
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 Jun Yang Financial Holdings Limited (“**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchasers or transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchasers or transferees.

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Jun Yang Financial Holdings Limited **君陽金融控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

**(1) GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES;
(2) REFRESHMENT OF THE 10% GENERAL LIMIT UNDER
THE SHARE OPTION SCHEME;
(3) RE-ELECTION OF DIRECTORS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 9:30 a.m. on Friday, 3 June 2016 at President Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong is set out on pages AGM-1 to AGM-6 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 to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

28 April 2016

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DEFINITIONS

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

“10% General Limit”	the limit imposed under the rules of the Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme, being 10% of the number of issued Shares as at the date of adoption of the Share Option Scheme and thereafter, if refreshed, shall not exceed 10% of the number of issued Shares as at the date of approval of the Proposed Refreshment by the Shareholders
“2003 Share Option Scheme”	the share option scheme adopted by the Company on 17 November 2003 and was terminated on 4 June 2013
“AGM”	the annual general meeting of the Company to be held at 9:30 a.m. on Friday, 3 June 2016 at President Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong, the notice of which is set out on pages AGM-1 to AGM-6 of this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company, as amended from time to time
“Capital Reorganisation”	the reorganisation of the share capital of the Company involving (i) the share consolidation of every ten (10) then issued and unissued shares of HK\$0.01 each in the share capital of the Company into one (1) consolidated share (“ Consolidated Share ”) of HK\$0.10 each in the share capital of the Company; (ii) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.09 on each of the issued Consolidated Shares such that the nominal value of each issued Consolidated Share be reduced from HK\$0.10 to HK\$0.01; and (iii) the sub-division of each of the authorised but unissued Consolidated Shares of HK\$0.10 each into ten (10) Shares of HK\$0.01 each, which became effective on 6 April 2016
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Jun Yang Financial Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 5 in the notice convening the AGM
“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
“Latest Practicable Date”	21 April 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Refreshment”	the proposed refreshment of the 10% General Limit under the Share Option Scheme at the AGM
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares, which shall not exceed 10% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 4 in the notice convening the AGM

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company created as a result of the Capital Reorganisation, being the existing Shares
“Share Option Scheme”	the share option scheme of the Company adopted by the Company pursuant to an ordinary resolution of the Shareholders passed on 4 June 2013
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



Jun Yang Financial Holdings Limited **君陽金融控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

Executive Directors:

Mr. Kwok Sze Yiu, Gordon (*Chairman*)
Dr. Tang Sing Hing, Kenny (*Vice Chairman*)
Mr. Ng Tang (*Chief Executive Officer*)

Independent non-executive Directors:

Mr. Chan Chi Yuen
Mr. Chik Chi Man
Mr. Lam Wing Tai

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

*Head office and principal place of
business in Hong Kong:*

Unit 1105, 11/F
Wing On Plaza
62 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

28 April 2016

To the Shareholders

Dear Sir or Madam

**(1) GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES;
(2) REFRESHMENT OF THE 10% GENERAL LIMIT UNDER
THE SHARE OPTION SCHEME; AND
(3) RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate; (ii) the Proposed Refreshment; and (iii) the proposed re-election of Directors, and to give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

The general mandate granted to the Directors to allot, issue and deal with the unissued Shares in the amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the special general meeting of the Company held on 29 January 2016 and the general mandate granted to the Directors to repurchase Shares at the annual general meeting of the Company held on 3 June 2015 will expire at the conclusion of the AGM. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the grant of new general mandates to the Directors:

- (a) to repurchase Shares on the Stock Exchange of up to 10% of the number of issued Shares on the date of passing such resolution (i.e. 203,463,273 Shares assuming that the total number of Shares in issue remains the same at 2,034,632,734 Shares from the Latest Practicable Date up to the date of passing such resolution);
- (b) to allot, issue or deal with Shares of up to 20% of the number of issued Shares on the date of passing such resolution (i.e. 406,926,546 Shares assuming that the total number of Shares in issue remains the same at 2,034,632,734 Shares from the Latest Practicable Date up to the date of passing such resolution); and
- (c) to extend the General Mandate by an amount representing the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the General Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the AGM as set out on pages AGM-1 to AGM-6 of this circular. With reference to the Repurchase Mandate and the General Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate. The explanatory statement for such purpose is set out in Appendix I to this circular.

LETTER FROM THE BOARD

REFRESHMENT OF THE 10% GENERAL LIMIT UNDER THE SHARE OPTION SCHEME

Under the rules of the Share Option Scheme:

- (1) the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group is subject to the 10% General Limit; and
- (2) the total number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the Shares in issue from time to time (“**30% Overall Limit**”).

The Company may seek approval from the Shareholders in general meeting for refreshing the 10% General Limit so that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group shall be reset at 10% of the Shares in issue as at the date of approval of the limit as “refreshed”. In this connection, options previously granted under the Share Option Scheme and any other share option schemes of the Group (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the 10% General Limit as “refreshed”.

The Company adopted the Share Option Scheme on 4 June 2013. The existing 10% General Limit is 755,907,734 shares of HK\$0.01 each in the share capital of the Company (each, a “**Pre-Reorganisation Share**”) before the Capital Reorganisation, being 10% of the Pre-Reorganisation Shares in issue as at 24 July 2015 (i.e. the date of the special general meeting of the Company at which the refreshment of the existing 10% General Limit was approved by the Shareholders). Share options entitling the holders thereof to subscribe for an aggregate of 755,900,000 Pre-Reorganisation Shares (adjusted to 75,590,000 Shares as a result of the Capital Reorganisation), representing approximately 9.99% of the issued share capital as at 24 July 2015, have been granted under the existing 10% General Limit up to the Latest Practicable Date. All such share options have been exercised as at the Latest Practicable Date. Apart from such share options, share options entitling the holders thereof to subscribe for (i) 2,117,683 Pre-Reorganisation Shares (adjusted to 211,767 Shares as a result of the Capital Reorganisation) granted under the 2003 Share Option Scheme; and (ii) 243,031,250 Pre-Reorganisation Shares (adjusted to 24,303,125 Shares as a result of the Capital Reorganisation) granted under the Share Option Scheme have not been exercised, lapsed or cancelled and remained outstanding as at the Latest Practicable Date. Taking into account of the Capital Reorganisation, the aggregate number of Shares which may fall to be issued under the aforesaid total outstanding share options under the 2003 Share Option Scheme and the Share Option Scheme was adjusted to 24,514,892 Shares, representing approximately 1.20% of the issued Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

As disclosed above, the existing 10% General Limit has almost been utilised in full and if the 10% General Limit is not refreshed, the Board can only grant further share options entitling the holders thereof to subscribe for less than 0.01% of the issued share capital of the Company as at the Latest Practicable Date, under the existing 10% General Limit.

The Directors consider that it is in the interests of the Company and the Shareholders as a whole to refresh the 10% General Limit so as to provide the Company with greater flexibility in granting share options to eligible participants under the Share Option Scheme, who, in the sole discretion of the Board, have made or may make contribution to the Group as well as to provide incentives to those persons and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct interest in attaining the long term business objectives of the Group as and when necessary. For these reasons, the Directors will propose the passing of an ordinary resolution at the AGM for “refreshing” the 10% General Limit.

Pursuant to the Note to Rule 17.03(4) of the Listing Rules, unless approved by shareholders in the manner set out in the note to Rule 17.03(4) of the Listing Rules, the total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue. Where any further grant of options to a participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by shareholders of the Company in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting.

On the basis of 2,034,632,734 Shares being in issue as at the Latest Practicable Date and assuming that the issued share capital of the Company will not change prior to the AGM, the total number of Shares which may be issued upon exercise of all share options that may be granted under the 10% General Limit so refreshed is 203,463,273 Shares.

The refreshment of the 10% General Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve the Proposed Refreshment; and
- (b) the Stock Exchange granting the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the AGM, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the Share Option Scheme within the 10% General Limit so refreshed.

LETTER FROM THE BOARD

Application will be made to the Stock Exchange for the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the AGM, which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme within the 10% General Limit so refreshed.

RE-ELECTION OF DIRECTORS

Pursuant to Bye-Law 99 of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation. In addition, the Listing Rules provide that every director should be subject to retirement by rotation at least once every three years. The retiring Directors shall be eligible for re-election. As such, Mr. Chan Chi Yuen (“**Mr. Chan**”) and Mr. Chik Chi Man (“**Mr. Chik**”) shall retire at the AGM and each of them, being eligible, will offer himself for re-election at the AGM.

Pursuant to code provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of an independent non-executive Director who has served the Board for more than nine years should be subject to a separate resolution to be approved by the Shareholders.

Mr. Chan and Mr. Chik were appointed as the independent non-executive Directors on 12 January 2005 and 23 October 2006 respectively. Notwithstanding that Mr. Chan and Mr. Chik have served as the independent non-executive Directors for more than nine years, the Board is satisfied that each of Mr. Chan and Mr. Chik is a person of integrity and independent in character and judgment. Each of Mr. Chan and Mr. Chik has provided his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Further, each of Mr. Chan and Mr. Chik is independent of management and free from any business or other relationships or circumstances which could materially interfere with the exercise of their respective independent judgment. The Board, therefore, considers Mr. Chan and Mr. Chik to be independent and believes they should be re-elected as independent non-executive Directors, in particular because of their experience and contribution to the Board.

Further particulars of Mr. Chan and Mr. Chik are set out in Appendix II to this circular.

AGM

The notice of the AGM is set out on pages AGM-1 to AGM-6 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the re-election of Directors, the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate and the Proposed Refreshment.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying 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 Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM under the Listing Rules. All the resolutions put to vote at the AGM will be decided by way of poll as required by the Listing Rules (except where the chairman of the meeting, 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).

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.

RECOMMENDATION

The Directors consider that the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate, the Proposed Refreshment and the re-election of 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 all the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of the Directors proposed to be re-elected) to this circular.

Yours faithfully
On behalf of the Board
Jun Yang Financial Holdings Limited
Kwok Sze Yiu, Gordon
Chairman

The following explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,034,632,734 Shares. Subject to the passing of resolution no. 4 approving the Repurchase Mandate as set out in the notice convening the AGM on pages AGM-1 to AGM-6 of this circular, and assuming that the issued share capital of the Company will not change prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 203,463,273 Shares until (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 Bye-Laws, the Companies Act or any other applicable laws of Bermuda to be held; or (iii) the revocation or variation by ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-Laws, the Companies Act, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Companies Act provides that a company may only repurchase its own shares out of capital paid up on its shares to be repurchased, or out of funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made by the company for the purpose. Any amount of premium payable on a repurchase over the par value of the shares may only be effected out of either funds of the company that would otherwise be available for dividend or distribution, or out of the company's share premium account. Further, such repurchase may not be made if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

4. IMPACT OF REPURCHASES

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2015, the date to which the latest audited consolidated financial statements of the Group were made up.

5. SHARE PRICES

In each of the previous 12 months and up to the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on the Stock Exchange are as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
April	4.66*	2.47*
May	3.85*	3.05*
June	4.55*	2.35*
July	2.75*	1.18*
August	2.09*	1.26*
September	1.94*	1.51*
October	2.10*	1.34*
November	1.50*	1.08*
December	1.20*	0.58*
2016		
January	0.63*	0.31*
February	0.46*	0.29*
March	0.38*	0.29*
April (up to the Latest Practicable Date)	0.32*	0.24

* Traded prices referred to traded prices adjusted for the Capital Reorganisation which became effective on 6 April 2016.

6. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate, in the event that the Repurchase Mandate is approved at the AGM by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company and no such person has undertaken not to sell any Shares held by him/her/it to the Company, in the event that the Repurchase Mandate is approved at the AGM by the Shareholders.

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda, and the memorandum of association of the Company and the Bye-Laws.

8. TAKEOVERS CODE IMPLICATIONS

If as a result of a share repurchase a shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of a repurchasing company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best of the Directors' knowledge and belief having made all reasonable enquiries, they are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

9. GENERAL

In the six months preceding the Latest Practicable Date, the Company had not repurchased any Share on the Stock Exchange or otherwise.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of Mr. Chan Chi Yuen and Mr. Chik Chi Man, both of whom will retire by rotation at the AGM and being eligible, will offer themselves for re-election.

Mr. Chan Chi Yuen (“Mr. Chan”)

Mr. Chan, aged 49, has been an independent non-executive Director since 12 January 2005. He is also the chairman of the audit committee and a member of the remuneration committee and the nomination committee of the Company. Mr. Chan holds a bachelor’s degree with honours in Business Administration and a master of science degree in Corporate Governance and Directorship. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and is an associate member of The Institute of Chartered Accountants in England and Wales. He is also a practising certified public accountant and has extensive experience in financial management, corporate finance and corporate governance.

Mr. Chan is currently an executive director and chief executive officer of Noble Century Investment Holdings Limited (stock code: 2322). He is also the chairman and an executive director of Kate China Holdings Limited (stock code: 8125) and an executive director of e-Kong Group Limited (stock code: 524). He is also an independent non-executive director of Asia Energy Logistics Group Limited (stock code: 351), REX Global Entertainment Holdings Limited (stock code: 164), Media Asia Group Holdings Limited (stock code: 8075), U-RIGHT International Holdings Limited (stock code: 627), New Times Energy Corporation Limited (stock code: 166) and Leyou Technologies Holdings Limited (stock code: 1089). Mr. Chan was the chairman and an executive director of Kong Sun Holdings Limited (stock code: 295) from December 2011 to September 2013 and an executive director of South East Group Limited (now known as China Minsheng Drawin Technology Group Limited) (stock code: 726) from December 2013 to July 2015 and Co-Prosperty Holdings Limited (stock code: 707) from December 2014 to October 2015. He was also an independent non-executive director of China Sandi Holdings Limited (stock code: 910) from September 2009 to July 2014. All the companies mentioned above are listed on the Stock Exchange.

The Company has entered into a letter of appointment with Mr. Chan for appointing him as an independent non-executive Director for a fixed term of one year commencing from 1 April 2016 and Mr. Chan’s appointment is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the provisions of the Bye-Laws. Pursuant to such letter of appointment, Mr. Chan is entitled to an annual director’s fee of HK\$120,000.

Save as disclosed above, Mr. Chan did not hold any other directorship in other listed companies in the last three years nor had any major appointment. As at the Latest Practicable Date, Mr. Chan did not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chan did not have any interest in the any Shares within the meaning of Part XV of the SFO.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. Chik Chi Man (“Mr. Chik”)

Mr. Chik, aged 62, has been an independent non-executive Director since 23 October 2006. He is also the chairman of the nomination committee and a member of the audit committee and the remuneration committee of the Company. Mr. Chik has over 48 years of experience in the building and construction industry in Hong Kong. He is currently a member of the standing executive committee of Scout Association of Hong Kong New Territories East Region, the vice chairman of Sha Tin East District Scout Council and also the treasurer of the committee in Sha Tin District of the Friends of the Community Chest. In July 2006, Mr. Chik was awarded the Chief Executive’s Commendation for Community Service by The Government of the Hong Kong Special Administrative Region.

The Company has entered into a letter of appointment with Mr. Chik for appointing him as an independent non-executive Director for a fixed term of one year commencing from 1 April 2016 and Mr. Chik’s appointment is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the provisions of the Bye-Laws. Pursuant to such letter of appointment, Mr. Chik is entitled to an annual director’s fee of HK\$96,000.

Save as disclosed above, Mr. Chik did not hold any other positions with the Company or any of its subsidiaries, and he did not hold any directorships in other listed companies in the last three years nor had any major appointment. As at the Latest Practicable Date, Mr. Chik did not have any relationship with the other Directors, senior management or substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr. Chik did not have any interest in any Shares within the meaning of Part XV of the SFO.

General

Save as disclosed above, there are no other matters concerning the re-election of each of Mr. Chan and Mr. Chik as Director that need to be brought to the attention of the Shareholders and there is no other information that is required to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF AGM



Jun Yang Financial Holdings Limited **君陽金融控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“**Meeting**”) of Jun Yang Financial Holdings Limited (“**Company**”) will be held at 9:30 a.m. on Friday, 3 June 2016 at President Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditors of the Company for the year ended 31 December 2015.
2. (A) (i) To re-elect Mr. Chan Chi Yuen as an independent non-executive director of the Company;

(ii) To re-elect Mr. Chik Chi Man as an independent non-executive director of the Company;
- (B) To authorise the board of directors of the Company (“**Board**”) to fix the directors’ remuneration.
3. To re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorise the Board to fix their remuneration.

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As a special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

4. **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company (**“Directors”**) during the Relevant Period (as defined below) of all the powers of the Company to repurchase (or agree to repurchase) its shares in the share capital of the Company (each, a **“Share”**) on The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, be and the same is hereby generally and unconditionally approved;
 - (b) the Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
 - (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; 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;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws of Bermuda to be held;
or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this resolution.”

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5. “THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the authorised and unissued shares in the capital of the Company (each, a “**Share**”) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers after the expiration of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of: (i) a Rights Issue (as defined below); or (ii) the exercise of any option granted under any share option scheme or similar arrangements adopted by the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants, convertible bonds, debentures, notes or any securities issued by the Company which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares as at the date of passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares as at the date of passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

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(d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and

(e) 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 bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws of Bermuda to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this resolution;

“**Rights Issue**” means an offer of Shares, or an offer of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. “**THAT** conditional upon the passing of resolutions nos. 4 and 5 above, the general mandate granted to the directors of the Company (“**Directors**”) pursuant to resolution no. 5 above be and is hereby extended by the addition to the number of shares of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to or in accordance with such general mandate of an amount representing the number of shares of the Company repurchased by the Company pursuant to or in accordance with the authority granted under resolution no. 4 above.”

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7. “**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company pursuant to an ordinary resolution of the shareholders of the Company passed on 4 June 2013 (“**Share Option Scheme**”), representing 10 per cent. of the number of issued shares of the Company as at the date on which this resolution is passed, pursuant to the rules of the Share Option Scheme:
- (a) approval be and is hereby granted for refreshing the 10 per cent. limit under the Share Option Scheme (“**Refreshed Scheme Mandate**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries under the limit as refreshed hereby shall not exceed 10 per cent. of the shares of the Company in issue as at the date on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company or its subsidiaries) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate);
 - (b) the directors of the Company or a duly authorised committee thereof be and is/are hereby authorised: (i) at its/their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate; and
 - (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of shares of the Company that may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries under the Refreshed Scheme Mandate shall be adjusted to the effect that the number of shares of the Company that may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries under the Refreshed Scheme Mandate as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same.”

On behalf of the Board
Jun Yang Financial Holdings Limited
Kwok Sze Yiu, Gordon
Chairman

Hong Kong, 28 April 2016

NOTICE OF AGM

Registered office:
Canon's Court,
22 Victoria Street,
Hamilton HM12,
Bermuda

*Head office and principal place of
business in Hong Kong:*
Unit 1105, 11/F
Wing On Plaza
62 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy needs not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis 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.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the Meeting or any adjournment thereof should he/she so wish, and in such case, the instrument appointing a proxy previously submitted shall be deemed to be revoked.
4. The above resolutions put to vote at the Meeting will be decided by way of poll as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at the date of this notice, the executive Directors are Mr. Kwok Sze Yiu, Gordon, Dr. Tang Sing Hing, Kenny and Mr. Ng Tang, and the independent non-executive Directors are Mr. Chan Chi Yuen, Mr. Chik Chi Man and Mr. Lam Wing Tai.