months’ notice in writing served by either party on the other. He is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

Mr. Leung does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Leung was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Under the letter of appointment entered into between Mr. Leung and the Company, Mr. Leung is entitled to receive service fee of HK\$120,000 per annum acting as an independent non-executive Director.

(2) LAU KOONG YEP, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lau Koong Yep, aged 43, was appointed as an independent non-executive Director on 31 January 2019. He is the chairman of remuneration committee and member of audit committee and nomination committee of the Company. Mr. Lau was awarded a Bachelor of Business Administration degree in Quantitative Analysis for Business Student (minoring Finance) from the City University of Hong Kong in July 1999. He was in the direct selling and social commerce industry for over 16 years. Mr. Lau currently works with Lotus Wellness Limited* (荷康人體博物館管理服務(馬鞍山)有限公司) and serves as the chief executive officer. He worked with Jason Pharmaceuticals Inc., a wholly owned subsidiary of Medifast, Inc. (a company listed in the New York Stock Exchange with stock code: MED) from October 2018 to June 2020 with his last position as the market vice president of business development for Asia Pacific. He worked with WeMedia Shopping Network Technology Co. Limited (“WeMedia”) from February 2017 to October 2017 with his last position as the chief operating officer. Before Mr. Lau joined WeMedia, he worked with NU SKIN Enterprises Hong Kong, LLC from June 2012 to December 2016 with his last position as a vice president, executive partners Greater China. He also worked with USANA Hong Kong Limited from 2011 to 2012, Market Hong Kong Limited from 2007 to 2010 and Herbalife International of Hong Kong Limited from 2001 to 2004.

Mr. Lau is also dedicated to various social responsibilities. He is currently a member of the National Committee of the CPPCC of Guilin and a director of the Hong Kong Shanxi Chamber of Commerce.

Mr. Lau has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Lau has entered into letter of appointment with the Company under which he agreed to act as an independent non-executive Director for a period of three years commencing from 28 February 2019 until terminated by not less than three months’ notice in writing served by either party on the other. He is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

Mr. Lau does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Lau was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Under the letter of appointment entered into between Mr. Lau and the Company, Mr. Lau is entitled to receive service fee of HK\$120,000 per annum acting as an independent non-executive Director.

(3) YUEN KING SUM, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Yuen King Sum, aged 56, was appointed as an independent non-executive Director on 31 January 2019. He is the member of audit committee, remuneration committee and nomination committee of the Company. Mr. Yuen graduated from Hang Seng School of Commerce (now known as The Hang Seng University of Hong Kong) with a Diploma in Business Studies in July 1984. He was admitted as a Fellow of Life Management Institute in 1987.

Mr. Yuen has over 30 years of experience in the operation, marketing and management of insurance companies. He worked with Hong Kong Family Insurance Co., Ltd as an administrative assistant from August 1984 to July 1987, and subsequently worked with the American International Underwriters, Limited (now known as AIG Insurance Hong Kong Limited) from November 1987 to March 2010 as an insurance agent. Since July 2010, Mr. Yuen has been working with Finexis Advisory (HK) Limited and is presently holding the position as chief agency officer.

Mr. Yuen has been serving as an adjunct lecturer of Executive Development Centre of The Hang Sang University of Hong Kong since September 2017.

Mr. Yuen has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Yuen has entered into a letter of appointment with the Company under which he agreed to act as an independent non-executive Director for a period of three years commencing from 28 February 2019 until terminated by not less than three months' notice in writing served by either party on the other. He is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

APPENDIX I**DETAILS OF THE DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. Yuen does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr. Yuen was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Under the letter of appointment entered into between Mr. Yuen and the Company, Mr. Yuen is entitled to receive service fee of HK\$120,000 per annum acting as an independent non-executive Director.

OTHER INFORMATION

Save as disclosed above, there is no information which is discloseable nor the above Directors involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning the above Directors that need to be brought to the attention of the Shareholders.

The English translation of terms or names in Chinese which are marked with “” is for identification purposes only. In the events of any inconsistency, the Chinese terms or names shall prevail.*

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 520,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 520,000,000 Shares, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 52,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

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

3. FUNDING OF SHARE REPURCHASE

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

The Company may only apply funds legally available for share repurchase in accordance with the Articles of Association, the Companies Law and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2020) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate 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. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|--|-------------------------------|------------------------------|
| 2019 | | |
| July | 1.050 | 0.550 |
| August | 0.780 | 0.590 |
| September | 0.720 | 0.560 |
| October | 0.660 | 0.465 |
| November | 0.520 | 0.380 |
| December | 0.475 | 0.365 |
| 2020 | | |
| January | 0.415 | 0.240 |
| February | 0.370 | 0.275 |
| March | 0.435 | 0.200 |
| April | 0.300 | 0.207 |
| May | 0.300 | 0.211 |
| June | 0.235 | 0.202 |
| July (up to the Latest Practicable Date) | 0.213 | 0.201 |

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Chong Sik and Mr. Chong Pun were interested in 235,950,000 and 154,050,000 Shares representing approximately 45.37% and 29.62% of the total issued share capital of the Company respectively. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the shareholding of Mr. Chong Sik and Mr. Chong Pun would be increased to approximately 50.41% and 32.91% of the issued share capital of the Company respectively. The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING

KNT

KNT HOLDINGS LIMITED

嘉藝控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1025)

Notice is hereby given that the Annual General Meeting of KNT Holdings Limited (the “Company”) will be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 21 August 2020 at 11:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 March 2020.
- 2(a). To re-elect Mr. Leung Martin Oh Man as an independent non-executive director of the Company.
- 2(b). To re-elect Mr. Lau Koong Yep as an independent non-executive director of the Company.
- 2(c). To re-elect Mr. Yuen King Sum as an independent non-executive director of the Company.
- 2(d). To authorise the board of directors to fix the respective directors’ remuneration.
3. To re-appoint Deloitte Touche Tohmatsu as auditors and to authorise the board of directors to fix their remuneration.

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); 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 to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme 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 issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); 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 to be held; and

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- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (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).”

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

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
KNT Holdings Limited
Chong Sik
Chairman and Executive Director

Hong Kong, 23 July 2020

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

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2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. 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. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the 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 of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 11:00 a.m. on Wednesday, 19 August 2020 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, 18 August 2020 to Friday, 21 August 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 17 August 2020.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to all shareholders of the Company together with the 2020 Annual Report.
6. If tropical cyclone warning signal number 8 or above is hoisted, or "extreme conditions" caused by super typhoons or a black rainstorm warning is in force at 8:00 a.m. or any time after 8:00 a.m. on 21 August 2020, the Annual General Meeting will not be held on 21 August 2020 but will be postponed to a later date and if postponed, the Company will as soon as practicable post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company. "Business Day", in this context, shall mean a day (excluding Saturday) on which banks are open for general banking business in Hong Kong. Shareholders may contact Customer Service Hotline of Tricor Investor Services Limited at (852) 2980 1333 from 9:00 a.m. to 5:00 p.m., Monday to Friday (excluding public holidays) for any enquiry regarding the aforesaid arrangement.
7. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board comprises three executive Directors, namely, Mr. Chong Sik, Mr. Chong Pun and Mr. Lam Chi Yuen; and four independent non-executive Directors, namely, Mr. Leung Martin Oh Man, Mr. Lau Koong Yep, Mr. Yuen King Sum and Mr. Lau Kwok Fan.