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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 **Orange Sky Golden Harvest Entertainment (Holdings) Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or 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 transferee(s).

This circular should be read in conjunction with the annual report of the Company for the year ended 31 December 2019.

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Golden Harvest

**ORANGE SKY GOLDEN HARVEST
ENTERTAINMENT (HOLDINGS) LIMITED**

橙天嘉禾娛樂(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

**PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED ADOPTION OF THE 2020 SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at 24th Floor, Capital Centre, 151 Gloucester Road, Wan Chai, Hong Kong on Friday, 19 June 2020 at 11:00 a.m. or any adjournment thereof is set out on pages 28 to 32 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.osgh.com.hk>).

Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

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

“2009 Share Option Scheme”	The share option scheme adopted by the Company on 11 November 2009;
“2020 Share Option Scheme”	The new share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which are set out in the Appendix III to this circular;
“Adoption Date”	the date on which the 2020 Share Option Scheme is to be conditionally adopted by the Shareholders at the Annual General Meeting;
“Annual General Meeting”	the annual general meeting of the Company to be held at 24th Floor, Capital Centre, 151 Gloucester Road, Wan Chai, Hong Kong on Friday, 19 June 2020 at 11:00 a.m., notice of which is set out on pages 28 to 32 of this circular;
“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bye-Laws”	the bye-laws of the Company;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Orange Sky Golden Harvest Entertainment (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;
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Eligible Participant(s)”	any eligible participants of the 2020 Share Option Scheme as specified therein;
“Group”	the Company and its subsidiaries;

DEFINITIONS

“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;
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;
“Latest Practicable Date”	23 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Option”	an option to subscribe for Share(s) to be granted pursuant to the 2020 Share Option Scheme;
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of fully paid up Shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	percent

LETTER FROM THE BOARD



Golden Harvest

**ORANGE SKY GOLDEN HARVEST
ENTERTAINMENT (HOLDINGS) LIMITED**

橙天嘉禾娛樂(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

Chairman and Executive Director:

Mr. Wu Kebo

Executive Directors:

Mr. Li Pei Sen

Ms. Chow Sau Fong, Fiona

Ms. Go Misaki

Mr. Peng Bolun

Independent non-executive Directors:

Mr. Leung Man Kit

Ms. Wong Sze Wing

Mr. Fung Chi Man, Henry

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Principal place of business:

18/F, CNT Tower,
338 Hennessy Road

Wan Chai

Hong Kong

29 April 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED ADOPTION OF THE 2020 SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting regarding (i) the approval for granting the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate; (ii) the proposed re-election of the Directors; and (iii) the adoption of the 2020 Share Option Scheme.

* For identification purposes only

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 14 June 2019, the Shareholders passed ordinary resolutions granting the Directors general mandates to allot and issue new Shares and to repurchase Shares. Such mandates will expire and lapse at the conclusion of the Annual General Meeting. It is therefore proposed to renew the Issue Mandate and Repurchase Mandate at the Annual General Meeting.

Issue Mandate

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Issue Mandate which will enable the Directors to exercise the power of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing such resolution. In addition, an ordinary resolution will also be proposed to the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares repurchased under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 2,799,669,050 Shares. Assuming that there is no change in the issued and fully paid up share capital of the Company between the period from the Latest Practicable Date to the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 559,933,810 Shares.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in ordinary resolutions nos. 4 and 6 in the notice of the Annual General Meeting set out on pages 28 to 32 of this circular.

Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Repurchase Mandate which will enable the Directors to exercise the power of the Company to repurchase Shares up to 10% of the issued and fully paid up share capital of the Company as at the date of passing of such resolution. The Company's authority is restricted to repurchase Shares in the market in accordance with the Listing Rules.

Assuming that there is no change in the issued and fully paid up share capital of the Company between the periods from the Latest Practicable Date to the date of passing the resolution approving the Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 279,966,905 Shares.

Pursuant to the Listing Rules, an explanatory statement containing all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate is set out in Appendix I hereto.

LETTER FROM THE BOARD

Details of the Repurchase Mandate are set out in ordinary resolution no. 5 in the notice of the Annual General Meeting set out on page 30 of this circular.

Both the Issue Mandate and the Repurchase Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the revocation or variation of such authority by an ordinary resolution of the Shareholders in a general meeting.

RE-ELECTION OF DIRECTORS

Pursuant to clauses 86(2) of the Company's Bye-Laws, Ms. Go Misaki and Mr. Peng Bolun, who were both appointed as executive Director of the Company by the Board to fill casual vacancies or as additions to the Board on 9 September 2019, shall respectively hold office until the first general meeting of the Company after his or her appointment and shall then be eligible for re-election at the AGM.

In addition, pursuant to the Bye-laws of the Company, at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

In accordance with clauses 87(1) and (2) of the Company's Bye-Laws, Mr. Leung Man Kit and Ms. Wong Sze Wing will retire at the forthcoming annual general meeting. Being eligible, each of them will offer themselves for re-election.

The nomination committee of the Company had assessed and reviewed Mr. Leung Man Kit's and Ms. Wong Sze Wing's annual written confirmations of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that they remain independent.

Despite the fact that Mr. Leung Man Kit and Ms. Wong Sze Wing, our independent non-executive Directors, have served the Company for more than 9 years, the Board believes that the skill and experience that they acquired from different backgrounds will be beneficial to the Board with diversity of their comprehensive experience and knowledge will continue to contribute effectively to the Board.

In addition, the nomination committee of the Company had evaluated the performance of each of the abovesaid Directors during the year ended 31 December 2019 and found their performance satisfactory, taking into consideration factors such as the nomination policy and diversity policy of the Company, the perspectives, skills and experiences and the contributions of each of them. Accordingly, the Board, on the recommendation of the nomination committee of the Company, proposed that the above retiring Directors, namely Ms. Go Misaki, Mr. Peng Bolun, Mr. Leung Man Kit and Ms. Wong Sze Wing, stand for re-election as Directors at the AGM.

LETTER FROM THE BOARD

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

PROPOSED ADOPTION OF THE 2020 SHARE OPTION SCHEME

The 2009 Share Option Scheme which was adopted pursuant to the resolutions passed by the Shareholders on 11 November 2009 has expired on 10 November 2019. As at the Latest Practicable Date, there were no outstanding options granted but not yet exercised under the 2009 Share Option Scheme.

In view of the above, the Board proposes that the 2020 Share Option Scheme should be adopted to enable the Company to make grant of Options to the Eligible Participants to motivate them to contribute to the development of the Group. An ordinary resolution will be proposed at the AGM for approving the adoption of the 2020 Share Option Scheme with effect from the close of business of the day on which such resolution is passed by the Shareholders. A summary of the principal terms of the 2020 Share Option Scheme is set out in the Appendix III to this circular. A copy of the rules of the 2020 Share Option Scheme will be available for inspection (i) at the Company's principal place of business in Hong Kong at 18/F, CNT Tower, 338 Hennessy Road, Wan Chai, Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM; and (ii) at the venue of the AGM on the date of the AGM.

The purpose of the 2020 Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the Eligible Participants. Since (i) the success of the Group also depends the co-operation with and contribution from persons who play a role in the business of the Group, such as consultant, distributor, contractor, supplier, service provider, agent, customer and business partner of the Group; and (ii) all such persons would become Shareholders and share common interests and objectives with the Group upon their exercise of the Options, the Board believes that the inclusion of persons other than directors and employees of the Group as Eligible Participants will strengthen and deepen the Group's relationships with them and, thus, the business co-operation with them. As such, the Board considers that the inclusion of the aforesaid persons other than directors and employees of the Group is appropriate. The eligibility of the persons other than directors and employees of the Group will be determined by the Board with reference to their potential and/or actual contribution to the business growth and operational and financial performance of the Group.

Under the rules of the 2020 Share Option Scheme, the Board may offer to grant Option(s) to subscribe for such number of Shares to any Eligible Participant as the Board may from time to time at its discretion determine on a case by case basis. In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility). The basis for determination of the exercise price is also specified precisely in the rules of the 2020 Share Option Scheme. The Company believes that the authority given to the Board to select the appropriate participants and to specify the terms and conditions in respect of any Options that

LETTER FROM THE BOARD

may be granted, including the minimum holding period, performance targets and exercise price for such Options, will serve to protect the value of the Company as well as achieve the purposes of retaining and motivating the participants to contribute to the development and growth of the Group for the benefit of the Company and the Shareholders as a whole. Accordingly, the Directors consider that it is in the interest of the Company and the Shareholders to adopt the 2020 Share Option Scheme.

The 2020 Share Option Scheme will be administered by the Board. None of the Directors is a trustee of the 2020 Share Option Scheme or has a direct or indirect interest in such trustee (if any). With respect to the operation of the 2020 Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

As at the Latest Practicable Date, there were no outstanding options, warrants or convertible securities which entitle the holders to subscribe for Shares.

Taking into account the number of Shares in issue as at the Latest Practicable Date of 2,799,669,050 and assuming that there would be no change in the issued share capital of the Company from the Latest Practicable Date up to and including the Adoption Date, a total of 279,966,905 Shares will be issuable upon exercise of Options that may be granted under the 2020 Share Option Scheme, representing 10% of the issued share capital of the Company as at the Adoption Date.

Value of the Options

The Directors consider it inappropriate to disclose the value of Options which may be granted under the 2020 Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain pricing model or other methodology, which depends on various assumptions including, exercise price, exercise period, interest rate, expected volatility and other variables. The Directors believe that any calculation of the value of Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders and potential investors in the market.

Conditions precedent of the 2020 Share Option Scheme

The adoption of the 2020 Share Option Scheme is conditional upon:

- (A) the passing of an ordinary resolution to approve and adopt the 2020 Share Option Scheme by the Shareholders in the AGM; and
- (B) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options in accordance with the terms of the 2020 Share Option Scheme.

LETTER FROM THE BOARD

Application for listing

Application will be made to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options that may be granted pursuant to the 2020 Share Option Scheme.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 24th Floor, Capital Centre, 151 Gloucester Road, Wan Chai, Hong Kong on Friday, 19 June 2020 at 11:00 a.m. or any adjournment thereof is set out on pages 28 to 32 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the proposed re-election of the Directors.

In accordance with Rule 13.39(4) of the Listing Rules and Bye-law 67 of the Bye-Laws, all votes of the shareholders of the Company to be taken at the Annual General Meeting must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll and an announcement of the results of the poll will be published in accordance with the requirements of the Listing Rules.

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2020 Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

A proxy form for use at the Annual General Meeting is enclosed herein. Whether or not you intend to attend and vote at the Annual General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 54, 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 the holding of the Annual General Meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so wish.

RECOMMENDATION

The Directors consider that the proposals for granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the Directors are all in the best interests of the Company and the Shareholders as a whole and accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

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 misleading.

GENERAL INFORMATION

Your attention is also drawn to the information as set out in the Appendices to this circular.

In the event of inconsistency, the English texts of this circular and the enclosed form of proxy shall prevail over the Chinese texts.

Yours faithfully,
For and on behalf of the Board
**Orange Sky Golden Harvest
Entertainment (Holdings) Limited**
Wu Kebo
Chairman and Executive Director

This Appendix serves as an explanatory statement required by the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

(b) Source of funds

Repurchases of shares must be made out of funds legally available for such purpose in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or established.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$279,966,905 comprising 2,799,669,050 Shares.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued, allotted or repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would enable the Company to repurchase up to 279,966,905 Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; or (ii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders to continue to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets 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.

FUNDING OF REPURCHASE

It is envisaged that any repurchase of Shares will be financed out of funds which are legally available for such purpose in accordance with the memorandum of association and Bye-Laws, the Listing Rules and the applicable laws of Bermuda.

The Directors are not aware of any material adverse impact on the working capital or gearing level of the Company as compared with the position disclosed in its most recent published audited accounts as at 31 December 2019 in the event that the Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing level of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

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

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
April	0.330	0.285
May	0.305	0.240
June	0.250	0.232
July	0.240	0.220
August	0.305	0.217
September	0.275	0.237
October	0.305	0.255
November	0.345	0.265
December	0.340	0.265
2020		
January	0.335	0.255
February	0.280	0.248
March	0.275	0.196
April (up to the Latest Practicable Date)	0.270	0.180

DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, none of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates have any present intention to sell any Shares to the Company or its subsidiaries (as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) in the event that the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no core connected person has notified the Company that he/she has a present intention to sell any Shares to the Company or has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

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

EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

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

As at the Latest Practicable Date, Mr. Wu Kebo ("**Mr. Wu**"), the chairman of the Company and an executive Director, was interested in 1,995,718,497 Shares (representing approximately 71.28% of the existing issued share capital of the Company). Of 1,995,718,497 Shares in which he was interested, (i) 439,791,463 Shares (representing approximately 15.71% of the existing issued share capital of the Company) were held by Skyera International Limited ("**Skyera**") (a company wholly-owned by Mr. Wu); (ii) 408,715,990 Shares (representing approximately 14.60% of the existing issued share capital of the Company) were held by Mainway Enterprises Limited ("**Mainway**") (a company wholly-owned by Mr. Wu); (iii) 129,666,667 Shares (representing approximately 4.63% of the existing share capital of the Company) were held by Noble Biz International Limited ("**Noble Biz**") (a company wholly-owned by Mr. Wu); (iv) 565,719,948 Shares (representing approximately 20.21% of the existing issued share capital of the Company) were held by Orange Sky Entertainment Group (International) Holding Company Limited ("**OSEG**") (a company which was 80% owned by Mr. Wu); (v) 180,000,000 Shares (representing approximately 6.43% of the existing issued share capital of the Company) were held by Cyber International Limited ("**Cyber**") (a company owned by an associate of Mr. Wu); and (vi) 271,824,429 Shares were directly held in his own name.

On the basis that no further Shares are issued between the Latest Practicable Date and the date of a repurchase under the Repurchase Mandate and no further Shares are repurchased prior to the Annual General Meeting, in the event that the Directors exercise in full the Repurchase Mandate, the voting rights of Mr. Wu would be increased to approximately 79.20% of the issued share capital of the Company. Save as aforesaid and based on the information available to the Directors as at the Latest Practicable Date, the Directors are not aware of any consequences or implications which may arise under the Takeovers Code as a result of exercising the power to repurchase Shares under the Repurchase Mandate. The Directors have no present intention of exercising the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent that may result in the number of Shares in the hands of the public falling below such prescribed minimum percentage.

SHARE REPURCHASES BY THE COMPANY

The Company has not made any repurchase of the Shares during the six months prior to the Latest Practicable Date.

The following are the particulars of the Directors for re-election at the Annual General Meeting pursuant to the Bye-Laws and the Listing Rules:

Ms. Go Misaki (“Ms. Go”)

Ms. Go (former name: Wu Kexuan), aged 44, has appointed as an executive Director with effect from 9 September 2019 and is currently a director of certain subsidiaries of the Company. She has served as general manager of Chikou Company Limited, a company primarily engaging in telecommunications service for the last two decades, since 2003. With almost 20 years of extensive working experience in telecommunications service and entertainment industry, Ms. Go provides professional consultation and service across the world and participates in managing and executing network equipments projects, screen & position advertising, alternative content, cinema-based merchandise and other diversified entertainment. Ms. Go is the cousin of Mr. Wu Kebo, being our current executive Director.

Ms. Go graduated from Guangzhou Jinan University in 1996 with a diploma of Foreign Trade and Economics and obtained a diploma of General Art & Science from Mohawk College in Canada in 1999 and a diploma of International Economy & Business from Nakano School of Business in Japan in 2003.

Ms. Go has entered into an employment agreement with the Company for a term of three years commencing from 9 September 2019 and is subject to retirement by rotation and re-election in accordance with the Company’s bye-laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Pursuant to her employment agreement with the Company, Ms. Go is entitled to an annual emolument of HK\$480,000, including director fee and basic salary. The discretionary bonus will be determined at the Company’s discretion by reference to her individual performance and the Company’s performance and subject to the approval by the Board. The Company may also grant share options from time to time to Ms. Go as an incentive for her services during the term, provided that the maximum total number of share options granted to Ms. Go shall not be more than 1% of the entire issued share capital of the Company during the period of term, subject to the Board’s and/or independent Shareholders’ approval under the share option scheme of the Company and/or the Listing Rules. The emolument of Ms. Go is determined by reference to industry norm and market conditions and with reference to her duties and responsibilities with the Company.

Save as disclosed herein, as at the Latest Practicable Date (a) Ms. Go had not held any directorship in other listed public companies in the last three years and did not hold any other positions with the Company or other members of the Group; (b) Ms. Go did not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders; and (c) there were no other matters concerning Ms. Go that needed to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules. As at the Latest Practicable Date, save as disclosed herein, Ms. Go did not have any other interests in the Shares within the meaning of Part XV of the SFO.

Mr. Peng Bolun (“Mr. Peng”)

Mr. Peng, aged 29, has been appointed as an executive Director and the finance director of the China operation of the Group effective from 9 September 2019. Before joining the Group, he respectively served as a director from July 2017 to September 2019 and assistant to chairman from March 2018 to September 2019 of Orange Sky Entertainment Group (International) Holding Company Limited (“OSEG”). Prior to joining OSEG, Mr. Peng held several positions at Ernst & Young (China) Advisory Limited from 2015 to 2016 and Northeast Securities from 2016 to 2017, where he specialized in derivative valuation, transaction services and investment banking.

Mr. Peng obtained a master’s degree in Financial Engineering from Cornell University in 2014. He is a CFA charterholder and a certified FRM.

Mr. Peng has entered into an employment agreement with the Company for a term of three years commencing from 9 September 2019 and is subject to retirement by rotation and re-election in accordance with the Company’s bye-laws and the Listing Rules.

Pursuant to his employment agreement with the Company, Ms. Peng is entitled to an annual emolument of RMB494,736, including director fee and basic salary. The discretionary bonus will be determined at the Company’s discretion by reference to his individual performance and the Company’s performance and subject to the approval by the Board. The Company may also grant share options from time to time to Mr. Peng as an incentive for his services during the term, provided that the maximum total number of share options granted to Mr. Peng shall not be more than 1% of the entire issued share capital of the Company during the period of term, subject to the Board’s and/or independent Shareholders’ approval under the share option scheme of the Company and/or the Listing Rules. The emolument of Mr. Peng is determined by reference to industry norm and market conditions and with reference to his duties and responsibilities with the Company.

Save as disclosed above, Mr. Peng (i) does not hold any other positions in the Company or any of its subsidiaries nor have any other relationships with any director, senior management, substantial shareholder or controlling shareholder of the Company as defined in the Listing Rules; (ii) 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 past three years or other major appointments and professional qualifications; and (iii) does not have, and is not deemed to have, any interests in any shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company within the meaning of Part XV of the SFO.

Mr. Leung Man Kit (“Mr. Leung”)

Mr. Leung, aged 66, has been an independent non-executive Director, and the chairman of the audit committee and a member of the remuneration committee of the Company since February 2008 and a member of the nomination committee of the Company since 26 March 2012. As of 18 September 2019, Mr. Leung has commenced his Responsible Officer Type 6 role in Grand Moore Capital Limited. Mr. Leung obtained a bachelor’s degree in social science from the University of Hong Kong in 1977 and has over 30 years of experience in project

finance and corporate finance. He has held senior positions with Peregrine Capital (China) Limited, SG Securities (HK) Limited (previously known as Crosby Securities (Hong Kong) Limited), Swiss Bank Corporation, Hong Kong Branch. Mr. Leung was also a director of Emerging Markets Partnership (Hong Kong) Limited which was the principal adviser to the AIG Infrastructure Fund L.P.

As at the Latest Practicable Date, Mr. Leung holds or held directorships in the following listed companies in the past three years:

Name of the listed company	Term	Position
Netease.com Inc., a company listed on NASDAQ (stock code: NTES)*	July 2002 to present	Independent non-executive director
China Ting Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3398)	November 2005 to present	Independent non-executive director
Unitas Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8020)	October 2011 to November 2018	Executive director
China Huiyuan Juice Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1886)	June 2012 to January 2019	Independent non-executive director
China Electronics Optics Valley Union Holding Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 798)*	March 2014 to present	Independent non-executive director
Luye Pharma Group Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 2186)*	June 2014 to present	Independent non-executive director

* Mr. Leung is also the chairman of the audit committee of these companies.

Mr. Leung has entered into a letter of appointment with the Company commencing from 26 April 2010 for his appointment as an independent non-executive Director. He will not have a fixed term of service but will be subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the provisions of the Bye-Laws. Mr. Leung is entitled to a director's fee in the amount of HK\$300,000 on an annual basis plus a fee of HK\$10,000 per regular board meeting attended, which are determined by reference to his duties as an independent non-executive Director, the chairman of the audit committee, and a member of the remuneration committee and the nomination committee of the Company.

As at the Latest Practicable Date, Mr. Leung was interested in 370,000 Shares.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Leung had not held any directorship in other listed public companies in the last three years and did not hold any other positions with the Company or other members of the Group; (b) Mr. Leung did not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders; and (c) there were no other matters concerning Mr. Leung that needed to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules. As at the Latest Practicable Date, save as disclosed herein, Mr. Leung did not have any other interest in the Shares within the meaning of Part XV of the SFO.

Ms. Wong Sze Wing (“Ms. Wong”)

Ms. Wong, aged 41, was appointed as an independent non-executive Director and a member of the remuneration committee and the audit committee of the Company with effect from 26 April 2010. She has been appointed as the chairman of the remuneration committee of the Company and a member of the nomination committee since 26 March 2012. Ms. Wong has over ten years of accounting experience in the profession. She has been the chief financial officer since July 2010 and was joint company secretary between February 2009 and March 2017 of Yingde Gases Group Company Limited which was previously listed on the main board of The Stock Exchange of Hong Kong Limited and a constituent stock of Hang Seng Composite Index. Ms. Wong was previously employed as the group chief financial officer of OSEG. She was also previously employed as the financial controller of Avex China Company Limited, a PRC joint venture company established by OSEG and Avex Group Holdings Inc., which is listed on the Tokyo Stock Exchange. Ms. Wong ceased to be the group chief financial officer of OSEG and financial controller of Avex China Company Limited in January 2008. She was also previously employed as a manager at PricewaterhouseCoopers. Ms. Wong obtained a bachelor’s degree in business administration from the University of Hong Kong in 2001. She also obtained an EMBA from the China Europe International Business School in 2012. Ms. Wong became a chartered member of the Hong Kong Institute of Certified Public Accountants in 2003.

As at the Latest Practicable Date, Ms. Wong holds or held directorships in the following listed companies in the past three years:

Name of the listed company	Term	Position
Rici Healthcare Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1526)*	June 2016 to present	Independent non-executive director
Wangsu Science & Technology Co.,Ltd., a company listed on the ChiNext Board of the Shenzhen Stock Exchange (stock code: 300017)#	April 2017 to present	Independent director
ZHEJIANG DAHUA TECHNOLOGY CO., LTD., a company listed on the SME Board of the Shenzhen Stock Exchange (stock code: 002236)	May 2017 to present	Independent director
GANFENG LITHIUM CO., LTD., a company listed on the Main Board of the Stock Exchange (stock code: 1772), and the SME Board of the Shenzhen Stock Exchange (stock code: 002460)	July 2018 to present	Independent non-executive director

* Ms. Wong is also the chairlady of the audit committee of the company.

Ms. Wong is also the chairlady of the remuneration and evaluation committee of the company.

Ms. Wong has entered into a letter of appointment with the Company commencing from 26 April 2010 for her appointment as an independent non-executive Director. She will not have a fixed term of service but will be subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the provisions of the Bye-Laws. Ms. Wong is entitled to a director's fee in the amount of HK\$200,000 on an annual basis plus a fee of HK\$10,000 per attendance of regular board meeting, which is determined by reference to her duties as an independent non-executive Director, a member of the audit committee and the nomination committee of the Company and the chairman of the remuneration committee of the Company.

As at the Latest Practicable Date, Ms. Wong was interested in 170,000 Shares. Save as disclosed herein, as at the Latest Practicable Date, (a) Ms. Wong had not held any directorship in other listed public companies in the last three years and did not hold any other positions with the Company or other members of the Group; (b) Ms. Wong did not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders; and (c) there were no other matters concerning Ms. Wong that needed to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules. As at the Latest Practicable Date, save as disclosed herein, Ms. Wong did not have any other interest in the Shares within the meaning of Part XV of the SFO.

This appendix summaries the principal terms of the 2020 Share Option Scheme and does not form, nor is intended to be, part of the 2020 Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the 2020 Share Option Scheme.

THE 2020 SHARE OPTION SCHEME

The following is a summary of the principal terms of the 2020 Share Option Scheme proposed to be approved and adopted by ordinary resolution of the Shareholders at the AGM.

1. Purpose of the Scheme

The purpose of the 2020 Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the Eligible Participants.

2. Participants of the 2020 Share Option Scheme and Eligibility Criteria

The Eligible Participants of the 2020 Share Option Scheme to whom Options may be granted by the Board shall be (a) any full-time or part-time employee of the Company and/or any subsidiary of the Company; (b) any director (including executive, non-executive and independent non-executive director) of the Company and/or any subsidiary of the Company; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary of the Company who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary of the Company.

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the 2020 Share Option Scheme. There is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the 2020 Share Option Scheme. However, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion.

3. Time of Acceptance and Exercise of Option

An option may be accepted by a participant within 30 days from the date of the offer of grant of the option by duly signing the duplicate letter comprising acceptance of the Offer together with a payment in favour of the Company of HK\$1.00 by way of consideration for the grant thereof. An option may be exercised in accordance with the terms of the 2020 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date on which the offer for the grant of options is accepted but shall end in any event not later than 10 years from the date of

grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the 2020 Share Option Scheme for the holding of an option before it can be exercised.

4. Performance Target

Unless the Directors otherwise determined and stated in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the 2020 Share Option Scheme can be vested in, or exercised by, the grantee.

5. Subscription Price

The price per Share at which an Eligible Participant who accepts the offer in accordance with the terms of the 2020 Share Option Scheme (the “Grantee”) may subscribe for Shares on the exercise of an Option pursuant to the 2020 Share Option Scheme (the “Subscription Price”) in respect of any Option shall, subject to any adjustments made pursuant to the terms of the 2020 Share Option Scheme, be a price notified by the Board to each Grantee and shall be at least the highest of:

- (a) the closing price per Share on the Main Board as stated in the Stock Exchange’s daily quotation sheet on the date (the “Offer Date”) on which an offer for the grant of an Option made in accordance with the 2020 Share Option Scheme is made to an Eligible Participant (the “Offer”);
- (b) the average closing price per Share on the Main Board as stated in the Stock Exchange’s daily quotation sheets for the 5 business days immediately preceding the Offer Date; or
- (c) the nominal value of a Share.

6. Maximum Number of Shares Available for Subscription

- (a) The maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2020 Share Option Scheme and any other share option schemes of the Company must not exceed such number of Shares as shall represent 30% of the issued share capital of the Company from time to time. No Options may be granted under the 2020 Share Option Scheme if this will result in such limit being exceeded.
- (b) Subject to Paragraph 6(a) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the 2020 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the issued share capital of the Company as at the date of the approval of the 2020 Share Option Scheme by the Shareholders (the “Scheme Mandate Limit”) unless Shareholders’ approval has been obtained pursuant to Paragraph 6(c) or 6(d) below.

Any Options lapsed in accordance with the terms of the 2020 Share Option Scheme or any other share option scheme of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit.

- (c) Subject to Paragraph 6(a) above, the Board may seek approval by Shareholders in general meeting to renew the Scheme Mandate Limit and the Company must send a circular to the Shareholders containing the information required under Rule 17.02(2) and the disclaimer required under Rule 17.02(4) of the Listing Rules. However, the total number of Shares which may be issued upon exercise of all Options to be granted under the 2020 Share Option Scheme and any other share option schemes of the Company in these circumstances must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit (the “renewed Scheme Mandate Limit”). Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the 2020 Share Option Scheme or any other share option schemes of the Company and exercised options) will not be counted for the purpose of calculating the renewed Scheme Mandate Limit.
- (d) Subject to Paragraph 6(a) above, the Board may seek separate shareholders’ approval in general meeting to grant Options beyond the Scheme Mandate Limit or the renewed Scheme Mandate Limit as referred to in Paragraph 6(b) or 6(c) above (as the case may be) provided that the Options in excess of the Scheme Mandate Limit or the renewed Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing a generic description of the specified Eligible Participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting Options to such Eligible Participants with an explanation as to how the terms of the Options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

7. Maximum Entitlement of each Participant

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the 2020 Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the Shares in issue for the time being (“**Individual Limit**”). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to separate Shareholders’ approval in general meeting of the Company with such participant and his close associates (or his associates if the participant is a connected person of the Company) abstaining from voting.

8. Grant of Options to Connected Persons

- (a) Any grant of Options to a connected person of the Company or any of its associates must be approved by all of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee).
- (b) Where Options are proposed to be granted to a substantial shareholder or an independent non-executive Director or any of their respective associates, and the proposed grant of Options will result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1 per cent of the issued share capital of the Company on the Offer Date and having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of Options must be subject to the approval of the Shareholders taken on a poll at general meeting. The connected person involved in such proposed grant of Options and all other connected persons of the Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the Shareholders).

9. Time of Exercise of Option

An Option may be exercised in accordance with the terms of the 2020 Share Option Scheme at any time during a period to be notified by the Board may determine which shall not exceed 10 years from the date of grant of the Option (the “**Option Period**”).

10. Rights are Personal to Grantee

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt so to do.

11. Rights on Ceasing Employment

In the event that the Grantee ceases to be an Eligible Participant for any reason other than his death or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in Paragraph 17(d), the Grantee may exercise the Option in accordance with the provisions of the 2020 Share Option Scheme up to his entitlement at the date of cessation (to the extent which has become exercisable but not already exercised) within the period of 3 months following the date of such cessation (or such longer period as the Board may determine or, if any of the events referred to in Paragraphs 14, 15 and 16 occurs during such period, he may exercise the Option pursuant to Paragraphs 14, 15 and 16 within such period). The date of cessation as aforesaid shall be the last working day with the Company or the relevant subsidiary whether salary or compensation is paid in lieu of notice or not, or the last date of office or appointment as director, or the last date of appointment or engagement as

consultant or advisor to the Company or the relevant subsidiary, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant subsidiary shall be conclusive.

12. Rights on Death

In the event that the Grantee (being an individual) ceases to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment, directorship, appointment or engagement under Paragraph 17(d) arises, the personal representative of the Grantee shall be entitled within a period of 12 months after the date of death (or such longer period as the Board may determine or, if any of the events referred to in Paragraphs 14, 15 and 16 occurs during such period, his personal representative(s) may exercise the Option pursuant to Paragraphs 14, 15 and 16 within such period) to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent which has become exercisable but not already exercised).

13. Right on Winding up of a Grantee

If a Grantee (being a corporation), commences winding up by whatever means, whether voluntarily or not; or suffers a change in its constitution, management, directors, shareholding or beneficial ownership which in the opinion of the Board is material, the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the Grantee or on the date of notification by the Company that the said change in constitution, management, directors, shareholding or beneficial shareholding is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

14. Rights on a General Offer

If a general (or partial) offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), the terms of which have been approved by any relevant regulatory authority and are in accordance with applicable laws and regulatory requirements and becomes, or is declared unconditional prior to the expiry of the Option, the Company shall within 7 days of such offer becoming or being declared unconditional give notice thereof to the Grantee, whereupon the Grantee (or his personal representative) shall be entitled to exercise the Option in full or in part in accordance with the terms of the 2020 Share Option Scheme (to the extent which has become exercisable but not already exercised) at any time within 14 days after the date of such notice and, to the extent any of the Options have not been so exercised, such Options shall upon the expiry of such period lapse.

15. Rights on Winding Up

In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as it despatches such notice of the proposed general meeting to each shareholder of the Company give notice thereof to the Grantee (or his personal representative), who may, by notice in writing to the Company (such notice to be received by the Company not later than 5 business days prior to the proposed general meeting) accompanied by a remittance/payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, exercise the Option (to the extent which has become exercisable but not already exercised) either to its full extent or to the extent specified in such notice and the Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise, credited as fully paid up and register the Grantee as holder thereof. Any Options shall, to the extent they have not been so exercised, lapse and determine.

16. Right on a Compromise or Scheme of Arrangement

If, pursuant to the Companies Act 1981 of Bermuda (as amended, supplemented or otherwise modified from time to time) or other applicable law, a compromise or scheme of arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all Grantees (or to their personal representatives) on the same day as it gives notice to the members or creditors of the Company summoning a meeting to consider such a compromise or scheme of arrangement. Upon receipt of the notice, the Grantee may, during the period commencing on the date of the notice and ending on the earlier of the date 2 calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the court, exercise his Option (to the extent which has become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. The Company may require the Grantee to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of Grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the 2020 Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

17. Lapse of Option

The right to exercise an Option shall lapse automatically (to the extent not already exercised) immediately upon the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in Paragraphs 11, 12, 13, 14, 15 and 16;
- (c) subject to Paragraph 15, the date of the commencement of the winding-up of the Company;
- (d) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment or engagement of such Grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the Grantee with the Company or the relevant subsidiary for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant subsidiary; or
- (e) the date on which the Grantee commits a breach of Paragraph 10.

18. Ranking of Shares

The Shares to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the bye-laws of the Company for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment.

19. Reorganisation of Capital Structure

In the event of any capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, consolidation, subdivision or reduction of the share capital of the Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction in which the Company and/or any of its subsidiaries is a party), such corresponding adjustments (if any) shall be made to:

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price;

or any combination thereof, as the auditors or an independent financial adviser to be appointed by the Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable, provided always that:

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the Grantee shall have as nearly as possible the same proportion of the issued share capital of the Company to which the Grantee was entitled before such adjustments,

and in each case, any adjustment must be made in compliance with the Listing Rules. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, the auditors or the independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

20. Alteration to the New Share Option Scheme and the Terms of Options Granted Under the 2020 Share Option Scheme

Subject to the Listing Rules, all provisions of the 2020 Share Option Scheme may be altered from time to time in any respect by a resolution of the Board save that the following alterations shall require the prior sanction of an ordinary resolution of the Company in general meeting (with all grantees, prospective grantees and their associates abstaining from voting and the votes taken by poll):

- (a) alterations of the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees or the Eligible Participants;
- (b) alterations of the terms and conditions of the 2020 Share Option Scheme which are of a material nature or any change to the terms of Options granted (except where the alterations take effect automatically under the existing terms of the 2020 Share Option Scheme); and

- (c) any change to the authority of the Board in relation to any alteration to the terms of the 2020 Share Option Scheme,

provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the bye-laws for the time being of the Company for a variation of the rights attached to the Shares. Any amended terms of the 2020 Share Option Scheme or Options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time).

21. Cancellation of Options Granted

Subject to Paragraph 10, any cancellation of Options granted but not exercised shall be approved by the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the 2020 Share Option Scheme and the requirements of the Listing Rules and provided further that new Options may be issued to a Grantee in place of his cancelled Options only if there are available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit or the renewed Scheme Mandate Limit as referred to in Paragraphs 6(b) and (c) above.

22. Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the 2020 Share Option Scheme and in such event no further Options shall be offered but the provisions of the 2020 Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised at the time of termination. Upon such termination, details of the Option granted, including Options exercised or outstanding shall be disclosed in the circular to Shareholders seeking approval of the first new scheme established after such termination.

NOTICE OF ANNUAL GENERAL MEETING



Golden Harvest

**ORANGE SKY GOLDEN HARVEST
ENTERTAINMENT (HOLDINGS) LIMITED**

橙天嘉禾娛樂(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

NOTICE IS HEREBY GIVEN that the annual general meeting of Orange Sky Golden Harvest Entertainment (Holdings) Limited (the “**Company**”) will be held at 24th Floor, Capital Centre, 151 Gloucester Road, Wan Chai, Hong Kong on Friday, 19 June 2020 at 11:00 a.m. for the following purposes:

As Ordinary Business

1. To receive and adopt the audited financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and auditors of the Company for the year ended 31 December 2019.
2. To pass each of the following resolutions as an ordinary resolution of the Company:
“THAT:
 - (a) To re-elect Ms. Go Misaki as an executive Director;
 - (b) To re-elect Mr. Peng Bolun as an executive Director;
 - (c) To re-elect Mr. Leung Man Kit as an independent non-executive Director;
 - (d) To re-elect Ms. Wong Sze Wing as an independent non-executive Director; and
 - (e) To authorise the board of Directors to fix Directors’ remuneration.”
3. To re-appoint Messrs. KPMG as auditors of the Company and to authorise the board of Directors to fix their remuneration.

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

As Special Business

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

“**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be issued, allotted or dealt with during or after the end of the Relevant Period (as defined below), be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to: (i) a rights issue where shares are offered to the shareholders of the Company (the “**Shareholders**”) on a fixed record date in proportion to their then holdings of shares (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, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong); or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the eligible participants of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement pursuant to the bye-laws of the Company from time to time; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any notes, warrants or any securities of the Company which are convertible into shares; or (v) a specific authority granted by the Shareholders in general meeting, the total nominal amount of additional shares issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with (whether pursuant to an option or otherwise) shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (b) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until:
- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the Shareholders in general meeting,

whichever occurs first.”

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to paragraphs (b) and (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognized by The Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Stock Exchange or other applicable rules and regulations as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall, in addition to any other authorization given to the Directors, authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its own shares at a price to be determined by the Directors;
 - (c) the aggregate nominal amount of the shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company during the Relevant Period pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue and fully paid-up as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
 - (d) 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; or
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.”
6. To consider and, if thought fit, pass the following resolution (with or without amendments) as an ordinary resolution of the Company:

“THAT conditional upon the passing of resolutions nos. 4 and 5 as set out in the notice convening the meeting of which this resolution forms part, the general mandate granted to the Directors and for the time being in force to exercise the power of the Company to allot, issue or otherwise deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the said resolution no. 4 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to the said resolution no. 5, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the said resolution no. 5.”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass the following resolution (with or without amendments) as an ordinary resolution of the Company:

“**THAT:** subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the new shares of the Company which may fall to be issued pursuant to the exercise of any options that may be granted under the new share option scheme of the Company (the rules of which are contained in the document marked “A” and the summary of which marked “B” produced to the meeting and signed by the chairman of the meeting for the purpose of identification) (the “**2020 Share Option Scheme**”), the 2020 Share Option Scheme be and is hereby approved and adopted; and the Board of Directors of the Company or persons authorised by it be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2020 Share Option Scheme, including but without limitation:

- (a) to administer the 2020 Share Option Scheme and to grant share options in accordance with the terms of the 2020 Share Option Scheme;
- (b) to modify and/or amend the 2020 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2020 Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
- (c) to allot and issue from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the 2020 Share Option Scheme and subject to the Listing Rules;
- (d) make application at appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the 2020 Share Option Scheme; and
- (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2020 Share Option Scheme.”

By Order of the Board
**Orange Sky Golden Harvest
Entertainment (Holdings) Limited**
Wu Kebo
Chairman and Executive Director

Hong Kong, 29 April 2020

NOTICE OF ANNUAL GENERAL MEETING

Principal place of business in Hong Kong:

18/F, CNT Tower
338 Hennessy Road
Wan Chai
Hong Kong

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Notes:

- (1) Any member entitled to attend and vote at the meeting of the Company is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent the appointing member.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorized to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
- (3) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- (4) Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the principal or branch register of members of the Company in respect of the joint holding.
- (6) An explanatory statement regarding the general mandate for the repurchase of the shares of the Company sought in resolution no. 5 is set out in Appendix I to the circular of the Company dated 29 April 2020 of which this notice forms part.