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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 independent professional adviser.

If you have sold or transferred all your shares in the Company, 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).

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**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)**

- (1) GRANT OF OPTIONS TO A DIRECTOR  
AND THE CHIEF EXECUTIVE OFFICER**  
**(2) ADOPTION OF NEW SHARE OPTION SCHEME  
AND TERMINATION OF 2001 SHARE OPTION SCHEME**  
**(3) SUBDIVISION OF SHARES AND CHANGE OF BOARD LOT SIZE**  
**(4) RE-ELECTION OF DIRECTORS**  
**(5) AMENDMENTS TO BYE-LAWS**  
**(6) NOTICE OF SGM**

A letter from the Board is set out on pages 5 to 18 of this circular. A letter from the Independent Non-executive Directors containing their recommendations to the Independent Shareholders regarding the grant of the Director Option is set out in Appendix II of this circular.

A notice convening the SGM to be held at Board Room, 16th Floor, The Peninsula Office Tower, 18 Middle Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 11 November 2009 at 10:00 a.m. is set out in Appendix V of this circular. Whether or not you are able to attend the SGM, you are requested to 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the SGM or any adjournment thereof should you so wish.

# CONTENTS

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>EXPECTED TIMETABLE FOR SHARE SUBDIVISION</b> .....	4
<b>LETTER FROM THE BOARD</b>	
Introduction .....	5
Grant of options to a Director and the chief executive officer .....	6
Adoption of New Share Option Scheme and termination of 2001 Share Option Scheme .....	11
Subdivision of shares and change of board lot size .....	13
Re-election of Directors .....	16
Amendments to Bye-Laws .....	16
SGM .....	17
Recommendation .....	18
Responsibility Statement .....	18
<b>APPENDIX I – The principal terms of the New Share Option Scheme</b> .....	19
<b>APPENDIX II – Letter from the Independent Non-executive Directors</b> .....	29
<b>APPENDIX III – Details of Directors proposed for re-election</b> .....	30
<b>APPENDIX IV – Details of proposed amendments to the Bye-laws</b> .....	32
<b>APPENDIX V – Notice of SGM</b> .....	51

## DEFINITIONS

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

“2001 Share Option Scheme”	the share option scheme of the Company adopted on 28 November 2001;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board” or “Directors”	the board of directors of the Company;
“Bye-laws”	the bye-laws of the Company;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CEO Option”	option conditionally granted to Mr. Kelvin Wu under the 2001 Share Option Scheme to subscribe for 2,100,000 Existing Shares at the exercise price of HK\$4.53 per Existing Share;
“Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time;
“Company”	Orange Sky Golden Harvest Entertainment (Holdings) Limited (橙天嘉禾娛樂(集團)有限公司*), a company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Cyber”	Cyber International Limited, a company incorporated in Hong Kong, being an associate of Mr. KB Wu;
“Director Option”	option conditionally granted to Mr. KB Wu under the 2001 Share Option Scheme to subscribe for 6,000,000 Existing Shares at the exercise price of HK\$4.53 per Existing Share;
“Eligible Participant(s)”	eligible participants under the New Share Option Scheme, being (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;

\* For identification purposes only

## DEFINITIONS

“Existing Share(s)”	existing ordinary share(s) of HK\$1.00 each in the share capital of the Company;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Non-executive Directors”	the independent non-executive Directors of the Company, being Mr. Leung Man Kit, Mr. George Huang Shao-Hua and Mr. Masahito Tachikawa;
“Independent Shareholders”	Shareholders other than the connected persons of the Company;
“Latest Practicable Date”	13 October 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mainway”	Mainway Enterprises Limited, a company incorporated in British Virgin Islands and wholly-owned by Mr. KB Wu, being an associate of Mr. KB Wu;
“Mr. KB Wu”	Mr. Wu Kebo, being the chairman, executive Director and controlling shareholder of the Company;
“Mr. Kelvin Wu”	Mr. Wu King Shiu Kelvin, being the chief executive officer of the Company;
“New Scheme Adoption Date”	the date on which the New Share Option Scheme is conditionally adopted by an ordinary resolution of the Shareholders;
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the SGM, a summary of the principal terms of which is set out in Appendix I to this circular;
“OS Entertainment”	Orange Sky Entertainment Group (International) Holding Company Limited, a company incorporated in British Virgin Islands and owned as to 80% by Mr. KB Wu, being an associate of Mr. KB Wu;
“SFO”	Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong);

## DEFINITIONS

“SGM”	the special general meeting of the Company to be held at Board Room, 16th Floor, The Peninsula Office Tower, 18 Middle Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 11 November 2009 at 10:00 a.m. or any adjournment thereof (as the case may be);
“Share Subdivision”	the subdivision of one Existing Share of HK\$1.00 each into ten Subdivided Shares of HK\$0.10 each;
“Share(s)”	the Existing Share(s) prior to the Share Subdivision becoming effective, or the Subdivided Share(s) after the Share Subdivision becoming effective;
“Shareholder(s)”	holder(s) of the Shares;
“Skyera”	Skyera International Limited, a company incorporated in British Virgin Islands and wholly-owned by Mr. KB Wu, being an associate of Mr. KB Wu;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subdivided Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company upon the Share Subdivision becoming effective;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

<b>EXPECTED TIMETABLE FOR SHARE SUBDIVISION</b>
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**2009**

Latest time for lodging forms of proxy for the SGM ..... 10:00 a.m. on  
Monday, 9 November

SGM ..... 10:00 a.m. on  
Wednesday, 11 November

Announcement of poll results of the SGM ..... Wednesday, 11 November

**The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision.**

Effective date of the Share Subdivision ..... Thursday, 12 November

Dealings in the Subdivided Shares commence ..... 9:30 a.m. on  
Thursday, 12 November

Original counter for trading in Existing Shares  
in board lots of 1,000 Existing Shares temporarily closes ..... 9:30 a.m. on  
Thursday, 12 November

Temporary counter for trading in Subdivided Shares  
in board lots of 10,000 Subdivided Shares  
(in the form of certificates of Existing Shares  
("Existing Share Certificates")) opens ..... 9:30 a.m. on  
Thursday, 12 November

First day of free exchange of Existing Share Certificates  
for new certificates for the Subdivided Shares  
("New Share Certificates") ..... Thursday, 12 November

Original counter for trading in Subdivided Shares  
in board lots of 5,000 Subdivided Shares  
(in the form of New Share Certificates) re-opens ..... 9:30 a.m. on  
Thursday, 26 November

Parallel trading in Subdivided Shares  
(in the form of New Share Certificates and  
Existing Share Certificates) commences ..... 9:30 a.m. on  
Thursday, 26 November

Temporary counter for trading in Subdivided Shares  
in board lots of 10,000 Subdivided Shares  
(in the form of Existing Share Certificates) closes ..... 4:00 p.m. on  
Wednesday, 16 December

Parallel trading in Subdivided Shares  
(in the form of New Share Certificates and  
Existing Share Certificates) ends ..... 4:00 p.m. on  
Wednesday, 16 December

Last day for free exchange of Existing Share Certificates  
for New Share Certificates ..... Friday, 18 December

LETTER FROM THE BOARD



**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:*

Ms. Winnie Chan Suet Yin

Ms. Fiona Chow Sau Fong

Ms. Wu Keyan *(alternate to Mr. Wu Kebo)*

*Non-executive Director:*

Mr. Li Pei Sen

*Independent Non-executive Directors:*

Mr. Leung Man Kit

Mr. George Huang Shao-Hua

Mr. Masahito Tachikawa

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal Place of Business:*

16th Floor

The Peninsula Office Tower

18 Middle Road

Tsimshatsui

Kowloon

Hong Kong

15 October 2009

*To the Shareholders and for information only,  
to the holders of share options*

Dear Sir or Madam,

- (1) GRANT OF OPTIONS TO A DIRECTOR  
AND THE CHIEF EXECUTIVE OFFICER  
(2) ADOPTION OF NEW SHARE OPTION SCHEME  
AND TERMINATION OF 2001 SHARE OPTION SCHEME  
(3) SUBDIVISION OF SHARES AND CHANGE OF BOARD LOT SIZE  
(4) RE-ELECTION OF DIRECTORS  
(5) AMENDMENTS TO BYE-LAWS  
(6) NOTICE OF SGM**

**INTRODUCTION**

The purpose of this circular is to (i) provide you with information on the grant of the Director Option and the CEO Option, the adoption of the New Share Option Scheme and the termination of the 2001 Share Option Scheme, the Share Subdivision, the re-election of Directors and the amendments to the Bye-laws; (ii) set out the recommendations of the

\* *For identification purposes only*

## LETTER FROM THE BOARD

Independent Non-executive Directors in relation to the grant of the Director Option and (iii) give you a notice of the SGM for passing the relevant ordinary resolutions and special resolution.

### GRANT OF OPTIONS TO A DIRECTOR AND THE CHIEF EXECUTIVE OFFICER

Reference is made to the announcement of the Company dated 23 September 2009 whereby it was announced that the Board had resolved to grant to:-

- (a) Mr. KB Wu, the chairman, executive Director and controlling shareholder of the Company, the Director Option entitling Mr. KB Wu to subscribe for 6,000,000 Existing Shares at the subscription price of HK\$4.53 per Existing Share subject to and conditional upon the approval of the grant of the Director Option by the Independent Shareholders at the SGM; and
- (b) Mr. Kelvin Wu, the chief executive officer of the Company, the CEO Option entitling Mr. Kelvin Wu to subscribe for 2,100,000 Existing Shares at the subscription price of HK\$4.53 per Existing Share subject to and conditional upon the approval of the grant of the CEO Option by the Shareholders (with Mr. Kelvin Wu and his associates abstaining from voting) at the SGM.

#### The Director Option

The following are the details of the Director Option conditionally granted to Mr. KB Wu under the 2001 Share Option Scheme:-

Date of conditional grant:	23 September 2009
Exercise price of Director Option:	HK\$4.53 per Existing Share

Pursuant to the rules of the 2001 Share Option Scheme and note (1) to Rule 17.03(9) of the Listing Rules, the exercise price of the Director Option was determined at the higher of: (a) the closing price of the Existing Shares as stated in the Stock Exchange's daily quotation sheet on 23 September 2009 (that is, the date of the Board meeting for proposing the grant of the Director Option), being HK\$4.50; and (b) the average closing price of the Existing Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding 23 September 2009, being HK\$4.53.



## LETTER FROM THE BOARD

Total number of Shares which may be issued upon full exercise of the Director Option and the approximate percentage in the issued share capital of the Company:	6,000,000 Existing Shares (3.27%)
Exercise period of the Director Option:	The Director Option is exercisable during the period from 23 September 2009 to 22 September 2014 (both dates inclusive).
Performance Target:	There is no performance target that must be achieved before the Director Option can be exercised.
Amount payable on acceptance of the Director Option:	HK\$1.00 is payable by Mr. KB Wu on acceptance of the Director Option.
Voting, dividend, transfer and other rights:	The Shares to be allotted upon the exercise of the Director Option will not carry voting rights until completion of the registration of Mr. KB Wu as the holder thereof. Subject to the terms of the 2001 Share Option Scheme, the Shares allotted upon the exercise of the Director Option will rank pari passu in all respects with the Shares in issue on the date of such exercise and will be subject to all the provisions of the Bye-laws for the time being in force.

## LETTER FROM THE BOARD

### The CEO Option

The following are the details of the CEO Option conditionally granted to Mr. Kelvin Wu under the 2001 Share Option Scheme:-

Date of conditional grant: 23 September 2009

Exercise price of CEO Option: HK\$4.53 per Existing Share

Pursuant to the rules of the 2001 Share Option Scheme and note (1) to Rule 17.03(9) of the Listing Rules, the exercise price of the CEO Option was determined at the higher of: (a) the closing price of the Existing Shares as stated in the Stock Exchange's daily quotation sheet on 23 September 2009 (that is, the date of the Board meeting for proposing the grant of the CEO Option), being HK\$4.50; and (b) the average closing price of the Existing Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding 23 September 2009, being HK\$4.53.

Total number of Shares which may be issued upon full exercise of the CEO Option and the approximate percentage in the issued share capital of the Company: 2,100,000 Existing Shares (1.15%)

Exercise period of the CEO Option: The CEO Option is exercisable during the period from 23 September 2009 to 22 September 2014 (both dates inclusive).

Performance Target: There is no performance target that must be achieved before the CEO Option can be exercised.

Amount payable on acceptance of the CEO Option: HK\$1.00 is payable by Mr. Kelvin Wu on acceptance of the CEO Option.

## LETTER FROM THE BOARD

Voting, dividend, transfer and other rights:

The Shares to be allotted upon the exercise of the CEO Option will not carry voting rights until completion of the registration of Mr. Kelvin Wu as the holder thereof. Subject to the terms of the 2001 Share Option Scheme, the Shares allotted upon the exercise of the CEO Option will rank pari passu in all respects with the Shares in issue on the date of such exercise and will be subject to all the provisions of the Bye-laws for the time being in force.

### **Listing Rules implications**

Under Rule 17.04(1) of the Listing Rules and the rules of the 2001 Share Option Scheme, each grant of options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors.

In addition, where any grant of options to a substantial shareholder or its associates would result in the Shares issued or to be issued upon exercise of all options already granted or 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:-

- (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and
- (b) having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million,

such further grant must be approved by the Independent Shareholders and all connected persons (as defined under the Listing Rules) of the Company must abstain from voting in favour of such grant at the general meeting. No option had been granted to Mr. KB Wu within the 12-month period prior to the conditional grant of the Director Option. However, as the Shares subject to the Director Option will exceed the limit as set out in Rule 17.04(1), the grant of the Director Option will be subject to the approval by the Independent Shareholders.

Further, as the Shares subject to the Director Option and the CEO Option exceeded 1% of the total issued Shares as at the date of the Board meeting for approving the conditional grant,

- (a) the grant of the Director Option would also be subject to approval of the Shareholders in a general meeting with Mr. KB Wu and his associates abstaining from voting; and

## LETTER FROM THE BOARD

- (b) the grant of the CEO Option would be subject to approval of the Shareholders in a general meeting with Mr. Kelvin Wu and his associates abstaining from voting,

under the note to Rule 17.03(4) of the Listing Rules and the rules of the 2001 Share Option Scheme.

The Independent Non-executive Directors have approved the grant of the Director Option and the CEO Option, subject to the approval of the grant of the Director Option by the Independent Shareholders and the approval of the grant of the CEO Option by the Shareholders (with Mr. Kelvin Wu and his associates abstaining from voting) respectively.

As at the Latest Practicable Date, other than the Director Option conditionally granted to Mr. KB Wu for the subscription of 6,000,000 Existing Shares. Mr. KB Wu was interested in a total of 137,223,472 Existing Shares (representing approximately 74.87% of the existing issued share capital of the Company) through his associates (namely, OS Entertainment, Skyera, Mainway and Cyber) respectively. No option had been granted to Mr. KB Wu under the 2001 Share Option Scheme prior to the conditional grant of the Director Option.

As at the Latest Practicable Date, neither Mr. Kelvin Wu nor any of his associates held any Existing Shares. No option had been granted to Mr. Kelvin Wu under the 2001 Share Option Scheme prior to the conditional grant of the CEO Option. As at the Latest Practicable Date and other than the CEO Option conditionally granted to Mr. Kelvin Wu for the subscription of 2,100,000 Existing Shares, Mr. Kelvin Wu was deemed to be interested in 143,223,472 Existing Shares of which Billion Century Group Limited ("BCG") was deemed to be interested by virtue of the SFO since he owned 60% of the issued share capital in AID Partners Ltd. AID Partners Ltd. was the general partner of AID Partners GP1, L.P. which was in turn the general partner of AID Partners Capital I. L.P.. AID Partners Capital I. L.P. was a private equity fund interested in the entire issued share capital of BCG through AID Partners Asset Management Limited. Of these 143,223,472 Existing Shares, (i) by virtue of the subscription agreement entered into between Mr. KB Wu and Mainway with BCG pursuant to which BCG had agreed to subscribe for and Mainway had agreed to issue exchangeable note into Shares held by Mainway to BCG for the funding arrangement in relation to the mandatory unconditional cash offer made by Somerley Limited on behalf of Skyera and Mainway and the related security documents, BCG was deemed to be interested in 102,351,873 Existing Shares of which Mr. KB Wu was interested, and (ii) BCG was deemed to be interested in 40,871,599 Existing Shares under a first charge on Shares held by Mainway in its favour as security for the exchangeable note as mentioned below.

Further, as BCG had subscribed for and Mainway had issued exchangeable note into Shares held by Mainway, Mr. Kelvin Wu was also deemed to be interested in 20,435,799 underlying Existing Shares of which BCG could convert under such exchangeable note by virtue of the SFO.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Kelvin Wu was neither a substantial shareholder nor an independent non-executive Director of the Company.

### **Independent Non-executive Directors' recommendation**

The Independent Non-executive Directors consider that the terms of the grant of the Director Option are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Non-executive Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the grant of the Director Option. The full text of the letter from the Independent Non-executive Directors is set out in Appendix II of this circular.

### **Scheme mandate limit**

The maximum number of Shares which may be issued upon exercise of all options granted and to be granted under the 2001 Share Option Scheme is 10% of the Shares in issue as at the date of approval of the refreshment of the scheme mandate limit of the Company on 20 November 2008, being 18,327,399 Existing Shares. After the said refreshment of the scheme mandate limit, options to subscribe for a total of 1,825,000 Existing Shares (other than the Director Option and the CEO Option) have been granted to certain employees and Directors under the 2001 Share Option Scheme on 23 September 2009. Accordingly, there were available sufficient unissued options for the purpose of granting the Director Option and the CEO Option under the scheme mandate limit of the Company.

### **ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF 2001 SHARE OPTION SCHEME**

As disclosed in the announcement of the Company dated 23 September 2009, the 2001 Share Option Scheme was adopted by the Company on 28 November 2001 and would expire on 30 October 2011 in about two years' time. The Board has taken this opportunity to review and consider the rules of the 2001 Share Option Scheme and has proposed on 23 September 2009 to terminate the 2001 Share Option Scheme and adopt the New Share Option Scheme.

Under the rules of the 2001 Share Option Scheme, the termination of the 2001 Share Option Scheme is subject to the approval by the shareholders of the Company in a general meeting. The 2001 Share Option Scheme will be terminated subject to the New Share Option Scheme being adopted and becoming unconditional. The New Share Option Scheme is conditional upon:–

- (a) the passing of an ordinary resolution at the SGM to approve and adopt the New Share Option Scheme and to authorise the Board to grant the options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the options under the New Share Option Scheme; and

## LETTER FROM THE BOARD

- (b) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in such number of Shares to be issued by the Company pursuant to the exercise of the options which may be granted under the New Share Option Scheme.

Taking into account the outstanding options granted under the 2001 Share Option Scheme (other than the Director Option and the CEO Option) to subscribe for 2,545,000 Existing Shares and assuming that the proposed grant of the Director Option and the CEO Option is approved at the SGM:-

- (a) options entitling the holders thereof to subscribe for 17,695,000 Existing Shares will have been granted under the 2001 Share Option Scheme, of which options entitling the holders thereof to subscribe for 1,975,000 Existing Shares and 5,075,000 Existing Shares have been exercised and lapsed in accordance with the terms of grant thereof respectively; and
- (b) options entitling the holders thereof to subscribe for an aggregate of 10,645,000 Existing Shares will remain outstanding under the 2001 Share Option Scheme. Such options will remain in full force and effect in accordance with the terms and conditions of the grant thereof notwithstanding the termination of the 2001 Share Option Scheme.

Shares which may fall to be issued upon the exercise of all options to be granted under the New Share Option Scheme at any time may not exceed 10% of the Shares in issue as at the date of adoption of the New Share Option Scheme. Options previously granted under the 2001 Share Option Scheme and any other schemes (including those outstanding, cancelled, lapsed or exercised in accordance with the 2001 Share Option Scheme and any other schemes) shall not be counted for the purpose of calculating the scheme limit for the New Share Option Scheme. On the basis of 183,273,990 Existing Shares in issue as at the Latest Practicable Date and assuming that no further Existing Shares are issued or repurchased by the Company prior to the SGM, the scheme limit for the New Share Option Scheme will be 18,327,399 Existing Shares (or 183,273,990 Subdivided Shares if the Share Subdivision becomes unconditional and effective) under Rule 17.03(3) of the Listing Rules, should the New Share Option Scheme be adopted.

The purpose of the New Share Option Scheme is to enable the Company to grant options to Eligible Participants as incentive or reward 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. The Board believes that the authority given to the Board under the New Share Option Scheme to grant any option 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 the requirement for a minimum subscription price will serve to protect the value of the Company as well as to achieve the purpose of the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all options that can be granted pursuant to the New Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value

## LETTER FROM THE BOARD

of the options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the exercise price, exercise period, any lock-up period, any performance targets set and other relevant variables.

A summary of the principal terms of the rules of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the SGM is set out in Appendix I on pages 19 to 28 of this circular. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company at 16th Floor, The Peninsula Office Tower, 18 Middle Road, Tsimshatsui, Kowloon, Hong Kong during normal business hours from the date hereof up to and including 11 November 2009, being the date of the SGM.

### SUBDIVISION OF SHARES AND CHANGE OF BOARD LOT SIZE

Reference is made to the announcement of the Company dated 24 September 2009 whereby it was announced that the Board proposed on 23 September 2009 that each of the existing issued and unissued shares of HK\$1.00 each in the share capital of the Company be subdivided into ten shares of HK\$0.10 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out under the paragraph headed "Conditions of the Share Subdivision" below.

The Existing Shares are currently traded in board lots of 1,000 Existing Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 5,000 Subdivided Shares. The Share Subdivision will not result in any odd board lots other than those which already exist.

As at the Latest Practicable Date, the authorized share capital of the Company is HK\$600,000,000, divided into 600,000,000 Existing Shares, of which 183,273,990 Existing Shares are in issue and are fully paid. Assuming no further Existing Shares will be issued or repurchased after the Latest Practicable Date and prior to the Share Subdivision becoming effective, the effect of the Share Subdivision to the capital structure of the Company is set out below:–

	<b>As at the Latest Practicable Date and before completion of the Share Subdivision</b>	<b>Immediately after completion of the Share Subdivision</b>
Par value of each share	HK\$1.00	HK\$0.10
Number of authorized shares	600,000,000 Existing Shares	6,000,000,000 Subdivided Shares
Authorized share capital	HK\$600,000,000	HK\$600,000,000
Number of shares in issue	183,273,990 Existing Shares	1,832,739,900 Subdivided Shares
Issued share capital	HK\$183,273,990	HK\$183,273,990
Number of unissued shares	416,726,010 Existing Shares	4,167,260,100 Subdivided Shares
Unissued share capital	HK\$416,726,010	HK\$416,726,010

The Subdivided Shares will rank pari passu in all respect with each other and the Share Subdivision will not result in any change in the rights of the Shareholders.



## LETTER FROM THE BOARD

### Conditions of the Share Subdivision

The Share Subdivision is conditional upon:-

- (a) the passing of an ordinary resolution to approve the Share Subdivision by the Shareholders at the SGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares in issue and the Subdivided Shares to be issued pursuant to the exercise of options granted or to be granted under the 2001 Share Option Scheme and the New Share Option Scheme following the Share Subdivision becoming effective.

### Change of board lot size

The Existing Shares are currently traded in board lots of 1,000 Existing Shares. The Board proposed that, upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 5,000 Subdivided Shares. Based on the closing price of HK\$5.65 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date and the existing board lot size of 1,000 Existing Shares, the prevailing board lot value is HK\$5,650.0. On the basis of the aforesaid closing price and the new board lot size of 5,000 Subdivided Shares, the new board lot value would be HK\$2,825.0.

The change in the board lot size will not result in any change in the relative rights of the Shareholders.

### Adjustments to share options

Taking into account the outstanding options granted under the 2001 Share Option Scheme (other than the Director Option and the CEO Option) to subscribe for 2,545,000 Existing Shares and assuming that the proposed grant of the Director Option and the CEO Option is approved at the SGM, there will be outstanding share options for the subscription of up to 10,645,000 Existing Shares granted under the 2001 Share Option Scheme. Adjustments are required to be made to the exercise price and the number of shares of the Company which may fall to be issued upon exercise of the outstanding share options as a result of the Share Subdivision. The Company will engage the auditors of the Company or an independent financial advisor to confirm that the adjustments to be made to the share options will satisfy the requirements of the 2001 Share Option Scheme and the Listing Rules and the holders of the share options will be informed of the required adjustments as soon as practicable.

### Reasons for the Share Subdivision

The proposed Share Subdivision will decrease the nominal value and increase the total number of Shares currently in issue. The Share Subdivision, together with



## LETTER FROM THE BOARD

the change in board lot size, will reduce the board lot value of the Shares and improve the liquidity in the trading of the Shares, thereby enabling the Company to attract more investors and broaden its shareholders' base. Accordingly, the Board considers the Share Subdivision, together with the change in board lot size, to be in the interests of the Company and the Shareholders as a whole.

Save for the costs incurred by the Company in implementing the Share Subdivision, the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders.

The Board considers that the Share Subdivision will not have any adverse effect on the financial position of the Company.

### **Free exchange of share certificates**

The Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Wednesday, 16 December 2009 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the Existing Share Certificates will continue to be good evidence of legal title to the Subdivided Shares on the basis of one Existing Share for ten Subdivided Shares and may be exchanged free of charge for New Share Certificates for Subdivided Shares during the business hours of the Company's Hong Kong branch registrar between Thursday, 12 November 2009 and Friday, 18 December 2009 (both dates inclusive) and on payment of a prescribed fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each Existing Share Certificate cancelled or each New Share Certificate issued, whichever number of share certificates involved is higher, at any time after Friday, 18 December 2009 at the Company's Hong Kong branch registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. It is expected that the New Share Certificates will be available for collection within a period of 10 business days after the submission of the Existing Share Certificates.

The New Share Certificates will be issued in yellow colour in order to distinguish them from the Existing Share Certificates which are in light blue colour bearing the name of Golden Harvest Entertainment (Holdings) Limited.

An ordinary resolution will be proposed at the SGM for the Shareholders to approve the Share Subdivision.

### **Trading arrangement for Subdivided Shares**

Subject to the Share Subdivision becoming effective, dealings in the Subdivided Shares are expected to commence at 9:30 a.m. on Thursday, 12 November 2009. Parallel trading arrangement will be established with the Stock Exchange and will be operated from Thursday, 26 November 2009 to Wednesday, 16 December 2009 (both dates inclusive). Full details of the expected timetable and trading arrangements are set out on page 4 of this circular.

## LETTER FROM THE BOARD

### **Listing and Dealing**

An application will be made to the Stock Exchange for the listing of, and permission to deal in, (i) the Subdivided Shares in issue following the Share Subdivision becoming effective, (ii) the Subdivided Shares to be issued pursuant to the exercise of options granted or to be granted in accordance with the 2001 Share Option Scheme following the Share Subdivision becoming effective; and (iii) the Existing Shares (if the Share Subdivision does not become effective) or the Subdivided Shares (following the Share Subdivision) to be issued pursuant to the exercise of options which may be granted under the New Share Option Scheme.

Subject to the granting of the listing of and permission to deal in the Subdivided Shares, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants on the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

### **RE-ELECTION OF DIRECTORS**

Reference is made to the announcement of the Company dated 27 March 2009 in relation to the appointment of Mr. Li Pei Sen as non-executive Director and the appointment of Mr. Masahito Tachikawa as Independent Non-executive Director.

Pursuant to Bye-law 86(2) of the Bye-laws, each of Mr. Li Pei Sen and Mr. Masahito Tachikawa will retire as the Directors at the SGM and being eligible, offer himself for re-election. Resolutions for re-electing each of Mr. Li Pei Sen and Mr. Masahito Tachikawa will be proposed at the SGM. Details of the retiring Directors who are proposed to be re-elected at the SGM are included in Appendix III to this circular.

### **AMENDMENTS TO BYE-LAWS**

In response to the recent amendments to the Listing Rules and to bring the Bye-laws up to date, the Directors proposed to amend the Bye-laws. The principal effects of the amendments include, inter alia, the following:-

- (a) the Company will be allowed to use the Company's website and other electronic means to send or make available notices or documents to the Shareholders, subject to the compliance with the Listing Rules and applicable laws by the Company;
- (b) notice to the Shareholders shall be sent in the case of annual general meetings at least 20 clear business days before the meeting and at least 10 clear business days in the case of all other general meetings;
- (c) all resolutions at general meetings of the Company shall be decided by poll; and

## LETTER FROM THE BOARD

- (d) a Director may be removed by ordinary resolution at any general meeting of the Company.

Details of the proposed amendments to the Bye-Laws are set out in Appendix IV to this circular.

The proposed amendments to the Bye-laws will be subject to the passing of the special resolution at the SGM. The Chinese version of the proposed amendments to the Bye-laws is for reference only and if there is any conflict between the English and the Chinese versions, the English version shall prevail.

### SGM

A notice of the SGM is set out in Appendix V to this circular. At the SGM,

- (a) ordinary resolutions will be proposed for (i) approving the grant of the Director Option by the Independent Shareholders; (ii) approving the grant of the CEO Option by the Shareholders (with Mr. Kelvin Wu and his associates abstaining from voting); (iii) approving the adoption of the New Share Option Scheme and the termination of the 2001 Share Option Scheme by the Shareholders; and (iv) approving the re-election of each of Mr. Li Pei Sen as non-executive Director and Mr. Masahito Tachikawa as independent non-executive Director by the Shareholders; and
- (b) a special resolution will be proposed for approving the proposed amendments to the Bye-laws by the Shareholders.

Pursuant to Rule 17.04(1) of the Listing Rules and the rules of the 2001 Share Option Scheme, all connected persons of the Company must abstain from voting in favour of the grant of the Director Option. As at the Latest Practicable Date, Mr. KB Wu's associates, namely, OS Entertainment, Skyera, Mainway and Cyber respectively held 40,553,060 Existing Shares representing approximately 22.13%, 37,798,813 Existing Shares representing approximately 20.62%, 40,871,599 Existing Shares representing approximately 22.30% and 18,000,000 Shares representing approximately 9.82% of the issued share capital of the Company and controlled and were entitled to exercise control over the voting right in respect of such Existing Shares. Save as disclosed above, none of the connected persons and their respective associates held any Existing Shares as at the Latest Practicable Date.

Further, pursuant to Rule 17.03(4) of the Listing Rules and the rules of the 2001 Share Option Scheme, the grant of the CEO Option is subject to the approval by the Shareholders in a general meeting, with Mr. Kelvin Wu and his associates abstaining from voting. As at the Latest Practicable Date, to the best knowledge of the Directors after making reasonable enquiries, neither Mr. Kelvin Wu nor any of his associates held any Existing Shares nor controlled or were entitled to exercise control over the voting right in respect of any Existing Shares.

## LETTER FROM THE BOARD

Whether or not you are able to attend the SGM, you are requested to 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the SGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the Company will procure the chairman of the SGM to demand for voting on poll in respect of the ordinary resolutions and special resolution to be proposed at the SGM in accordance with the Bye-laws and Tricor Tengis Limited, the branch share registrar of the Company in Hong Kong, will serve as the scrutineer for the vote-taking.

### RECOMMENDATION

The Directors (including the Independent Non-executive Directors) consider that the grant of the Director Option and the CEO Option, the adoption of the New Share Option Scheme and the termination of the 2001 Share Option Scheme, the Share Subdivision, the re-election of Mr. Li Pei Sen as non-executive Director and Mr. Masahito Tachikawa as independent non-executive Director and the proposed amendments to the Bye-laws are in the interests of the Company and the Shareholders as a whole and they are fair and reasonable to the Company. Accordingly, the Directors recommend the Shareholders and the Independent Shareholders (as the case may be) to vote in favour of the ordinary resolutions and the special resolution to be proposed at the SGM.

### RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained herein misleading.

By order of the Board  
**Orange Sky Golden Harvest  
Entertainment (Holdings) Limited**  
**Wu Kebo**  
*Chairman*

The following is a summary of the principal terms of the rules of the New Share Option Scheme proposed to be adopted at the SGM.

**1. PURPOSE OF THE SCHEME**

The purpose of the New Share Option Scheme is to enable the Company to grant options (“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 NEW SHARE OPTION SCHEME AND ELIGIBILITY CRITERIA**

The Eligible Participants of the New 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 New 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 New 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. LIFE OF THE NEW SHARE OPTION SCHEME**

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options shall be offered but the provisions of the New 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 the Shareholders seeking approval of the first new scheme established.

Subject to the aforesaid, the New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the New Scheme Adoption Date, after which period no further Options will be offered or granted but the provisions of the New

Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the New Share Option Scheme.

#### **4. SUBSCRIPTION PRICE**

The price per Share at which an Eligible Participant who accepts the offer in accordance with the terms of the New Share Option Scheme, or (where the context so permits) any person who is entitled, in accordance with the laws of succession applicable, to exercise any Option to the extent not already exercised in consequence of the death of an original grantee (the “**Grantee**”) may subscribe for Shares on the exercise of an Option pursuant to the New Share Option Scheme (the “**Subscription Price**”) in respect of any Option shall, subject to any adjustments made pursuant to the terms of the New 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 New 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 five (5) business days immediately preceding the Offer Date; or
- (c) the nominal value of a Share.

#### **5. RESTRICTION ON THE TIME OF GRANT OF OPTION**

No Offer must be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision of the directors of the Company, until such price sensitive information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an Option during the period commencing one month immediately preceding the earlier of:–

- (a) the date of the Board Meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s result for any year, half-year or quarter-year period or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its results for any year, half-year or quarter-year period under the Listing Rules or any other interim period (whether or not required under the Listing Rules)

and ending on the date of announcement for such results. For the avoidance of doubt, the period in which no Options shall be granted mentioned above shall include any period of delay in the publications of a results announcement.

**6. ACCEPTANCE OF OFFERS**

An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than thirty (30) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth anniversary of the New Scheme Adoption Date or after the New Share Option Scheme has been terminated in accordance with the provisions of the New Share Option Scheme. The amount payable by the Grantee to the Company on acceptance of the Offer is HK\$1.00.

**7. 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 New Share Option Scheme and any other share option schemes of the Company must not exceed such number of Shares as shall represent 30 per cent of the issued share capital of the Company from time to time. No Options may be granted under the New Share Option Scheme if this will result in such limit being exceeded.
- (b) Subject to Paragraph 7(a) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10 per cent of the issued share capital of the Company as at the date of the approval of the New Share Option Scheme by the Shareholders (the “**Scheme Mandate Limit**”) unless Shareholders’ approval has been obtained pursuant to Paragraph 7(c) or 7(d) below. Any Options lapsed in accordance with the terms of the New 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 7(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 New Share Option Scheme and any other share option schemes of the Company in these circumstances must not exceed 10 per cent 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 New 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 7(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 7(b) or 7(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.

**8. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT**

The total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant (including both exercised and outstanding Options under the New Share Option Scheme) in any 12-month period must not exceed 1 per cent of the issued share capital of the Company. Where any further grant of Options to an Eligible Participant would result in excess of such limit, such further grant must be subject to the approval of the Shareholders at general meeting with such Eligible Participant and his associates abstaining from voting.

**9. GRANTS OF OPTIONS TO CERTAIN 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 of the Company (excluding any independent non-executive director of the Company who is the grantee of the Options).
- (b) Where Options are proposed to be granted to a substantial shareholder or an independent non-executive director of the Company 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).



**10. TIME OF EXERCISE OF OPTION**

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

**11. 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.

**12. 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 18(d), the Grantee may exercise the Option in accordance with the provisions of the New 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 three (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 15, 16 and 17 occurs during such period, he may exercise the Option pursuant to Paragraphs 15, 16 and 17 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.

**13. 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 18(d) arises, the personal representative of the Grantee shall be entitled within a period of twelve (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 15, 16 and 17 occurs during such period, his personal representative(s) may exercise the Option pursuant to Paragraphs 15, 16 and 17 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)

**14. 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.

**15. 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 New 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.

**16. 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.

## **17. RIGHT ON A COMPROMISE OR SCHEME OF ARRANGEMENT**

If, pursuant to the Companies Act 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 two 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 New 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.

## **18. 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 12, 13, 14, 15, 16 and 17;
- (c) subject to Paragraph 16, 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 11.

#### **19. 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.

#### **20. 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 (including, without limitation, Chapter 17 thereof), the supplemental guidance issued on 5 September 2005 and any further guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time. 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.

**21. ALTERATION TO THE NEW SHARE OPTION SCHEME AND THE TERMS OF OPTIONS GRANTED UNDER THE NEW SHARE OPTION SCHEME**

Subject to the Listing Rules, all provisions of the New 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 New 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 New Share Option Scheme); and
- (c) any change to the authority of the Board in relation to any alteration to the terms of the New 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 New 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).

**22. CANCELLATION OF OPTIONS GRANTED**

Subject to Paragraph 11, 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 New 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 Paragraph 7(b) and (c) above.

**23. TERMINATION**

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options shall be offered but the provisions of the New 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.

**24. CONDITIONS OF THE NEW SHARE OPTIONS SCHEME**

The New Share Option Scheme shall take effect subject to:-

- (a) the passing of an ordinary resolution by the shareholders of the Company in a general meeting to approve and adopt the New Share Option Scheme, and to authorise the Board to grant the Options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under the New Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares to be issued by the Company pursuant to the exercise of the Options which may be granted under the New Share Option Scheme.



**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)**

*Registered Office:*  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Principal Place of Business:*  
16th Floor  
The Peninsula Office Tower  
18 Middle Road  
Tsimshatsui  
Kowloon  
Hong Kong

15 October 2009

*To the Independent Shareholders*

Dear Sir or Madam,

We write to you in connection with the grant of the Director Option to Mr. Wu Kebo (“**Mr. KB Wu**”), the chairman, executive Director and controlling shareholder of the Company, details of which are set out in the letter from the Board contained in the circular of the Company dated 15 October 2009 (the “**Circular**”), of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

Having considered the terms of the grant of the Director Option, we are of the view that the grant of the Director Option to Mr. KB Wu is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company. We therefore recommend that you vote in favour of the ordinary resolution to be proposed at the SGM to approve the grant of the Director Option to Mr. KB Wu.

Yours faithfully,

**Leung Man Kit**  
*Independent  
non-executive Director*

**George Huang Shao-Hua**  
*Independent  
non-executive Director*

**Masahito Tachikawa**  
*Independent  
non-executive Director*

\* *For identification purposes only*



The following is the particulars of Mr. Li Pei Sen and Mr. Masahito Tachikawa who are proposed to be re-elected as non-executive Director and independent non-executive Director respectively at the SGM:–

**Mr. Li Pei Sen**

Mr. Li, aged 61, is the Associate Chairman of Orange Sky Entertainment Group (International) Holding Company Limited, a company owned as to 80% by Mr. KB Wu. Mr. Li was an associate director of China TV Production Centre in 1994 and the general manager of China Central Television in 1996. In 1997, Mr. Li joined China International Television Corporation (“CITVC”) as the President and involved in corporate structuring of CITVC. During his presidency in CITVC, Mr. Li also led the television programs production, as well as the domestic and global licensing business of Chinese television programs. Prior to joining Orange Sky Entertainment Group (International) Holding Company Limited as the Associate Chairman, Mr. Li served as the director of China TV Production Centre in 2000. Mr. Li has over 10 years’ experiences in film and television series production and acted as the producer of more than a thousand episodes of television series, including a number of popular and high audience rating titles such as *All men are brothers: blood of the leopard*, *Taiping Heavenly Kingdom*, *Vernacular stories from the end of Western Zhou Dynasty to the Qin Dynasty* and *The story of Hongkong* and cartoon series *Journey to the West*. In addition, Mr. Li was also a committee member of China Federation of Literary and Art Circles, a council member of China TV Workers’ Association, the vice-president of China TV and Film Productions Committee and the deputy leader of censorship expert committee of State Administration of Radio, Film and Television.

The Company has not entered into any employment or service contract with Mr. Li. Further announcement will be made pursuant to the requirements of the Listing Rules if and when such employment or service agreement is made and his remuneration is determined.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Li has not held any directorship in other listed public companies in the last three years and does not hold any other positions with the Company or other members of the Group; (b) Mr. Li does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; and (c) there are no other matters concerning Mr. Li that need 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)-(v) of the Listing Rules. As at the Latest Practicable Date, other than an option for the subscription of 20,000 Existing Shares, Mr. Li does not have any other interests in the ordinary shares of the Company within the meaning of Part XV of the SFO.



**Mr. Masahito Tachikawa**

Mr. Tachikawa, aged 65, graduated with a Bachelor Degree of Arts in Law from Chuo University, Tokyo, Japan. Mr. Tachikawa is currently the President and CEO of IBS Securities Co. Ltd. (“**IBS**”), former known as IBS Corporation Inc., which is founded by Mr. Tachikawa and is registered securities dealer of Japanese Ministry of Finance.

Mr. Tachikawa has comprehensive and substantive knowledge and experiences in M&A advisory works. Prior to founding of IBS, Mr. Tachikawa joined Yamaichi Securities Co. Ltd., which was one of the four largest securities companies in Japan, in 1967 after his graduation from Chuo University. Mr. Tachikawa had served as the vice president of Yamaichi International (Deutschland) GmbH in June 1974 and as a deputy general manager of market planning department of Yamaichi Securities Co., Ltd. in June 1977.

In 1987, Mr. Tachikawa left Yamaichi Securities Co. Ltd. and joined RECOF Corporation (“**RECOF**”) as a co-founder. In RECOF, Mr. Tachikawa began conducting M&A advisory services in Japan. Despite the M&A industry landscape in Japan being relatively uncharted at that time, Mr. Tachikawa successfully developed a Japanese style of business model called intermediary services and built a strong position particularly in middle market in Japan.

In 2004, Mr. Tachikawa left from his position as President of RECOF and founded a new venture, IBS, in the same year to establish and develop a real global M&A boutique corporation. Mr. Tachikawa has built and maintained correspondent relationships with many of the world’s leading financial and commercial entities and has been providing M&A advisory services to various industries, especially financial industry, globally.

The Company has not entered into any employment or service contract with Mr. Tachikawa. Further announcement will be made pursuant to the requirements of the Listing Rules if and when such employment or service agreement is made and his remuneration is determined.

Save as disclosed herein, as at the Latest Practicable Date (a) Mr. Tachikawa has not held any directorship in other listed public companies in the last three years and does not hold any other positions with the Company or other members of the Group; (b) Mr. Tachikawa does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; and (c) there are no other matters concerning Mr. Tachikawa that need 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)-(v) of the Listing Rules. As at the Latest Practicable Date, other than an option for the subscription of 20,000 Existing Shares, Mr. Tachikawa does not have any other interests in the ordinary shares of the Company within the meaning of Part XV of the SFO.

<b>APPENDIX IV      DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS</b>
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This Appendix sets out the existing Bye-Laws and the proposed amendments to the Bye-Laws for ease of reference. Capitalised terms used in this Appendix have the same meanings as defined in the Bye-laws.

**Bye-laws**

**No.    Existing Bye-laws**

1.     No such provision

1.     “Company” Golden Harvest Entertainment (Holdings) Limited.

**Bye-laws**

**No.    Proposed amendments**

1.     “business day” any day on which The Stock Exchange of Hong Kong Limited is open for business of dealing in securities. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.

1.     “Company” Orange Sky Golden Harvest Entertainment (Holdings) Limited.

**Bye-laws**

**No.    Existing Bye-laws**

2.(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear days' Notice has been given;

2.(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than fourteen (14) clear days' Notice has been duly given;

**Bye-laws**

**No.    Proposed amendments**

2.(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with these Bye-laws;

2.(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with these Bye-laws;

**Bye-laws**

**No.    Existing Bye-laws**

10.    Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a)    the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum;

**Bye-laws**

**No.    Proposed amendments**

10.    Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a)    the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and

<b>APPENDIX IV      DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS</b>
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**Bye-laws****No.    Existing Bye-laws**

- (b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
  
- (c) any holder of shares of the class present in person or by proxy may demand a poll.

The provisions of this Bye-law shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.

**Bye-laws****No.    Proposed amendments**

- (b) every holder of shares of the class shall be entitled to one vote for every such share held by him.

The provisions of this Bye-law shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.

**Bye-laws**

**No.    Existing Bye-laws**

59.(1) An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' Notice. All other special general meetings may be called by not less than fourteen (14) clear days' Notice but a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

**Bye-laws**

**No.    Proposed amendments**

An annual general meeting shall be called by not less than twenty-one (21) clear days' Notice or twenty (20) clear business days' Notice (whichever is longer). Any general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' Notice or ten (10) clear business days' Notice (whichever is longer). All other special general meetings may be called by not less than fourteen (14) clear days' Notice or ten (10) clear business days' Notice (whichever is longer) but a general meeting may be called by shorter notice, if permitted by the rules of the Designated Stock Exchange and it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in the number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

**Bye-laws**

**No.    Existing Bye-laws**

66.    Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person or by proxy or (being a corporation) is present by a representative duly authorised under Section 78 of the Act shall have one vote and on a poll every Member present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Bye-laws, where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. A resolution put to the vote of a meeting shall be decided on a show of hands unless voting by way of poll is required by the listing rules of any Designated Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:
- (a)    by the chairman of such meeting; or

**Bye-laws**

**No.    Proposed amendments**

66.    Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting every Member present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Bye-laws, where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy is under no obligation to cast all his votes in the same way.

<b>APPENDIX IV      DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS</b>
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**Bye-laws****Bye-laws****No.    Existing Bye-laws****No.    Proposed amendments**

- (b) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the listing rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.



**APPENDIX IV     DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS**

**Bye-laws**

**Bye-laws**

**No.    Existing Bye-laws**

**No.    Proposed amendments**

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.

66A. Notwithstanding any other provisions of these Bye-laws:

66A. To be deleted

(a) if the aggregate proxies held by (i) the chairman of a particular meeting, and (ii) the Directors, account for five per cent (5%) or more of the total voting rights at that meeting, and

(b) if on a show of hands in respect of any resolution, the shareholders at the meeting vote in the opposite manner to that instructed in the proxies referred to in (a) above,

the chairman of the meeting and/or any Director holding the proxies referred to above shall demand a poll. However, if it is apparent from the total proxies held by the persons referred to in (a) above that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required pursuant to this Bye-law."

<b>APPENDIX IV      DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS</b>
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**Bye-laws**

**No.    Existing Bye-laws**

67. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.
68. If a poll is duly demanded, the results of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting shall announce the results of the poll in accordance with the requirements of the Designated Stock Exchange.
69. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.

**Bye-laws**

**No.    Proposed amendments**

67. At any general meeting, a resolution put to the vote at the meeting shall be decided on a poll.
68. The result of the poll shall be deemed to be the resolution of the meeting. The chairman of the meeting shall announce the results of the poll in accordance with the requirements of the Designated Stock Exchange.
69. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman directs.

**APPENDIX IV     DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS**

**Bye-laws**

**Bye-laws**

**No.    Existing Bye-laws**

**No.    Proposed amendments**

70.    The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

70.    Any question of adjournment shall be decided at the meeting and without adjournment.

71.    On a poll votes may be given either personally or by proxy.

71.    Votes may be given either personally or by proxy.

72.    A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

72.    A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

73.    In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

73.    In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

**Bye-laws**

**No.    Existing Bye-laws**

75.(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or poll, as the case may be.

**Bye-laws**

**No.    Proposed amendments**

75.(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

**Bye-laws**

**No.    Existing Bye-laws**

78.    Any Member, whether an individual or a corporation, entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by proxy. A Member who is the holder of two or more shares may appoint more than one proxy to attend and vote on the same occasion provided that, 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. A proxy need not be a Member. In addition, a proxy or proxies representing either an individual Member or a Member which is a corporation, shall be entitled to exercise the same rights and powers as if each such proxy was registered holder of the shares of the Company held by the Member appointing him, including the right to vote individually on a show of hands.

**Bye-laws**

**No.    Proposed amendments**

78.    Any Member, whether an individual or a corporation, entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by proxy. A Member who is the holder of two or more shares may appoint more than one proxy to attend and vote on the same occasion provided that, 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. A proxy need not be a Member. In addition, a proxy or proxies representing either an individual Member or a Member which is a corporation, shall be entitled to exercise the same rights and powers as if each such proxy was registered holder of the shares of the Company held by the Member appointing him.

**Bye-laws**

**No.    Existing Bye-laws**

80.    The instrument appointing a proxy and (if required by the Board) 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 such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) 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 or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. 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.

**Bye-laws**

**No.    Proposed amendments**

80.    The instrument appointing a proxy and (if required by the Board) 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 such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) 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 or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. 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.

**APPENDIX IV     DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS**

**Bye-laws**

**No.    Existing Bye-laws**

81.    Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

**Bye-laws**

**No.    Proposed amendments**

81.    Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

**Bye-laws**

**No.    Existing Bye-laws**

84.(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands.

**Bye-laws**

**No.    Proposed amendments**

84.(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation.



**Bye-laws**

**No.    Existing Bye-laws**

86.(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

**Bye-laws**

**No.    Proposed amendments**

86.(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

**Bye-laws**

**No.    Existing Bye-laws**

160. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and

**Bye-laws**

**No.    Proposed amendments**

160. Except as otherwise provided in these Bye-laws, any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the

APPENDIX IV      DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS
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**Bye-laws**

**No.    Existing Bye-laws**

in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

**Bye-laws**

**No.    Proposed amendments**

Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders. Notwithstanding the foregoing, the Company may deem consent on the part of a Member to a corporate communication being made available to him on the Company's website if such deemed consent is permitted by the rules of the Designated Stock Exchange and the Company complies with any procedure that may be required by Designated Stock Exchange.

**Bye-laws**

**No.    Existing Bye-laws**

161.(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the Designated Stock Exchange, is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;

**Bye-laws**

**No.    Proposed amendments**

161.(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the Designated Stock Exchange, is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member or such later time as may be prescribed by the rules of the Designated Stock Exchange or any applicable laws or regulations;



**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 OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a Special General Meeting of Orange Sky Golden Harvest Entertainment (Holdings) Limited (the “**Company**”) will be held at Board Room, 16th Floor, The Peninsula Office Tower, 18 Middle Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 11 November 2009 at 10:00 a.m. for the following purposes of considering and if thought fit, passing with or without amendments, the following ordinary resolutions and special resolution by way of poll:-

- A. To consider and, if thought fit, passing with or without amendments, the following ordinary resolutions by way of poll:-

**ORDINARY RESOLUTIONS**

1. “**THAT** the grant of an option pursuant to the share option scheme of the Company adopted on 28 November 2001 (the “**2001 Share Option Scheme**”) which will entitle Mr. Wu Kebo (“**Mr. KB Wu**”) to subscribe for 6,000,000 shares of the Company of HK\$1.00 each (the “**Director Option**”) (the principal terms and conditions of which are set out in the circular of the Company dated 15 October 2009, a copy of which is produced to the meeting and marked “A” and initialled by the Chairman of the meeting for identification purpose) be and is hereby approved and that the directors of the Company be and are hereby authorized to do all such acts, execute all such documents and deeds as they in their absolute discretion consider necessary, desirable or expedient to give effect to the foregoing.”
2. “**THAT** the grant of an option pursuant to the 2001 Share Option Scheme which will entitle Mr. Wu King Shiu Kelvin (“**Mr. Kelvin Wu**”) to subscribe for 2,100,000 shares of the Company of HK\$1.00 each (the “**CEO Option**”) (the principal terms and conditions of which are set out in the circular of the Company dated 15 October 2009, a copy of which is produced to the meeting and marked “A” and initialled by the Chairman of the meeting for identification purpose) be and is hereby approved and that the directors of the Company be and are hereby authorized to do all such acts, execute all such documents and deeds as

\* For identification purposes only

they in their absolute discretion consider necessary, desirable or expedient to give effect to the foregoing.”

3. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the shares in the capital of the Company (each a “**Share**”) which may fall to be issued by the Company pursuant to a new share option scheme of the Company (a copy of which is produced to the meeting and marked “B” and initialled by the Chairman of the meeting for identification purpose) (the “**New Share Option Scheme**”), the New Share Option Scheme be and is hereby approved and adopted by the Company and with effect from the date of the New Share Option Scheme becoming unconditional, the 2001 Share Option Scheme be terminated and the directors of the Company be and are hereby authorised to allot and issue Shares pursuant to the exercise of any options which may fall to be granted under the New Share Option Scheme and to take such steps and do all such acts, execute all such documents and deeds as they in their absolute discretion consider necessary, desirable or expedient to give effect to the New Share Option Scheme.”
4. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the Subdivided Shares (as defined hereinafter) in issue and the Subdivided Shares to be issued pursuant to the exercise of options granted or to be granted under the 2001 Share Option Scheme and the New Share Option Scheme, each of the issued and unissued shares of HK\$1.00 each in the share capital of the Company be and are hereby subdivided (“**Share Subdivision**”) into ten shares of HK\$0.10 each (the “**Subdivided Shares**”) and the directors of the Company be and are hereby authorized to issue new share certificates in respect of the Subdivided Shares to holders of the shares of the Company and to do all things and execute all documents as they shall in their absolute discretion deem necessary or expedient in connection with or incidental to the Share Subdivision.”
5. “**THAT** Mr. Li Pei Sen be and is hereby re-elected as a non-executive director of the Company.”
6. “**THAT** Mr. Masahito Tachikawa be and is hereby re-elected as an independent non-executive director of the Company.”

- B. To consider and, if thought fit, passing with or without amendments, the following special resolution by way of poll:–

**SPECIAL RESOLUTION**

“THAT the Bye-laws of the Company be amended in the following manner:–

(a) Bye-law 1

- (i) By inserting the definition of “business day” immediately after the definition of “Board” or “Directors” as follows:–

“business day”	any day on which The Stock Exchange of Hong Kong Limited is open for business of dealing in securities. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.
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- (ii) By deleting the existing definition of “Company” in its entirety and substituting therefor the following:–

“Company”	Orange Sky Golden Harvest Entertainment (Holdings) Limited.
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(b) Bye-law 2

- (i) By deleting the existing Bye-law 2.(h) in its entirety and substituting therefor the following:–

(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with these Bye-laws;

(ii) By deleting the existing Bye-law 2.(i) in its entirety and substituting therefor the following:–

(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with these Bye-laws;

(c) Bye-law 10

(i) By inserting the word “and” immediately after the existing Bye-law 10.(a);

(ii) By deleting “on a poll” and “; and” of the existing Bye-law 10.(b); and

(iii) By deleting the existing Bye-law 10.(c) in its entirety.

(d) Bye-law 59.(1)

By deleting the existing Bye-law 59.(1) in its entirety and substituting therefor the following:–

59.(1) An annual general meeting shall be called by not less than twenty-one (21) clear days’ Notice or twenty (20) clear business days’ Notice (whichever is longer). Any general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days’ Notice or ten (10) clear business days’ Notice (whichever is longer). All other special general meetings may be called by not less than fourteen (14) clear days’ Notice or ten (10) clear business days’ Notice (whichever is longer) but a general meeting may be called by shorter notice, if permitted by the rules of the Designated Stock Exchange and it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in the number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.



## (e) Bye-law 66

By deleting the existing Bye-law 66 in its entirety and substituting therefor the following:-

66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting every Member present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Bye-laws, where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy is under no obligation to cast all his votes in the same way.

## (f) Bye-law 66A

By deleting the existing Bye-law 66A in its entirety.

## (g) Bye-law 67

By deleting Bye-law 67 in its entirety and substituting therefor the following:-

67. At any general meeting, a resolution put to the vote at the meeting shall be decided on a poll.

## (h) Bye-law 68

By deleting the existing Bye-law 68 in its entirety and substituting therefor the following:-

68. The result of the poll shall be deemed to be the resolution of the meeting. The chairman of the meeting shall announce the results of the poll in accordance with the requirements of the Designated Stock Exchange.

## (i) Bye-law 69

By deleting the existing Bye-law 69 in its entirety and substituting therefor the following:-

69. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman directs.

## (j) Bye-law 70

By deleting the existing Bye-law 70 in its entirety and substituting therefore the following:-

70. Any question of adjournment shall be decided at the meeting and without adjournment.

## (k) Bye-law 71

By deleting "On a poll" of the existing Bye-law 71.

## (l) Bye-law 72

By deleting "on a poll" of the existing Bye-law 72.

## (m) Bye-law 73

By deleting ", whether on a show of hands or on a poll" on the first line of the existing Bye-law 73.

## (n) Bye-law 75.(1)

By deleting ", whether on a show of hands or on a poll," from the end of the third line, "on a poll" on the sixth line and "or poll" on the last line of the existing Bye-law 75.(1).

## (o) Bye-law 78

By deleting "including the right to vote individually on a show of hands" on the last line of the existing Bye-law 78.

## (p) Bye law 80

By deleting "or on a poll demanded at a meeting or an adjourned meeting" on the 12th line of the existing Bye-law 80.

## (q) Bye-law 81

By deleting "to demand or join in demanding a poll and" on the fourth line of the existing Bye-law 81.

## (r) Bye-law 84.(2)

By deleting "including the right to vote individually on a show of hands" on the last line of the existing Bye-law 84(2).

## (s) Bye-law 86.(4)

By deleting the existing Bye-law 86.(4) in its entirety and substituting therefor the following:-

86.(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

## (t) Bye-law 160

(i) By deleting "Any" at the beginning of the existing Bye-law 160 and substituting therefor "Except as otherwise provided in these Bye-laws, any"; and

(ii) By inserting "Notwithstanding the foregoing, the Company may deem consent on the part of a Member to a corporate communication being made available to him on the Company's website if such deemed consent is permitted by the rules of the Designated Stock Exchange and the Company complies with any procedure that may be required by Designated Stock Exchange." at the end of the existing Bye-law 160.

## (u) Bye-law 161(b)

By inserting "or such later time as may be prescribed by the rules of the Designated Stock Exchange or any applicable laws or regulations" at the end of the existing Bye-law 161(b) after "on which a notice of availability is deemed served on the Member".

By order of the Board  
**Orange Sky Golden Harvest**  
**Entertainment (Holdings) Limited**  
**Wu Kebo**  
*Chairman*

Hong Kong, 15 October 2009

*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 Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, 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 share.
6. A form of proxy for the use at the special general meeting is enclosed herewith.