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If you have sold or transferred all your shares in Maoyan Entertainment, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Maoyan Entertainment
貓眼娛樂

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1896)

PROPOSALS FOR

- (1) GRANTING OF GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,**
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) PROPOSED AMENDMENTS TO THE RSU SCHEME,
(4) PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME,
(5) PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE SECOND AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION,
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Maoyan Entertainment to be held at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, the PRC on Wednesday, 28 June 2023 at 2:00 p.m. is set out on pages 80 to 86 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.maoyan.com), respectively. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjournment thereof if they so wish.

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DEFINITIONS

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

“Adoption Date”	the date on which the RSU Scheme and the Share Option Scheme were adopted by shareholders of the Company
“Aggregate Scheme Limit”	The total number of Shares which have been allotted and issued in respect of the Options and RSUs granted under the Share Schemes since the Adoption Date and may be allotted and issued in respect of the Options and RSUs granted / to be granted under the Share Schemes must not in aggregate exceed 55,211,880 Shares, representing approximately 4.83% of the total issued Shares of the Company as at the Amendment Date*
“Amendment Date”	means the date on which the amendments to the RSU Scheme and the Share Option Scheme are approved by the Shareholders
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, the PRC on Wednesday, 28 June 2023 at 2:00 p.m. or any adjournment thereof, the notice of which is set out on pages 80 to 86 of this circular
“Articles of Association”	the existing articles of association of the Company
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“Cayman Companies Act”	the Companies Act of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“close associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Company”	Maoyan Entertainment, an exempted company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code:1896)
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules

* assuming the total issued Shares as at the date of the AGM remain the same as at the one as of the Latest Practicable Date

DEFINITIONS

“Consolidated Affiliated Entity(ies)”	entities whose financial results have been consolidated and accounted for as subsidiaries of the Company by virtue of the Contractual Arrangements
“Consultation Conclusions”	consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, the WFOE, Tianjin Maoyan Weying and the Registered Shareholders (as defined in the Prospectus)
“core connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)” or “Participant(s)”	means an individual or entity who may be eligible to participate in the Share Schemes, which includes the directors, senior management and employees (whether full time or part time) of the Group (including persons who are granted RSUs or Options under the Share Schemes as an inducement to enter into employment contracts with the Group), provided that such Participant shall have satisfied the relevant conditions, or any other conditions as agreed by the Board
“Enlight Media”	Beijing Enlight Media Co., Ltd. (北京光線傳媒股份有限公司), a company incorporated in the PRC and whose shares are listed on the Shenzhen Stock Exchange (SSE Stock Code: 300251) and the Company’s substantial shareholder
“Grantee”	means any Participant who accepts a grant in accordance with the terms of the Share Schemes, or (where the context so permits) any person who is entitled to any awards in consequence of the death of the original grantee
“Group”	the Company and its subsidiaries and the Consolidated Affiliated Entities, from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	18 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maoyan Technology” or “WFOE”	Tianjin Maoyan Weying Technology Co., Ltd. (天津貓眼微影科技有限公司), a company incorporated under the laws of the PRC on 5 February 2018 with limited liability and a wholly owned subsidiary of the Company
“Meituan”	Meituan (美團) (SEHK Stock Code: 3690), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 15 September 2015, or Meituan and its subsidiaries and consolidated affiliated entities, as the case may be
“Memorandum and Articles of Association”	the Memorandum of Association and the Articles of Association
“Memorandum of Association”	the existing memorandum of association of the Company
“Nomination Committee”	the nomination committee of the Company
“Option Scheme Limit”	the total number of Shares which have been issued in respect of the Options granted under the Share Option Scheme since the Adoption Date and may be issued in respect of the Options granted / to be granted under the Share Option Scheme must not in aggregate exceed 23,293,595 Shares, representing approximately 2.04% of the total issued Shares of the Company as at the Amendment Date*
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan region
“Proposed Amendments”	the proposed amendments to the existing Memorandum of Association and the Articles of Association, the details of which are set out in Appendix V to this circular
“Proposed Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued shares of the Company as at the date of passing the relevant resolution granting the Proposed Issue Mandate

* assuming the total issued Shares as at the date of the AGM remain the same as the one as at of the Latest Practicable Date

DEFINITIONS

“Proposed Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares not exceeding 10% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting the Proposed Repurchase Mandate
“Prospectus”	the prospectus of the Company dated 23 January 2019
“Remuneration Committee”	the remuneration committee of the Company
“RMB”	Renminbi yuan, the lawful currency of the PRC
“RSU(s)”	a restricted shares unit conferring the grantee a conditional right upon vesting of the RSU Award to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting
“RSU Award(s)”	an award of RSUs granted pursuant to the RSU Scheme
“RSU Scheme”	the restricted share unit scheme adopted by the Company on 23 July 2018 as disclosed in the Prospectus in its present form or as amended from time to time
“RSU Scheme Limit”	the total number of Shares which have been allotted and issued in respect of the RSUs granted under the RSU Scheme since the Adoption Date and may be allotted and issued in respect of the RSUs granted / to be granted under the RSU Scheme must not in aggregate exceed 31,918,285 Shares, representing approximately 2.79% of the total issued Shares of the Company as at the Amendment Date*
“Second Amended and Restated Memorandum and Articles of Association”	the second amended and restated Memorandum and Articles of Association incorporating and consolidating all the Proposed Amendments
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Selected Person”	a specified Participant who may be granted Options or RSUs
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00002 each
“Shareholder(s)”	the holder(s) of the Share(s)

* assuming the total issued Shares as at the date of the AGM remain the same as the one at of the Latest Practicable Date

DEFINITIONS

“Share Option(s)” or “Option(s)”	means the right to subscribe for a specified number of Shares in issue according to the Share Option Scheme of the Company
“Share Option Scheme”	means the post-IPO share option plan of the Company, which was adopted by the Company on 23 July 2018 as disclosed in the Prospectus, in its present form or as amended from time to time
“Share Scheme(s)”	the RSU Scheme and the Share Option Scheme
“Shenzhen Stock Exchange” or “SSE”	Shenzhen Stock Exchange (深圳證券交易所)
“Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the same meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“Tencent”	Tencent Holdings Limited (SEHK Stock Code: 700), or Tencent Holdings Limited and/or its subsidiaries, as the case may be
“Tianjin Maoyan Weying”	Tianjin Maoyan Weying Cultural Media Co., Ltd. (天津貓眼微影文化傳媒有限公司), formerly known as Tianjin Maoyan Cultural Media Co., Ltd. (天津貓眼文化傳媒有限公司), a company incorporated under the laws of the PRC with limited liability and a Consolidated Affiliated Entity, which is a holding company of all the other Consolidated Affiliated Entities of the Group
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	Per cent

LETTER FROM THE BOARD



Maoyan Entertainment 貓眼娛樂

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1896)

Executive Director:

Mr. Zheng Zhihao (*Chief Executive Officer*)

Non-executive Directors:

Mr. Wang Changtian (*Chairman*)

Ms. Li Xiaoping

Ms. Wang Jian

Mr. Sun Zhonghuai

Mr. Chen Shaohui

Mr. Tang Lichun, Troy

Independent Non-executive Directors:

Mr. Wang Hua

Mr. Chan Charles Sheung Wai

Mr. Yin Hong

Ms. Liu Lin

Registered office:

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

*Principal place of business
in Hong Kong:*

40th Floor

Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

26 April 2023

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GRANTING OF GENERAL MANDATES TO ISSUE NEW SHARES AND
TO REPURCHASE SHARES,
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) PROPOSED AMENDMENTS TO THE RSU SCHEME,
(4) PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME,
(5) PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES
OF ASSOCIATION AND THE ADOPTION OF THE SECOND AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION,
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the granting to the Directors of the Proposed Issue Mandate and the Proposed Repurchase Mandate, (ii) the re-election of the retiring Directors, (iii) the amendments to the RSU Scheme, (iv) the amendments to the Share Option Scheme, and (v) the Proposed Amendments to the Memorandum and Articles of Association and the adoption of the Second Amended and Restated Memorandum and Articles of Association.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution numbered 2(A) will be proposed at the Annual General Meeting to grant to the Directors the Proposed Issue Mandate to exercise the powers of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued shares of the Company as at the date of the passing of the relevant resolution in relation to the Proposed Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,144,229,077 Shares. Subject to the passing of the ordinary resolution numbered 2(A) granting the Proposed Issue Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 228,845,815 Shares.

In addition, subject to a separate approval of the ordinary resolution numbered 2(C), the number of Shares purchased by the Company under the ordinary resolution numbered 2(B) granting the Proposed Repurchase Mandate, if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20% limit of the Proposed Issue Mandate as mentioned in the ordinary resolution numbered 2(A). According to the board resolution, when the board of Directors exercises the general mandate to vote, it shall obtain the consent of more than half of all the present members of the board meeting (including the chairman of the board meeting).

GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution numbered 2(B) will be proposed at the Annual General Meeting to grant the Directors the Proposed Repurchase Mandate to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued shares of the Company as at the date of the passing of the relevant resolution in relation to the Proposed Repurchase Mandate. According to the board resolution, when the board of Directors exercises the general mandate to vote, it shall obtain the consent of more than half of all the present members of the board meeting (including the chairman of the board meeting).

An explanatory statement required by the Listing Rules in connection with the Proposed Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 109(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Zheng Zhihao, Ms. Li Xiaoping, Mr. Tang Lichun, Troy and Ms. Liu Lin, shall retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

In accordance with Article 113 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Accordingly, Mr. Sun Zhonghuai shall retire at the AGM and, being eligible, has offered himself for re-election.

The retiring independent non-executive Director, Ms. Liu Lin, has given a confirmation of her independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee of the Company assessed and reviewed the independence of the retiring independent non-executive Director. The Nomination Committee of the Company and the Board are of the view that the retiring independent non-executive Director has satisfied all the criteria for independence set out in Rule 3.13 of the Listing Rules.

The Nomination Committee of the Company has also reviewed and considered each retiring Director's respective experience, skills and knowledge, and recommended to the Board that the re-election of all retiring Directors be proposed for Shareholders' approval at the Annual General Meeting.

Details of the above named Directors who are subject to re-election at the Annual General Meeting are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules. The biography of the retiring independent non-executive Director set out in Appendix II to this circular indicates how she contributes to the diversity of the Board and the perspectives, skills and experience she can bring to the Board.

PROPOSED AMENDMENTS TO THE RSU SCHEME

The RSU Scheme

The Company adopted the RSU Scheme on 23 July 2018. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023 (the "**Rule Amendments**"). In light of the Rule Amendments, the Board has resolved on 23 March 2023 on the proposed amendments to be made to the RSU Scheme (the "**Proposed Amendments to the RSU Scheme**"), among others, to bring it in line with the Rule Amendments and make certain minor housekeeping amendments. The Board proposes to seek approval from the Shareholders at the AGM for the Proposed Amendments to the RSU Scheme.

LETTER FROM THE BOARD

The purpose of the RSU Scheme is to recognize and reward Participants for their contribution to the Group, to attract best available personnel, and to provide additional incentives to them to remain with and further promote the success of the Group's business.

As of the Latest Practicable Date, the total issued Share capital of the Company is 1,144,229,077. The maximum number of Shares which may be issued in respect of all RSUs to be granted under the RSU Scheme shall not exceed 31,918,285 Shares, being 2.79% of the total number of Shares in issue as at the Amendment Date (assuming there is no change in the number of issued Shares during the period between the Latest Practicable Date and the date of the AGM). None of the Directors is a trustee of the RSU Scheme or has any direct or indirect interest in the trustees of the RSU Scheme, if any.

Key changes entailed by the Proposed Amendments to the RSU Scheme

The key changes entailed by the Proposed Amendments to the RSU Scheme are set out below:

- (a) to specify the Aggregate Scheme Limit and the RSU Scheme Limit;
- (b) to specify the requirement of Shareholders' approval of refreshment of the Aggregate Scheme Limit and the RSU Scheme limit;
- (c) to specify that where the Company cancels RSUs granted to a Participant, and makes a new grant to the same Participant, such RSUs cancelled will be regarded as utilized for the purpose of calculating the RSU Scheme Limit;
- (d) to require approval by the Shareholders for grant of RSUs where the maximum number of Shares which may be issued or to be issued in respect of all RSUs and Options granted under the Share Schemes to a Selected Person in the 12-month period up to and including the date of such grant will exceed 1% of the Shares in issue;
- (e) to require approval by the independent Shareholders for grant of RSUs to a Director (other than an independent non-executive Directors) or chief executive of the Company, or any of their respective associates, if the maximum number of Shares which may be issued and to be issued in respect of all RSUs (excluding grant of Options) granted to such person under the Share Schemes in the 12-month period up to and including the date of such grant will exceed 0.1% of the Shares in issue;
- (f) to require approval by the independent Shareholders for grant of RSUs to a substantial Shareholder or an independent non-executive Director, or any of their respective associates, if the maximum number of Shares which may be issued and to be issued in respect of all RSUs and Options granted to such person under the Share Schemes in the 12-month period up to and including the date of such grant will exceed 0.1% of the Shares in issue;
- (g) to require the approval by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) to make any change to the terms of RSUs granted to a Participant if the initial grant of the awards of RSUs was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be);

LETTER FROM THE BOARD

- (h) to require the trustee holding unvested shares to abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (i) to specify that initially and subject to otherwise determined by the Board/CEO (as the case may be) at its absolute discretion at the relevant time for each individual grant of RSUs, a Selected Person is not required to pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted;
- (j) to adopt a minimum vesting period of 12 months save where the grant of RSUs to certain Participants are subject to a shorter vesting period under specific circumstances as provided under the RSU Scheme;
- (k) to specify that the Board/CEO of the Company (as the case may be) may establish performance targets with respect to RSUs granted and allow the Board/CEO of the Company (as the case may be) to make fair and reasonable adjustments to the prescribed performance targets during the vesting period;
- (l) to specify that the Board may forfeit any vested or unvested RSUs at its sole and absolute discretion in the case of termination of employment or engagement of the Grantee due to the Grantee being involved in a material misstatement in the Group's financial statements;
- (m) to include the requirement for Shareholders' approval for any alteration to the terms and conditions of the RSU Scheme which is of a material nature or relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of the Participants and for any change to the authority of the Directors or other administrators of the RSU Scheme to alter the terms herein; and
- (n) to include other house-keeping amendments for the purpose of making consequential amendments in line with the proposed amendments to the RSU Scheme, and to better align the wording with that of the Rule Amendments.

Details of the Proposed Amendments to the RSU Scheme are set out in Appendix III to this circular.

Adoption Conditions for the RSU Scheme

The adoption of the Proposed Amendments to the RSU Scheme is conditional upon passing of ordinary resolution by the Shareholders at the AGM approving the Proposed Amendments to the RSU Scheme.

In relation to the condition set out above, the Proposed Amendments to the RSU Scheme will be tabled at the AGM for Shareholders' approval. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the RSU Scheme at the AGM.

A summary of the principal amended terms of the RSU Scheme to be approved at the AGM is set out in Appendix III to this circular.

LETTER FROM THE BOARD

Vesting Period

The vesting period for RSUs under the RSU Scheme shall not be less than twelve months. To ensure the practicability in fully attaining the purpose of the RSU Scheme, the Board and the Remuneration Committee are of the view that there are instances (those set out in paragraphs 7.2(a) to (i) of the Appendix III to this circular) and where a strict twelve-month vesting requirement would not work or would not be fair to the Grantee, the shorter vesting period prescribed in paragraphs 7.2(a) to (i) of the Appendix III to this circular is in line with the market practice and is appropriate and aligns with the purpose of the RSU Scheme.

PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

The Share Option Scheme

The Company adopted the Share Option Scheme on 23 July 2018. In light of the Rule Amendments, the Board has resolved on 23 March 2023 on the proposed amendments to be made to the Share Option Scheme (the “**Proposed Amendments to the Share Option Scheme**”), among others, to bring it in line with Rule Amendments and make certain minor housekeeping amendments. The Board proposes to seek approval from the Shareholders at the AGM for the Proposed Amendments to the Share Option Scheme.

The purpose of the Share Option Scheme is to provide incentives and rewards to Directors, senior management and employees of the Group and any other eligible individuals and/or entities in order to provide incentives and rewards to them for their contribution, and to align the corporate objectives and interests between the Group and its key talents.

As of the Latest Practicable Date, the total issued Share capital of the Company is 1,144,229,077. The maximum number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme shall not exceed 23,293,595 Shares, being 2.04% of the total number of Shares in issue as at the Amendment Date (assuming there is no change in the number of issued Shares during the period between the Latest Practicable Date and the date of the AGM). None of the Directors is a trustee of the Share Option Scheme or has any direct or indirect interest in the trustees of the Share Option Scheme, if any.

Key changes entailed by the Proposed Amendments to the Share Option Scheme

The key changes entailed by the Proposed Amendments to the Share Option Scheme are set out below:

- (a) to specify the Aggregate Scheme Limit and the Option Scheme Limit;
- (b) to specify the requirement of Shareholders’ approval of refreshment of the Aggregate Scheme Limit and the Option Scheme limit;
- (c) to specify that where the Company cancels Options granted to a Participant, and makes a new grant to the same Participant, such Options cancelled will be regarded as utilized for the purpose of calculating the Option Scheme Limit;

LETTER FROM THE BOARD

- (d) to require approval by the Shareholders for grant of Options where the maximum number of Shares which may be issued or to be issued in respect of all Options and RSUs granted under the Share Schemes to a Selected Person in the 12-month period up to and including the date of such grant will exceed 1% of the Shares in issue;
- (e) to require approval by the independent Shareholders for grant of Options to a substantial Shareholder or an independent non-executive Director, or any of their respective associates, if the maximum number of Shares which may be issued and to be issued in respect of all Options and RSUs granted to such person under the Share Schemes in the 12-month period up to and including the date of such grant will exceed 0.1% of the Shares in issue;
- (f) to require the approval by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) to make any change to the terms of Options granted to a Participant if the initial Grant of the Options approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be);
- (g) to specify that initially and subject to otherwise determined by the Board/CEO (as the case may be) at its absolute discretion at the relevant time for each individual grant of Options, a Selected Person is not required to pay any grant or purchase price or make any other payment to the Company to accept the Options granted;
- (h) to adopt a minimum vesting period of 12 months save where the grant of Options to certain Eligible Participants are subject to a shorter vesting period under specific circumstances as provided under the Option Scheme;
- (i) to specify that the Board/CEO of the Company (as the case may be) may establish performance targets with respect to Options granted and allow the Board/CEO of the Company (as the case may be) to make fair and reasonable adjustments to the prescribed performance targets during the vesting period;
- (j) to specify that the Board may forfeit any vested or unvested Options at its sole and absolute discretion in the case of termination of employment or engagement of the Grantee due to the Grantee being involved in a material misstatement in the Group's financial statements;
- (k) to include the requirement for Shareholders' approval for any alteration to the terms and conditions of the Share Option Scheme relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of the Participants; and
- (l) to include other house-keeping amendments for the purpose of making consequential amendments in line with the proposed amendments to the Share Option Scheme, and to better align the wording with that of the Rule Amendments.

Details of the Proposed Amendments to the Share Option Scheme are set out in Appendix IV to this circular.

LETTER FROM THE BOARD

Adoption Conditions for the Share Option Scheme

The adoption of the Proposed Amendments to the Share Option Scheme is conditional upon passing of ordinary resolution by the Shareholders at the AGM approving the Proposed Amendments to the Share Option Scheme.

In relation to the condition set out above, the Proposed Amendments to the Share Option Scheme will be tabled at the AGM for Shareholders' approval. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the Share Option Scheme at the AGM.

A summary of the principal amended terms of the Share Option Scheme to be approved at the AGM is set out in Appendix IV to this circular.

Vesting Period

The vesting period for Options under the Share Option Scheme shall not be less than twelve months. To ensure the practicability in fully attaining the purpose of the Share Option Scheme, the Board and the Remuneration Committee are of the view that there are instances (those set out in paragraphs 6.3 (a) to (h) of the Appendix IV to this circular) and where a strict twelve-month vesting requirement would not work or would not be fair to the Grantee, that the shorter vesting period prescribed in sub-paragraph 6.3 (a) to (h) of the Appendix IV to this circular is in line with the market practice and is appropriate and aligns with the purpose of the Share Option Scheme.

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY AND THE ADOPTION OF THE SECOND AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 23 March 2023. The Board proposes (i) to make the Proposed Amendments in order to reflect and align with the new requirements under the amendments to the Appendix 3 to the Listing Rules with effect from 1 January 2022 and the applicable laws and procedures of the Cayman Islands; and (ii) to adopt the Second Amended and Restated Memorandum and Articles of Association incorporating and consolidating all the Proposed Amendments, in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association.

Details of the Proposed Amendments are set out in Appendix V to this circular.

The legal advisers of the Company as to Hong Kong laws have confirmed that the Second Amended and Restated Articles of Association comply with the applicable requirements of the Listing Rules and the legal advisers of the Company as to Cayman Islands laws have confirmed that the Second Amended and Restated Articles of Association do not violate the applicable laws of the Cayman Islands. The Company also confirms that there is nothing unusual in the Proposed Amendments from the perspective of a Cayman Islands company listed on the Stock Exchange.

The Proposed Amendments as well as the adoption of the Second Amended and Restated Memorandum and Articles of Association are subject to the Shareholders' approval by way of a special resolution at the Annual General Meeting.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023, both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 21 June 2023.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, the PRC on Wednesday, 28 June 2023 at 2:00 p.m. Set out on pages 80 to 86 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to the Shareholders to consider and approve (i) the granting to the Directors of the Proposed Issue Mandate and the Proposed Repurchase Mandate, (ii) the re-election of the retiring Directors, (iii) the amendments to the RSU Scheme, (iv) the amendments to the Share Option Scheme, and (v) the Proposed Amendments to the Memorandum and Articles of Association and the adoption of the Second Amended and Restated Memorandum and Articles of Association.

FORM OF PROXY

A form of proxy is enclosed with this circular for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.maoyan.com), respectively. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude the Shareholders from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting by way of poll pursuant to Article 72 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his votes or cast all the votes he uses in the same way.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board considers that the proposed resolutions for the granting to the Directors of the Proposed Issue Mandate and the Proposed Repurchase Mandate, the amendments to the RSU Scheme, the amendments to the Share Option Scheme, the re-election of the retiring Directors, and the Proposed Amendment to the Memorandum and Articles of Association and the adoption of the Second Amended and Restated Memorandum and Articles of Association are in the interests of the Company and the Shareholders as a whole. The Directors (including independent non-executive Directors) therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

DOCUMENT ON DISPLAY

Copies of (i) the RSU Scheme; and (ii) the Share Option Scheme, which incorporated the proposed amendments to each of these schemes respectively will be published on the websites of the Hong Kong Stock Exchange and the Company for a period of not less than 14 days before the date of the AGM and will be made available for inspection at the AGM.

Yours faithfully,
By order of the Board
Maoyan Entertainment
Zheng Zhihao
Executive Director

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,144,229,077 Shares of nominal value of US\$0.00002 each. Subject to the passing of the resolution granting of the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 114,422,907 Shares representing 10% of the number of issued shares of the Company during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company or (ii) the expiration of the period with which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The grant of the Proposed Repurchase Mandate will provide the Directors with flexibility to repurchase Shares when it is in the interest of the Company to do so.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association and the Cayman Companies Act. The Cayman Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Cayman Companies Act. The circumstances for which the Company can apply funds in repurchasing the Share are provided under Cayman Companies Act.

According to article 15(a) of the Articles of Association, subject to the Cayman Companies Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares (which expression as used in the Articles of Association includes redeemable Shares) provided that the manner and terms of purchase have first been authorised by an ordinary resolution of the Shareholders.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, currently intends to sell any Shares to the Company or its subsidiaries, if the Proposed Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No core connected person, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Proposed Repurchase Mandate is approved by the Shareholders.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Wang Changtian was interested in approximately 41.20% of our Company's issued share capital through the following entities: (i) Vibrant Wide Limited, which holds approximately 24.29% of the Shares; and (ii) Hong Kong Pictures International Limited, which holds approximately 16.91% of the Shares. In the event that the Directors should exercise in full the Proposed Repurchase Mandate, the shareholding of Mr. Wang Changtian, Vibrant Wide Limited and Hong Kong Pictures International Limited in the Company will be increased to approximately 45.78%, 26.99% and 18.79% of the issued share capital of the Company respectively. To the best knowledge and belief of the Directors, such increase in shareholding of Mr. Wang Changtian would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Proposed Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Proposed Repurchase Mandate.

As disclosed in the Prospectus and the announcement of the Company dated 27 February 2019 and 28 June 2022, the Stock Exchange has granted the Company a waiver from strict compliance with the requirements of Rule 8.08(1)(a) of the Listing Rules, pursuant to which the public float of the Company may fall below 25% of the issued share capital of the Company, to allow a minimum public float of the Company to be 24.25%. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) has been made by the Company during the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

Month	Highest traded prices <i>HK\$</i>	Lowest traded prices <i>HK\$</i>
2022		
April	6.70	5.38
May	6.37	5.30
June	8.41	6.13
July	8.00	6.86
August	7.37	6.16
September	6.67	5.16
October	5.70	4.51
November	7.53	4.59
December	9.94	7.46
2023		
January	11.06	9.00
February	9.91	8.56
March	9.88	8.34
April (up to the Latest Practicable Date)	8.89	8.40

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any interests in Shares within the meaning of Part XV of the Securities and Future Ordinance.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any directorships in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any other positions with the Group.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any relationship with any other Directors, senior management, substantial or controlling Shareholders.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

DIRECTOR CANDIDATES

Executive Director

Mr. Zheng Zhihao (鄭志昊), aged 53, is an executive Director and the chief executive officer of the Company and has held directorships and senior management positions at various subsidiaries within the Group, including as a director and the general manager of Tianjin Maoyan Weying since April 2016, and as an executive director, the legal representative as well as the manager of Maoyan Technology from February 2018 to July 2021.

Mr. Zheng has extensive experience in the Internet and media industries. From April 2001 to February 2005, Mr. Zheng served as a senior consultant in Microsoft Corporation, a company listed on the NASDAQ (Stock Code: MSFT). From February 2005 to September 2006, Mr. Zheng successively served as the senior program manager and the group manager in Microsoft (China) Co., Ltd. Shanghai Branch (微軟(中國)有限公司上海分公司). Mr. Zheng then served as a department general manager and vice president of Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司) from September 2006 to April 2015. Mr. Zheng also served as the president and the chief product officer at Dianping Holdings Ltd. between March 2014 and November 2015, responsible for its overall operations and the management of various products, including the development of the movie department and the management of the entertainment business such as the movie ticketing services business, and as the president of the platform business group of Meituan between November 2015 and April 2016, mainly in charge of the management of various products, including the movie ticketing services, product operations and technologies.

Mr. Zheng received a bachelor's degree in applied chemistry from Shandong University (山東大學) in Shandong, the PRC in July 1992 and a master's degree in science from University of Kentucky in Kentucky, the United States, in December 1996.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Zheng has entered into a service contract with the Company for the term of three years from 29 June 2021 (subject always to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than three months' prior notice in writing. According to the service contract, Mr. Zheng is not entitled to any director's emoluments as an executive Director.

As at the Latest Practicable Date, Mr. Zheng is interested in 31,682,764 Shares of the Company, which include 7,533,000 options granted by the Company to Mr. Zheng under the Post-IPO Share Option Scheme on 19 January 2021, entitling him to subscribe for 7,533,000 shares of the Company. As of the Latest Practicable Date, Mr. Zheng has not exercised any options.

Non-executive Directors

Ms. Li Xiaoping (李曉萍), aged 48, is a non-executive Director of the Company and a director of Tianjin Maoyan Weying since September 2017. Ms. Li also holds directorships and senior management positions at various companies in the media industry where she has served as a deputy general manager of Enlight Media since October 1999 and as its director since July 2009, as the president of Enlight Pictures since March 2011, and also as a director of various other subsidiaries of Enlight Media including Beijing Chuanmei Zhiguang Advertising Co., Ltd. (北京傳媒之光廣告有限公司) and Beijing Enlight Yishi Internet Technology Co., Ltd. (北京光線易視網絡科技有限公司).

Ms. Li has entered into an appointment letter with the Company for the term of three years from 29 June 2021 (subject always to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

According to the appointment letter, Ms. Li is not entitled to any director's emoluments as a non-executive Director.

As at the Latest Practicable Date, Ms. Li does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Sun Zhonghuai (孫忠懷), aged 49, is a non-executive Director of the Company since 16 November 2022. Mr. Sun has approximately 20 years of experience in media industry and management. He joined Tencent in July 2003 and currently serves as Vice President of Tencent and CEO of Tencent Video. Mr. Sun was appointed as a director of Linmon Media Limited (檸萌影視傳媒有限公司, a company listed on the Stock Exchange under the stock code of 9857) on 31 August 2021, and was re-designated as its non-executive director on 24 September 2021. Mr. Sun obtained an Executive Master of Business Administration degree from Renmin University of China (中國人民大學) in June 2009.

Mr. Sun has entered into an appointment letter with the Company for the term of three years from 16 November 2022 (subject always to re-election as and when required under the Articles of Association) or until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing. According to the appointment letter, Mr. Sun is not entitled to any director's emoluments as a non-executive Director.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, Mr. Sun does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Tang Lichun, Troy (唐立淳), aged 37, is a non-executive Director of the Company since 15 January 2020. Mr. Tang has over ten years of experience in media technology and investment. Mr. Tang has served as a director of FountainVest Partners Asia Limited since May 2012. Mr. Tang worked at PricewaterhouseCoopers from October 2007 to April 2012 and served as a manager. Mr. Tang graduated from Shanghai Jiao Tong University (上海交通大學) in August 2007 with a bachelor degree in business administration.

Mr. Tang has entered into an appointment letter with the Company for the term of three years from 15 January 2023 (subject always to re-election as and when required under the Articles of Association) or until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing. According to the appointment letter, Mr. Tang is not entitled to any director's emoluments as a non-executive Director.

As at the Latest Practicable Date, Mr. Tang does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Independent Non-executive Director

Ms. Liu Lin (劉琳), aged 47, has been appointed as an independent non-executive Director of the Company on 9 June 2020. Between March 2016 and May 2020, Ms. Liu served as a senior vice president of Meituan. Between April 2003 and March 2016, Ms. Liu served as the general manager of the human resources department of Tencent and the general manager of Tencent Consulting successively. Ms. Liu obtained a master degree in economics from Nankai University (南開大學) in December 2006.

Ms. Liu has entered into an appointment letter with the Company for the term of three years from 9 June 2020 (subject always to re-election as and when required under the Articles of Association) or until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing. According to the appointment letter, Ms. Liu is entitled to receive emoluments of HK\$350,000 per annum as determined by the Board as recommended by the Remuneration Committee and with reference to her job responsibility and the prevailing market rate.

As at the Latest Practicable Date, Ms. Liu does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

MAOYAN ENTERTAINMENT-PLUS

EQUITY INCENTIVE PLAN

Adopted on July 23, 2018
(Amended pursuant to an ordinary resolution passed by the shareholders in
general meeting held on [June 28, 2023])

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

1. DEFINITIONS AND INTERPRETATIONS

1.1 In this Scheme, the following expressions have the following meanings:

“Adoption Date”	means the date on which the <u>this</u> Scheme was adopted by shareholders of the Company
<u>“Amendment Date”</u>	<u>means the date on which the amendments to this Scheme are approved by the Shareholders</u>
“Applicable Laws”	means, with respect to a person, any laws, regulations, rules, measures, guidelines, treaties, judgments, determination, orders or notices of any government authority or stock exchange that is applicable to such person
“Award”	means an award of RSUs granted to a Participant pursuant to this Scheme, an award may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares from the date that the Award is granted to the date that it vests
“Board”	means the board of directors of the Company from time to time or a duly authorized administration committee thereof or such other committee as the Board may authorise
“Board Lot”	means the board lot in which Shares are traded on the Stock Exchange from time to time
“Business Day”	means any day (excluding Saturday) on which banks in Hong Kong are generally open for business and the Stock Exchange is open for business of dealing securities
“CEO”	means the chief executive officer and/or general manager of the Company during the operation of the Scheme
“Company”	means <u>Maoyan Entertainment Plus, an exempted, a company duly incorporated and validly existing under in the Laws of Cayman Islands, with limited liability on December 8, 2017, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1896)</u>

“control”	has the meaning given to it in The Hong Kong Code on Takeovers and Mergers from time to time
“Disability”	means a disability, whether temporary or permanent, partial or total as determined by the Board
“ESOP Enlarged Share Capital”	has the meaning given to it in Clause 2.2
“Grant”	means the offer of the grant of an Award made in accordance with this Scheme
“Grant Date”	means the date of the Grant Letter
“Grant Letter”	means the document in writing for each grant of Awards to an Eligible Participant
“Grantee”	means any Participant who accepts a Grant in accordance with the terms of the Scheme, or (where the context so permits) any person who is entitled to any Award in consequence of the death of the original Grantee
“Group”	means the Company, its Subsidiaries and Operating Entities (the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of the Company by virtue of the contractual arrangements)
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“IPO”	means the initial public offering and the listing of Shares on the Stock Exchange
“Junior Grantee”	means the Grantee other than a Senior Grantee
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Participant(s)”	includes the directors, senior management and employees (whether full time or part time) of the Group and any other (including persons as who are granted RSUs under the Board may deem appropriate ,Scheme as an inducement to enter into employment contracts with the Group) provided that such Participant shall have satisfied the following conditions, or any other conditions as agreed by the Board:(i) having entered into the agreements with the Company in terms of employment, confidentiality, intellectual properties and non-competition in the form and content to the satisfaction of the Company, (ii) having achieved the performance standards as required by the Board or the CEO (as the case may be); and(iii) having met the assessment criteria for the grant of Awards as stipulated by the Board.
“RSU”	means a restricted shares unit conferring the Grantee a conditional right upon vesting of the Award to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting, as determined by the Board in its absolute discretion, less any tax, fees, levies, stamp duty and other charges applicable
“Senior Grantee”	means the Grantee who is a holds senior management positions of the Company as defined in prospectus disclosed in the latest annual report of the Company for its global offering and listing on the Stock Exchange
“Scheme”	means this Restricted Share Unit Scheme in its present form or as amended from time to time
“Shares”	means ordinary shares <u>with a par value of US\$0.000+02</u> each in the share capital of the Company, or if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares forming part of the ordinary equity share capital of the Company of such nominal amount as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction
“ Shareholders Share Option(s)” or “Option(s)”	means holder the right to subscribe for a specified number of Shares <u>in issue according to the Share Option Scheme of the Company</u>

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

<u>“Share Option Scheme”</u>	<u>means the share option scheme of the Company, which was adopted on the Adoption date, in its present form or as amended from time to time</u>
<u>“Shareholders”</u>	<u>means holders of Shares</u>
<u>“Stock Exchange”</u>	means The Stock Exchange of Hong Kong Limited
<u>“Subsidiary”</u>	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company including any entity which is accounted for and consolidated in the audited consolidated accounts of the Company as a subsidiary through contractual arrangements pursuant to applicable financial reporting standards., whether incorporated in Hong Kong or elsewhere
<u>“Trust”</u>	means the trust declared by the Trust Deed
<u>“Trust Deed”</u>	means a trust deed to be entered into between the Company and the Trustee (if appointed) (as restated, supplemented and amended from time to time)
<u>“Trust Fund”</u>	has the meaning as defined in the Trust Deed
<u>“Trustee”</u>	means any person who is officially appointed as the trustee or trustees pursuant to the Trust Deed from time to time to administer the Scheme;
<u>“2016 ESOP”</u>	Means the employee share incentive plan adopted on 8 November 2016 by Tianjin Maoyan, an operating entity which is held and controlled by the Company through various contractual arrangements.

1.2 In this Scheme, save where the context otherwise requires:

- (a) the headings and index are inserted for reference only and shall not affect the construction of any provisions of the Scheme;
- (b) any reference to a person includes a body corporate or an unincorporated body;
- (c) any reference to a statutory body includes the organization or body established to replace such statutory body or for performing the functions of such statutory body;
- (d) expressions in the singular include the plural and vice versa;
- (e) expressions in any gender shall include other genders; and

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

- (f) any reference to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), shall include any subsidiary enacted under the relevant statute.

2. PURPOSE OF THE SCHEME

2.1 The purpose of this Scheme is to recognize and reward Participants for their contribution to the Group, to attract best available personnel, and to provide additional incentives to them to remain with and further promote the success of the Group's business.

~~2.2 On the Adoption Date, the Shareholders of the Company approved the Restricted Share Agreement, Pre-IPO Share Option Plan, Post-IPO Share Option Plan and the Equity Incentive Plan which shall comprise the ESOP Plan of the Company. It is further approved by the Shareholders that all the Shares issued and to be issued pursuant to the ESOP Plan shall not in aggregate exceed 11% of the total issued share capital of the Company (as enlarged by all the Shares issued and issuable under all ESOP Plan) as at the Adoption Date as if all the Shares issuable pursuant to all the ESOP Plan have been issued (“ESOP Enlarged Share Capital”).~~

3. EFFECTIVENESS AND DURATION

3.1 Subject to any early termination as may be determined by the Board and Shareholders pursuant to Clause ~~14~~15 of the Scheme, the Scheme shall be valid and effective for a period of eight (8) years commencing from the Adoption Date, after which no Awards will be granted, but the provisions of this Scheme shall in all other respects remain in full force and effect and the Awards granted during the term of this Scheme may continue to be valid and exercisable in accordance with their terms of grant.

4. RSU LIMIT

~~4.1 Unless otherwise duly approved by the Shareholders, the total number of Shares underlying this Scheme shall not exceed 3% of the ESOP Enlarged Share Capital of the Company as at the Adoption Date (the “Scheme Limit”).~~

4.1 Without prejudice to Clause 4.2 of this Scheme, the total number of new Shares which have been allotted and issued and may be allotted and issued in respect of the RSUs granted or to be granted under this Scheme must not in aggregate exceed 31,918,285 Shares, representing 2.79% of the total issued Shares of the Company as at the Amendment Date (the “RSU Scheme Limit”). The total number of new Shares which have been allotted and issued and may be allotted and issued in respect of the RSUs and Options granted or to be granted under this Scheme and the Share Option Scheme must not in aggregate exceed 55,211,880 Shares, representing 4.83% of the total issued Shares of the Company as at the Amendment Date (the “Aggregate Scheme Limit”). RSUs or Options lapsed in accordance with terms of the Scheme or and Share Option Scheme shall not be regarded as utilised for the purpose of calculating RSU Scheme Limit and Aggregate Scheme Limit.

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

4.2 Subject to Clause 4.1 of this Scheme,

- (a) and without prejudice to Clauses 4.2(b) and 4.3, the Company may seek approval of its shareholders at general meeting to refresh the RSU Scheme Limit after three years from the date of shareholders' approval for the last refreshment (or the Amendment Date);
- (b) any refreshment within any three-year period under Clause 4.2(a) of this Scheme must be approved by shareholders of the Company subject to the following provisions:
 - (i) any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules;
- (c) The requirements under Clauses 4.2(b)(i) and 4.2(b)(ii) of this Scheme do not apply if the refreshment is made immediately after an issue of Shares by the Company to its shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the RSU Scheme Limit (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the RSU Scheme Limit immediately before the issue of Shares, rounded to the nearest whole Share.

4.3 The total number of Shares which may be issued in respect of all RSUs to be granted under this Scheme, and all Options to be granted under the Share Option Scheme as refreshed must not exceed 10% of the total issued Shares as at the date of approval of the refreshed scheme mandate. In such event, the Company will send a circular to its shareholders containing the number of RSUs that were already granted under the existing Aggregate Scheme Limit and the reason for the refreshment.

4.24 ~~Any~~ Share covered by an Award (or any portion of an Award) which is forfeited, cancelled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Scheme. ~~Shares that actually have been issued under the Scheme pursuant to an Award shall not be returned to the Scheme and shall not become available for future issuance under the Scheme, except that if unvested Shares are forfeited, or repurchased by the Company at their original purchase price, such Shares shall become available for future grant under the Scheme.~~ For the avoidance of doubt, where the Company cancels Awards granted to a Participant, and makes a new grant to the same Participant, such new grant may only be made under a scheme with available scheme mandate limit approved by shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules, such Awards cancelled will be regarded as utilised for the purpose of calculating the RSU Scheme Limit.

- 4.5 The Company may seek separate shareholders' approval at general meeting for granting RSUs beyond the RSU Scheme Limit provided the RSUs in excess of the RSU Scheme Limit are granted only to Participants specifically identified by the Company before such approval is sought. In such event, the Company will send a circular to its shareholders containing the name of each specified Participant who may be granted such RSUs ("Selected Person"), the number and terms of RSUs to be granted to each Selected Person and the purpose of granting RSUs to the specified Participant with an explanation as to how the terms of the RSUs serve such purpose. The number and terms of RSUs to be granted to such Participant must be fixed before Shareholders' approval.
- 4.6 Subject to Clause 4.7, where any grant of Awards to a Participants would result in the total number of Shares issued and to be issued in respect of all Awards and Options granted (excluding any Awards and Options lapsed in accordance with the terms of Scheme and Share Option Scheme) under Scheme and Share Option Scheme in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such Participant and his/her close associate (or associates, if the Participant is a connected person (as defined under the Listing Rules), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of the Award to be granted to such Participant must be fixed before the approval of the Shareholders.
- 4.7 Without prejudice to Clause 4.3 of this Scheme, where any grant of RSUs under this Scheme to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all RSUs and awards granted (excluding any RSUs lapsed in accordance with the terms of this Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such grant of RSUs must be approved by shareholders of the Company in general meeting (with such Participant, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.
- 4.8 Where any grant of RSUs to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all RSUs, options and awards granted (excluding any Awards and Options lapsed in accordance with the terms of Scheme and Share Option Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of RSUs must be approved by shareholders of the Company in general meeting (with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

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4.3 ~~The Scheme Limit may be refreshed from time to time subject to prior approval from our shareholders, but in any event the total number of Shares underlying the RSUs granted following the date of approval of the Refreshed limit (the “New Approval Date”) under the limit as refreshed from time to time must not exceed 3% of the number of Shares in issue as of the relevant New Approval Date. Shares underlying the RSUs granted under the RSU Scheme (excluding Shares underlying RSU’s that have lapsed or been cancelled in accordance with this Scheme) prior to such New Approval Date will not be counted for the purpose of determining maximum number of Shares that may underlie the RSUs granted following the relevant New Approval Date.~~

4.4 ~~To the extent that the Company may, during the Relevant Period (as defined below), grant RSUs pursuant to the Scheme which may be satisfied the Company allotting and issuing new Shares upon the vesting of the RSUs, the Company shall at its annual general meeting propose for the Shareholders to consider and, if thought fit, pass an ordinary resolution approving a mandate specifying;~~

- ~~(a) the maximum number of new Shares that may underlie RSUs granted pursuant to the Scheme during the Relevant Period; and~~
- ~~(b) that the Board has the power to allot and issue Shares, procure the transfer of Shares and otherwise deal with Shares pursuant to the vesting of RSUs that are granted pursuant to the Scheme during the Relevant Period as and when the RSUs vest.~~

~~The above mandate shall remain in effect during the period from the passing of the ordinary resolution granting the mandate until the earliest of:~~

- ~~(a) the conclusion of our next annual general meeting;~~
- ~~(b) the end of the period within which the Company is required by any applicable laws or by any applicable laws or by our Articles to hold our next annual general meeting; and~~
- ~~(c) the date on which such mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.~~

~~(the “Relevant Period”)~~

5. ~~ADMINISTRATION~~ADMINISTRATION

5.1 This Scheme shall be subject to the administration of the Board and the CEO authorized by the Board.

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

- 5.2 ~~On~~ Without prejudice of Rule 5.4 and 14.1 of this Scheme and on and subject to the terms of this Scheme and Applicable Laws, the Board shall be entitled at any time during the operation of this Scheme, at its sole and absolute discretion:
- 5.2.1 to determine all the matters in terms of the Awards granted to, or to be granted to, the Senior Grantees, including but not limited to the name list of such Senior Grantees, number of Awards to be granted, Grant Date, consideration, performance targets, vesting period and acceleration of vesting period of Awards in the event of change of control of the Company ~~and the Listing~~ which may result in vesting period less than 12 months;
 - 5.2.2 to review and approve the portion and duration of the Awards to be granted to, and the ~~assessment criteria~~ eligibility of, the Junior Grantees;
 - 5.2.3 to determine any other matters in terms of the Awards granted to, or to be granted to, the ~~Other~~ Grantees as the CEO may propose;
 - 5.2.4 to make the amendments and adjustments to the Scheme;
 - 5.2.5 to determine the repurchase/buy back/termination in relation to the vested Awards and relevant terms and conditions thereof (including but not limited to the repurchase price); and
 - 5.2.6 to take other actions as the Board may deem appropriate.
- 5.3 ~~On~~ Without prejudice of Rule 5.4 of this Scheme and on and subject to Clause 5.2 and other terms of this Scheme and Applicable Laws, the CEO shall be entitled at any time during the operation of this Scheme, pursuant to the authorisation of the Board,
- 5.3.1 subject to the principles concerning the grant percentage, duration and ~~criteria~~ eligibility as determined by the Board, to determine all the matters in relation to the grant of Awards to the Junior Grantees, including but not limited to the name list of the Junior Grantees, number of Awards to be granted, Grant Date, consideration, performance targets, vesting period and acceleration of vesting period of Awards in the event of change of control of the Company ~~and the Listing~~, which may result in vesting period less than 12 months;
 - ~~5.3.2 to propose to the Board all the matters in relation to the grant of Awards to persons other than employees of the Group, including but not limited to the name list of the Other Grantees, number of Awards to be granted, Grant Date, consideration, acceleration of vesting period of Awards in the event of change of control of the Company and the Listing;~~
 - 5.3.~~2~~ to ascertain or amend the documents and agreements in relation to this Scheme;
 - 5.3.~~4~~ to revise the terms of any Awards which have been granted under this Scheme; and

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

- 5.3.54 within the scope authorised by the Board, to take other actions as the CEO deems appropriate.
- 5.4 Any change to the terms of Awards granted to a Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.
- 5.45 Company may appoint a trustee (“**Trustee**”) to assist with the administration and vesting of RSUs granted pursuant to the RSU Scheme. Subject to the approval of the Board, the Company may (i) allot and issue Shares to the RSU Trustee to be held by the Trustee and which will be used to satisfy the RSUs upon exercise and/or (ii) direct and procure the Trustee to receive existing Shares from any shareholder or purchase existing Shares (either on-market or off-market) to satisfy the RSUs upon exercise. The Company shall procure that sufficient funds are provided to the Trustee by whatever means as the Board may determine to enable the Trustee to satisfy its obligations in connection with the administration of the RSU Scheme.
- 5.56 Subject to any ~~applicable~~ Applicable ~~Laws~~ Laws, regulations and rules, the powers and obligations of the Trustee will be limited as set forth in the Trust Deed. The Trustee will hold the Trust Fund in accordance with the terms of the Trust Deed and the Trustee will hold the Shares which are part of the Trust Fund. The Trustee holding unvested shares under this Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders’ approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given.
- 5.67 The Board and the CEO (as the case may be) may establish one or more separate programs under the Scheme for the purpose of issuing particular forms of Awards to one or more classes of Grantees on such terms and conditions as determined by the Board and the CEO (as the case may be) from time to time.
- 6. GRANT OF AWARDS**
- 6.1 The basis of eligibility of any Participant to be granted RSUs under this Scheme shall be determined by the Board/CEO (as the case may be) from time to time on the basis of the Participant’s contribution or potential contribution to the development and growth of the Group, or such other factors as the Board may deem appropriate.
- 6.42 ~~On~~ Subject to compliance with Listing Rules, on and subject to the terms of this Scheme and the terms and conditions that the Board (in accordance with its discretion so authorized under Clause 5.2) and/or the CEO (as the case may be) impose pursuant to paragraph 5.1, the Board and the CEO (as the case may be) shall be entitled at any time during the term of this Scheme to make a Grant to any Participant, as the Board or the CEO may in its respective absolute discretion determine as authorized under Clause 5.2 or Clause 5.3).
- 6.23 The amount of an Award may be determined at the sole and absolute discretion of the Board and the CEO (as the case may be) and may differ among selected Participants.

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6.4 ~~Subject to otherwise determined by the Board at its sole absolute discretion, the Senior Grantee is not required pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted; and subject to otherwise determined by the CEO at its sole absolute discretion, the Junior Grantee is not required pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted.~~

6.3 ~~Awards may be granted on such terms and conditions (e.g. by linking the vesting of their RSU to the attainment or performance of milestones by any member of the Group, the Grantee or any group of Grantees) as the Board (in accordance with its discretion so authorized under Clause 5.2) and the CEO (in accordance with its discretion so authorized under Clause 5.3) may determine, provided such terms and conditions shall be consistent with any other terms and conditions of this Scheme.~~

6.4 ~~The consideration payable by a Senior Grantee to the Trustee for acceptance of the Award under the Scheme shall be determined at the sole and absolute discretion of the Board, and the consideration payable by a Junior Grantee to Trustee for acceptance of the Award under the Scheme shall be determined by the CEO, pursuant to the authorization of the Board.~~

6.5 The Board (in accordance with its discretion so authorized under Clause 5.2) and the CEO (in accordance with its discretion so authorized under Clause 5.3) shall direct the Trustee to procure Trustee to use the consideration received by it to repay the fund it borrowed to make the capital contribution.

~~Subject to the terms of the Scheme and unless otherwise permitted by the CEO, a Grantee shall pay the consideration for the Award within ninety (90) calendar days upon the grant of such Awards; provided however, that any Grantee who is in employment with the Group is not required to pay the Subscription Price for the Shares under his/her vested Awards within ninety (90) calendar days upon the vesting date, unless:~~

6.4.1 ~~the Grantee elects to exercise all or part of the vested Award, in which case the Grantee shall pay the Subscription Price for the Shares under the vested Awards which the Grantee elects to exercise pursuant to Clause 7.2; or~~

6.4.2 ~~the Grantee's employment with the Group is terminated without fault on the side of the Grantee, in which case, the Grantee shall pay the Subscription Price for the Shares under the vested Awards in a lump sum within ninety (90) calendar days upon the employment termination date. Upon the expiry of the ninety day period, any unpaid vested Awards will automatically lapse.~~

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- 6.56 After the Board (in accordance with its discretion so authorized under Clause 5.2) and the CEO (in accordance with its discretion so authorized under Clause 5.3) have selected the Participants, they will inform the Trustee of the name(s) of the person(s) selected, the number of Shares underlying the RSUs to be granted to each of them, the vesting schedule, the lock-up arrangements upon vesting (~~as applicable where the RSUs shall vest immediately upon acceptance of the Grant as determined by the Board or the CEO (as the case may be) if any~~) and other terms and conditions (if any) that the Award is subject to as determined by the Board.
- 6.67 Subject to limitations and conditions of this Scheme, the Board (in accordance with its discretion so authorized under Clause 5.2) and the CEO (in accordance with its discretion so authorized under Clause 5.3) may authorize the Trustee by written notification to grant to each of the selected Participants an offer of grant of Award by way of a letter or any such notice or document in such form as the Board and the CEO (as the case may be) may from time to time determine (“**Notice of Grant**”), which shall attach an acceptance notice, subject to the conditions that the Board and the CEO (as the case may be) thinks fit.
- 6.78 If the selected Participant intends to accept the Grant as specified in the Notice of Grant, he is required to sign an acceptance notice, and return it to the Trustee through the Company within the time period and in a manner prescribed in the Notice of Grant. Upon the receipt from the selected Participant of a duly executed acceptance notice and payment of total consideration, the RSUs are granted to such Participant in respect of a Board Lot or an integral multiple thereof, who becomes a Grantee pursuant to this Scheme. To the extent that the Grant is not accepted by any selected Participant within the time period or in a manner prescribed in the Notice of Grant, it shall be deemed that such Grant has been irrevocably defined and that the RSUs have immediately lapsed.
- 6.89 No Grant shall be made to, nor shall any Grant be capable of acceptance by, any selected Participant at a time when the selected Participant would or might be prohibited from dealing in the Shares by the Listing Rules (where applicable) or by any other applicable rules, regulations or law.
- ~~6.9~~ For as long as the Shares are listed on the Stock Exchange, a Grant must not be made after inside 6.10 information has come to the knowledge of the Company until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:
- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly 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 or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement; In the event that the Company publishes any results announcement subsequent to the deadline for such results announcement under the Listing Rules (where applicable), such period shall end on the delayed publication date of the results announcement.

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6.10~~1~~2 For as long as the Shares are listed on the Stock Exchange, where any Award is proposed to be granted to a director, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

- (a) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (b) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

6.14~~2~~3 For as long as the Shares are listed on the Stock Exchange, any Grant to any director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules), shall be subject to the prior approval of the independent non-executive directors (excluding the independent non-executive director who is the proposed Grantee of the Awards in question) and shall otherwise be subject to compliance with the requirements of the Listing Rules. Notwithstanding the foregoing, any grant of an Award to a director pursuant to Rule 14A.95 of the Listing Rules will be exempted from reporting, announcement and independent Shareholders' approval requirements if the Award forms part of the relevant director's remuneration under his service contract.

6.12~~3~~3 The Board and the CEO may not grant any Awards to any Participants in any of the following circumstances:

- (a) the requisite approvals for that Grant from any applicable regulatory authorities have not been obtained; or
- (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the Grant or in respect of this Scheme, unless the Board determines otherwise; or
- (c) where the Grant would result in a breach of any applicable securities laws, rules or regulations by any member of the Group or any of its directors; or
- (d) the Grant would result in breach of the RSU Scheme Limit stipulated in Clause 4 above or other rules of this Scheme.

7. VESTING OF AWARDS

7.1 Subject to the terms of the Scheme and the specific terms and conditions applicable to each Award, the RSUs granted in an Award 1) shall vest 25% per year within four (4) anniversary years; or 2) vest 50% upon/within the second anniversary year, and the remaining shall vest equally upon/within the third and fourth anniversary year. Save as provided in Rule 7.2 below in this Scheme, in no case the vesting period of shall be less than twelve (12) months or such period as the Listing Rules may prescribe or permit. The vesting period shall commence on the Grant Date or any other date as the CEO may agree. If certain performance ~~indicator~~ targets (if any) and/or conditions (if any) are not satisfied, the unvested RSU shall automatically lapse and such unvested RSU will be forfeited by the Trustee under this Scheme or as determined by the Board in its absolute discretion.

7.2 Award granted to Participants may be subject to a shorter vesting period under the following circumstances at the sole absolute discretion of the Board or CEO (as the case may be):

- (a) the grants of “make-whole” Award to new joiners to replace the share awards they forfeited when leaving the previous employers;
- (b) Grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event. In those circumstances the vesting of share awards may accelerate;
- (c) Grants of Awards with performance-based vesting conditions as determined by the Board/CEO (as the case may be), in lieu of time-based vesting condition;
- (d) Grants that are made in batches during a year for administrative and compliance reasons which may include Awards that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an Award would have been granted;
- (e) Grants of Award with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
- (f) Grants of Awards with a total vesting and holding period of more than 12 months;
- (g) unvested Awards to be vested immediately in the event of a general or partial offer as provided in Rule 7.9 below in this Plan;
- (h) vesting period of Awards may accelerate in the event of change of control of the Company as provided in Rule 7.8 below in this Plan; and
- (i) vesting period of Awards may accelerate in the event of Reorganization of Capital Structure as provided in the Rule 11.1 below in this Plan.

- 7.3 The Board/CEO (as the case may be) may establish performance targets against the attainment of which the RSUs are granted to the selected Participant concerned. Subject to compliance with Clause 5.4 and 14.1, the Board/CEO shall have the authority, after the grant of any RSUs which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the vesting period if there is a change in circumstances (for example, there's a change in market/industry due to factors unforeseen to Board/CEO at the time of the grant including material change of industry structure, applicable laws and regulations, or market conditions), provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the Directors/CEO (as the case may be). Proposed performance targets include performance of milestones by any member of the Group, the Grantee or any group of Grantees, such as business, financials, operations and creation of capital value for the Group's business segments (such as increase in revenue and net profit) as well as that for the selected Participant based on individual performance indicators relevant to their roles and responsibilities. The Board/CEO (as the case may be) will conduct assessment at the end of a performance period by comparing the performance of the business segments and the individual performance of the Participants with the pre-agreed targets to determine whether the targets and the extents to which have been met.
- 7.4 Subject to Rule 7.1 and 7.2 of this Scheme, Upon fulfilment or waiver of the ~~vesting period and vesting criteria~~ performance target (if any) applicable to a ~~Grantor~~ grantee, a vesting notice will be sent to the Grantee by the Board (in accordance with its discretion so authorized under Clause 5.2) or the CEO (in accordance with its discretion so authorized under Clause 5.3), or by the Trustee under the authorization and instruction by the Board or the CEO (as the case may be) confirming (a) the extent to which the vesting period and conditions have been fulfilled or waived; (b) the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip dividends in respect of these Shares) or the amount of cash the Grantee will receive; and (c) where the Grantee will receive Shares, the lock-up arrangements for such Shares (if applicable). The Grantee is required to execute, after receiving the vesting notice, certain documents set out in the vesting notice that the Board or the CEO (as the case may be) considers necessary (which may include, without limitation, a certification to the Group that he or she has complied with all the terms and conditions set out in this RSU Scheme and the Notice of Grant). In the event that the Grantee fails to execute the required documents within 30 Business Days after receiving the vesting notice, the vested RSUs will lapse.
- 7.35 Subject to the execution of documents by the Grantee as set out above, the RSUs which have vested shall be satisfied at the Board's or the CEO's absolute discretion as authorized under Clause 5.2 or Clause 5.3 within a reasonable period from the vesting date of such RSU, either by:
- (a) subject to paragraph ~~7.5~~7.6 below, the Board (in accordance with its discretion so authorized under Clause 5.2) or the CEO (in accordance with its discretion so authorized under Clause 5.3) directing and procuring the Trustee to transfer the Shares underlying the Award (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the Grantee or his wholly-owned entity from the Trust Fund; and/or

- (b) the Board (in accordance with its discretion so authorized under Clause 5.2) or the CEO (in accordance with its discretion so authorized under Clause 5.3) directing and procuring the Trustee to pay to the ~~Grantor~~ grantee in cash an amount which is equivalent to the value of the Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) set out in paragraph (a) above by making on-market sales of such Shares and after deduction or withholding of any tax, fines, levies, stamp duty and other charges applicable to the entitlement of the Grantee and the sales of any Shares to fund such payment and in relation thereto.

7.46 Notwithstanding the foregoing, if the Company, the Trustee or any Grantee would or might be prohibited from dealing in the Shares by the Listing Rules (where applicable) or by any other ~~Applicable L~~aws, regulations or rules within the period specified above, the date on which the relevant Shares shall be allotted and issued or transferred (as the case may be) to the Grantee shall occur as soon as possible after the date when such dealing is permitted by the Listing Rules or by any other ~~Applicable L~~aws, regulations or rules.

7.57 The Grantee shall be solely liable to pay all taxes and other levies that may be assessed or assessable on any payments made by the Company (either directly or indirectly through the Trustee) hereunder and all payments required to be made hereunder by the Company (either directly or indirectly through the Trustee and/or) shall be subject to the deduction or withholding of such amounts as the Board (in accordance with its discretion so authorized under Clause 5.2) or the CEO (in accordance with its discretion so authorized under Clause 5.3) may reasonably determine is necessary or desirable by reason of any liability to tax or obligation to account for tax or loss of any relief from tax that may fall on the Company, any Subsidiary, Trustee in respect of, or by reason of such delivery or sales of Shares underlying an RSU, and the Grantee agrees to indemnify and keep the Company (for itself and as trustee for its Subsidiaries), Trustee indemnified in respect of any such liability, obligation or loss and accepts any claim in respect of such indemnity may be satisfied by set-off against any sums due from the Company, any Subsidiary, Trustee to such Grantee from time to time.

7.68 In the event of the change of control, the Company shall take actions to deal with all the unvested RSUs in accordance with the resolution passed by the Board with the affirmative votes of more than (or equal to) two thirds (2/3) of the Directors of the Company (specifically subjected to the Articles of Association of the Company and related agreements), and the Grantee shall provide the necessary assistance or cooperation to consummate all the necessary procedures. Change of control refers to:

- (a) the Company sales, transfers or otherwise disposes all or substantially all of its assets;
- (b) the shareholders of the Company agree with the plan and resolution to liquidate and wind-up the Company;
- (c) the Company merges with another entity following which the Company is not the surviving entity or if the Company is the surviving entity, more than 50 per cent of the Shares of the Company prior to such merger have to transferred to third parties; or

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- (d) any person or a group of persons (other than the Company or the employee benefit scheme initiated by the Company) purchase more than 50 per cent of the Company's shares unless the Board considers such transaction will not cause the change of control.

Notwithstanding the above, subject to the approval and authorization of the Board and the Shareholders, the CEO, pursuant to the authorization of the Board, has the right to seek a third party to purchase the unvested RSUs of the Grantees, provided that the Shareholders other than the Trustee shall have the pre-emptive right to purchase such RSUs.

~~7.7~~ If a general or partial offer (whether by way of takeover offer, repurchase offer or scheme of arrangement or otherwise in like manner) has been made to all the Shareholders (other than the offeror and/or any person controlled by the offeror and/or any party acting in concert with the offeror) to acquire all or part of the issued Shares and such offer, having been approved in accordance with ~~the~~ Applicable Laws and regulatory requirements, becomes or is declared unconditional, all unvested Awards shall vest immediately which may result in vesting period less than 12 months, and the Grantee shall be entitled to exercise his Awards to their full extent or to the extent specified in his notice for such exercise within fourteen (14) calendar days after the date on which such offer becomes or is declared unconditional. For the purposes of this Clause, “**acting in concert**” have the meaning ascribed to it under the The Hong Kong Code on Takeovers Codes and Mergers.

~~7.8~~ Any Shares to be transferred to a Grantee or his wholly-owned entity upon the vesting of RSUs ~~7.10~~ granted pursuant to this Scheme shall be subject to all the provisions of the memorandum and articles of association of the Company and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the date of transfer, or if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, and accordingly shall entitle the holder of such Shares to participate in all dividends or other distributions paid or made on or after the date of transfer, or if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members.

8. TRANSFERABILITY

8.1 Any Award granted pursuant to this Scheme shall be personal to the Grantee and shall not be assignable or transferable, except assignment or transfer ~~from a Grantee to a company wholly owned by him or between two companies both of which are wholly owned by him and provided that following the Grantee's death, RSUs may be transferred by will, or by the laws of testacy and distribution~~ in compliance with Listing Rules and with prior written consent from the Board/CEO as the case may be. The terms of the Scheme and the Notice of Grant shall be binding upon the execution, administrators, heirs, successors and assigns of the Grantee.

8.2 Notwithstanding the above, no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favour of any other person over or in relation to any RSU or any property held by the Trustee on trust for the Grantees, Awards, Shares underlying any Awards or any interest or benefits therein.

9. CANCELLATION OF AWARDS

9.1 The Board may at any time at their absolute discretion cancel any Award granted but not vested. Where the Company cancels Awards and new Awards are to be issued to the same Grantee, the issue of such new Awards may only be made under the Scheme with available RSU Scheme Limit.

9.10. LAPSE AND FORFEITURE

~~9.1~~ The unvested RSUs shall automatically lapse upon the earliest of:

10.1

- (a) the date of the termination of Grantee's employment or service by any member of the Group; or
- (b) the date of the commencement of the winding-up of the Company; or
- (c) the date on which the Grantee commits a breach of paragraph 8.2; or
- (d) the date on which it is no longer possible to satisfy any outstanding conditions to vestings; or
- (e) the Board (in accordance with its discretion so authorized under Clause 5.2) or the CEO (in accordance with its discretion so authorized under Clause 5.3) has decided that the unvested RSUs shall not be vested in the Grantee in accordance with the rules of this Scheme and the terms and conditions as set out in the Notice of Grant.

~~9.2~~ Notwithstanding any provisions to the contrary, the Board may forfeit any vested or unvested 10.2 RSUs at its sole and absolute discretion in the case of termination of employment or engagement of the Grantee due to:

- (a) any material breach of the employment contract with the Company and/or its Subsidiaries by the Grantee;
- (b) any material breach of the regulations and policies of the Group by the Grantee, and in the event of material breach of non-competition undertaking or policy by the Grantee;
- (c) material breach of ~~the~~ Applicable Laws and regulations for which the Grantee is held to be criminally responsible;
- (d) any action by the Grantee which is detrimental to the interests or reputation of the Group and/or its affiliates; or
- (e) any other wilful misconduct or gross negligence by the Grantee in performing his/her services to the Group, or is involved in a material misstatement in the Group's financial statements.

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

- ~~9.3~~ 10.3 In the case of retirement, voluntary termination of employment or engagement of the Grantee, ~~the Grantee shall transfer any unvested RSUs granted to the Grantee shall lapse at such termination (which date shall be the last actual employment or engagement day with the Company and its Subsidiaries whether salary is paid in lieu of notice or not) to the Trustee out of charge and the Trustee shall repurchase any vested RSUs at such termination from the Grantee at a reasonable price.~~ For the avoidance of doubt, such unvested RSUs lapsed will not be regarded as utilised for the purpose of calculating the RSU Scheme Limit.
- ~~9.4~~ 10.4 If the Grantee who is an employee of the Group is no longer able to be employed due to injury resulting from an occupational accident (as evidenced by a written confirmation issued by the relevant human resources department or the board of directors of the Company and/or its Subsidiaries to which the Grantee is employed or engaged), ~~the Grantee shall transfer any unvested RSUs granted to the Grantee shall lapse at such termination to the Trustee out of charge and the Trustee shall repurchase any vested RSUs at such termination from the Grantee at a reasonable price.~~ provided that the vesting period of such unvested RSUs may be accelerated at the discretion of the Board/CEO (as the case may be) in accordance with Clause 7.2. For the avoidance of doubt, such unvested RSUs lapsed will not be regarded as utilised for the purpose of calculating the RSU Scheme Limit.
- ~~9.5~~ 10.5 In the case of the transfer of the Grantee's employment or engagement within the Company and/or its Subsidiaries according to the relevant internal rules, the rights and obligations in relation to the RSUs granted to such Grantee shall remain the same.
- ~~9.6~~ 10.6 In the event of the death of a Grantee (provided that none of the events under sub-Clauses ~~9.4~~10.1 to ~~9.4~~10.4 arises prior to his death), the legal personal representative(s) of such Grantee ~~shall transfer any unvested RSUs on the date of death to the Trustee out of charge and the Trustee shall repurchase any vested RSUs on the date of death from the Grantee at a reasonable price.~~ may exercise any granted and vested RSUs which such Grantee is entitled to exercise up to the date of death within ninety (90) calendar days after his/her death. Any unvested RSUs at such termination will be automatically forfeited and any RSUs not exercised prior to the expiry of the ninety-day period will lapse;
- ~~9.7~~ 10.7 Where any unvested RSUs of a Grantee lapse in accordance with the rules of this Scheme, the Board or the CEO (as the case may be) shall direct the Trustee to refund to the Grantee the consideration in correspondence to such unvested RSUs paid by the Grantee ~~(if any)~~ pursuant to paragraph ~~6.46.5~~ of this Scheme and the terms and conditions as set out in the Notice of Grant. To the extent the Trust Fund does not have sufficient cash to pay and settle such refund, the Trustee shall notify the Company of such shortfall and the Company shall pay to the Trustee the shortfall amount within 30 Business Days upon its receipt of such notice from the Trustee.
- ~~9.8~~ 10.8 Notwithstanding the aforesaid, in each case, subject to compliance with Clause 5.4 and 14.1, the Board or the CEO (as the case may be) may in its absolute discretion decide that any RSU shall not lapse or shall be subject to such conditions or limitations as the Board or the CEO (as the case may be) may decide.

~~10~~11. REORGANIZATION OF CAPITAL STRUCTURE

~~10~~1.1 In the event of ~~any alteration in the capital structure of the Company, such as~~ capitalization issue, rights issue, consolidation, sub-division and reduction of the share capital of the Company (the “Reorganization of Capital Structure”) ~~(other than an issue of Shares as consideration in respect of a transaction to which the Company is a party)~~, the Board may make equitable adjustments that it considers appropriate, at its sole discretion, including:

- ~~(a)~~ make arrangements for the grant of substitute RSUs of equivalent fair value to an Award or to number underlying Shares underlying the outstanding RSUs, in the purchasing or surviving company; and
- ~~(b)~~ reach such accommodation with the Grantee as it considers appropriate, including the payment of cash compensation to the Grantee equivalent to the fair value to any RSU to the extent not vested;
- ~~(c)~~ waive any conditions to vesting of any RSU to the extent not already vested; or
- ~~(d)~~ permit the continuation of an Award in accordance with its original terms.

In the event of Reorganization of Capital Structure, to the extent that the Board decided not to make arrangements for the grant of substitute RSUs of equivalent fair value to an Award or to number underlying Shares underlying the outstanding RSUs, the Board may at its discretion, reach such accommodation with the Grantee as it considers appropriate, including the payment of cash compensation to the Grantee equivalent to the fair value to any RSU to the extent not vested which may result in vesting period less than 12 months.

~~11~~12.SHARE CAPITAL

~~11~~2.1 The RSUs do not carry any right to vote at general meetings of the Company. No Grantee shall enjoy any of the rights of a Shareholder, except the rights to dividends, distributions and capital gains, by virtue of the grant of an Award pursuant to this Scheme, unless and until such Shares underlying the Award are actually transferred to the Grantee upon the vesting of the RSU.

~~12~~13.COMPLIANCE

~~12~~3.1 No discretion shall be exercised as to the grant and vesting pursuant to the Scheme and no instructions to deal in any Shares underlying the Awards shall be given to the Trustee under the Scheme where such exercise of discretion or giving of instructions (as applicable) is prohibited under the Listing Rules, Securities and Futures Ordinance and other ~~Applicable~~ Laws, regulations and rules from time to time (and such prohibition has not been waived in respect of the Company). Where such prohibition causes a timeline under the Scheme or the Trust Deed (including but not limited to the vesting date or the exercise of any discretion by the Board or the CEO as authorised under Clause 5.2 or Clause 5.3 to be unused, such timeline shall be treated as extended until as soon as practicable after the first date on which the prohibition no longer prevents the relevant action or event, or as soon as practicable after a decision has been made as to whether the discretion should or should not be exercised, as the case may be.

APPENDIX III PROPOSED AMENDMENTS TO THE RSU SCHEME

123.2 The Company shall comply with all applicable disclosure requirements in connection with the administration and operation of the Scheme, including but not limited to the requirements under the Listing Rules from time to time.

~~13~~14. ALTERATION OF THIS SCHEME

134.1 ~~The terms of this Scheme may be altered, amended or waived in any respect by the Board and Shareholders provided that such alteration, amendment or waiver shall not affect any subsisting rights of any Grantee thereunder. Any alteration, amendment or waiver to, save and except that any alterations to the terms and conditions of this Scheme which are of a material nature shall and the provisions of this Scheme relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of the Participants must be approved by the resolutions of Sshareholders according to the memorandum and articles of association of the Company in general meeting. The right to interpret the Scheme shall belong to the CEO.~~

14.2 The amended terms of this Scheme or the RSUs shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

14.3 Any change to the authority of the Directors, the Trustee or other administrators of this Scheme to alter the terms of this Scheme must be approved by the shareholders of the Company at general meeting.

14.4 The Company must provide to all Participants details relating to amendments in the terms of this Scheme during the life of this Scheme immediately upon such amendments taking effect.

~~14~~15. TERMINATION

145.1 This Scheme may be terminated at any time prior to the expiry of its term by the Board and Shareholders provided that the Company shall protect all subsisting rights of all Grantees hereunder, including the repayment of consideration or transfer price payable under this Scheme. For the avoidance of doubt, no further Awards shall be granted after this Scheme is terminated but in all other respects the provisions of this Scheme shall remain in full force and effect. All RSUs granted prior to such termination and not vested on the date of termination shall remain valid. In such event, the Board (in accordance with its discretion so authorized under Clause 5.2) and the CEO (in accordance with its discretion so authorized under Clause 5.3) shall notify the Trustee and all Grantees of such termination and how the Shares held by the Trustee on trust and other interests or benefits in relation to the outstanding RSUs shall be dealt with, provided that Shares held by the Trustee shall not be transferred to the Company and the Company shall not otherwise hold any Shares or any interest in Shares whatsoever (other than interest in the proceeds of sale of such Shares).

1516.MISCELLANEOUS

156.1 This Scheme shall not form part of any contract of employment or engagement of services between the Group and any Participant and the rights and obligations of any Participant under the terms of his office, employment or engagement in services shall not be affected by the participation of the Participants in this Scheme or any rights which he may have to participate in it and this Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such office, employment or engagement for any reason.

156.2 If any provision of the Scheme or any Award or Award agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any Person or entity or Award, or would disqualify the Scheme or any Award under any law deemed applicable by the ~~Administrator~~ Board/CEO (as the case may be) such provision shall be construed or deemed amended to conform to the ~~Applicable~~ Laws, or if it cannot be construed or deemed amended without, in the determination of the ~~Administrator~~ Board/CEO (as the case may be), materially altering the intent of the Scheme or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, Person or entity or Award and the remainder of the Scheme and any such Award shall remain in full force and effect.

156.3 This Scheme shall not confer on any person any legal or equitable right (other than those rights constituting the RSUs themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

156.4 The provisions of Awards need not be the same with respect to each Grantee, and such Awards to individual Grantees need not be the same in subsequent years.

156.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or personal delivery to, in the case of the Company, its principal place of business or such other address as notified to the Grantee from time to time and, in the case of the Grantee, his address as notified to the Company from time to time. Notices may also be sent electronically to Grantees by sending it to the e-mail address notified by the Grantee to the Company from time to time.

156.6 Except as otherwise expressly provided under the Scheme,

- (a) any notice or other communication served by post:
 - (i) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and
 - (ii) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company;
- (b) any notice or other communication served by hand shall be deemed to have been served at the time of delivery;

- (c) any notice or other communication served by electronic means by the Company or the Grantee shall be deemed to have been served if the sender did not receive a failure of receipt notification.

156.7 Any notice or other communication shall not be withdrawn once it is delivered by the Grantee, except for those which shall only become effective upon a confirmation of the receipt by the Company.

156.8 The acceptance of an Award by and the transfer of Shares to a ~~Grantor~~ grantee may be subject to all necessary consents under any relevant legislation for the time being in force in Hong Kong, the People's Republic of China, the Cayman Islands and the British Virgin Islands, and a Grantee shall be responsible for obtaining any governmental or other official consent or approval and going through any other governmental or other official procedures that may be required by any country or jurisdiction in these regards. The Group and its affiliates may coordinate or assist the Grantee in complying with such applicable requirements and taking any other actions as may be required by any ~~Applicable~~ Laws, regulations or rules. However, the Group and its affiliates shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme. The Board and the CEO (as the case may be) shall be entitled to establish such arrangements as it deems reasonably necessary with respect to the mechanisms to implement the vesting of RSUs, the remittance of the proceeds therefrom to Grantees and related registration, recordation and reporting matters to ensure that the Grantee and the Company can comply with all applicable securities, foreign exchange and tax regulations of all relevant jurisdictions, including without limitation, the People's Republic of China. Each Grantee shall authorise the Company to establish all necessary brokerage and other accounts on the Grantee's behalf and shall provide to the Company such information as the Board and the CEO (as the case may be) deems necessary in connection with the Company's and the Grantee's compliance with the foregoing obligations.

156.9 The Scheme and all RSUs granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

MAOYAN ENTERTAINMENT-PLUS

SHARE OPTION

PLAN

*(Adopted on July 23, 2018
Amended pursuant to an ordinary resolution passed by the shareholders in
general meeting held on [June 28, 2023])*

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

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APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

1. PURPOSE

- 1.1 The purpose of this Share Option Plan is to provide incentives and rewards to directors, senior management and employees of the Group and any other eligible individuals and/or entities in order to provide incentives and rewards to them for their contribution, and to align the corporate objectives and interests between the Group and its key talents.
- ~~1.2 On the Adoption Date (as defined below), the Shareholders of the Company approved the Restricted Share Agreement, Pre-IPO Share Option Plan, Post-IPO Share Option Plan and the Equity Incentive Plan which shall comprise the ESOP Plan of the Company. It is further approved by the Shareholders that all the Shares issued and to be issued pursuant to the ESOP Plan shall not in aggregate exceed 11% (“ESOP Limit”) of the total issued share capital of the Company (as enlarged by all the Shares issued and issuable under all ESOP Plan) as at the Adoption Date as if all the Shares issuable pursuant to all the ESOP Plan have been issued (“ESOP Enlarged Share Capital”).~~

2. DEFINITION

- 2.1 In this Plan, the following expressions have the following meanings, unless the context otherwise requires:

“**Adoption Date**” means the date on which the Plan is approved and adopted by the Shareholders.

“**Amendment Date**” means the date on which amendments to this Plan are approved by the shareholders of the Company.

“**Associates**” shall have the meaning ascribed to it under rule 1.01 of the Listing Rules from time to time.

“**Applicable Laws**” means, with respect to a person, any laws, regulations, rules, measures, guidelines, treaties, judgments, determination, orders or notices of any government authority or stock exchange that is applicable to such person.

“**Auditors**” means the auditors of the Company from time to time.

“**Award**” means an award of RSUs granted to a participant pursuant to the RSU Scheme, an award may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares from the date that the Award is granted to the date that it vests.

“**Board**” means the board of directors of the Company from time to time or a duly authorised committee thereof.

“**Business Day**” means a day on which the Stock Exchange is open for the business of dealing in securities.

“**CEO**” means the chief executive officer and/or general manager of the Company during the operation of the Plan.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

“**Companies Law**” means the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time.

“**Companies Ordinance**” means the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time.

“**Company**” means Maoyan Entertainment Plus, an exempted, a company duly incorporated and validly existing under the Laws of Cayman Islands with limited liability on December 8, 2017, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1896).

“**Directors**” means directors of the Company from time to time.

“**Eligible Participant(s)**” or “**Participant(s)**” means an individual or entity who may be eligible to participate in the Plan, which includes the directors, senior management and employees (whether full time or part time) of the Group (including persons who are granted Options under the Plan as an inducement to enter into employment contracts with the Group), provided that such Participant shall have satisfied the relevant conditions, or any other conditions as agreed by the Board.

~~“**Eligible Participant(s)**” means an individual or entity who may be eligible to participate in the Plan.~~

~~“**ESOP Limit**” shall have the meaning given to it in Clause 1.2.~~

~~“**ESOP Enlarged Share Capital**” shall have the meaning given to it in Clause 1.2.~~

“**Exercise Period**” shall have the meaning given to it in sub-clause 6.1.2.

“**Grant Date**” means the date of the Grant Letter.

“**Grant Letter**” means the document in writing for each grant of Options to an Eligible Participant.

“**Grantee**” means the Eligible Participant who accepts or is deemed to have accepted the offer of any Options in accordance with the terms of the Plan or (where the context so permits) a person entitled to any such Options in consequence of the death of the original Grantee.

“**Group**” means the Company and its Subsidiaries and branches and a “**member of the Group**” shall be construed accordingly.

“**Junior Grantee**” means the Grantee other than a Senior Grantee.

“**Listing Rules**” means the Rules Governing the Listing of Securities on the Stock Exchange.

“**Hong Kong**” means Hong Kong Special Administrative Region of the People’s Republic of China.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

“RSU” means a restricted shares unit under the RSU Scheme, conferring the grantee a conditional right upon vesting of the award to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting, as determined by the Board in its absolute discretion, less any tax, fees, levies, stamp duty and other charges applicable.

“RSU Scheme” means the Restricted Share Unit Scheme of the Company in its present form or as amended from time to time.

“Plan” or **“Share Option Plan”** means this Share Option Plan in its present or any amended form.

“Senior Grantee” means the Grantee who ~~is a~~ holds senior management positions of the Company as ~~defined in prospectus disclosed in the latest annual report of the Company for its global offering and listing on the Stock Exchange.~~

“Share Option(s)” or **“Option(s)”** means the right to subscribe for a specified number of Shares in issue at the Subscription Price.

“Shareholders” means shareholders of the Company from time to time.

“Share(s)” means the ordinary share(s) of a par or nominal value of US\$0.00002 each in the share capital of the Company~~—~~, or if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares forming part of the ordinary equity share capital of the Company of such nominal amount as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction.

“Stock Exchange” means The Stock Exchange of Hong Kong Limited.

“Subscription Price” means the price per Share at which a Grantee may subscribe for Shares on the exercise of Options calculated in accordance with sub-clause 6.1.1.

“Subsidiary” means a company which is for the time being and from time to time a subsidiary (its meaning to be construed in accordance with section 15 of the Companies Ordinance) of the Company and for the avoidance of doubt, including any entity which is accounted for and consolidated in the audited consolidated accounts of the Company as a subsidiary through contractual arrangements pursuant to applicable financial reporting standards.

“Takeovers Codes” means the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong as amended from time to time.

“HK\$” means Hong Kong dollars, the lawful currency of Hong Kong.

“%” means per cent.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

- 2.2 In this Plan, unless otherwise defined or unless the context or subject matter otherwise requires:
- 2.2.1 any reference to Section is a reference to a Section of this Plan;
 - 2.2.2 any reference to a statutory provision shall include a reference to that provision as amended or re-enacted from time to time;
 - 2.2.3 words and phrases defined in the Companies Ordinance shall have the same meanings in this Plan;
 - 2.2.4 any reference to a person includes a reference to any individual, company, enterprise or other economic organisation, or any government authority or agency, or any joint venture, association, partnership, collective, trade union or employee representative body (whether or not having separate legal personality);
 - 2.2.5 headings are inserted for convenience only; and
 - 2.2.6 the singular includes the plural and *vice versa*, words importing gender or the neuter include both genders and the neuter and references to persons includes corporations and unincorporates.

3. CONDITIONS AND TERM OF THE PLAN

- ~~3.1 The Plan shall take effect subject to the passing of the necessary resolution to adopt the Plan by the Board and the Shareholders, and is conditional upon:~~
- ~~3.1.1 the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under the Plan on the Stock Exchange; and~~
 - ~~3.1.2 the commencement of dealings in the Shares on the Stock Exchange.~~
- 3.2~~1~~ Subject to Clause 12, the Plan shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period no further Options will be granted under the Plan, but the provisions of the Plan shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Plan.
- 3.3~~2~~ This Plan shall be subject to the administration of the Board whose decision as to all matters arising from or in relation to this Plan or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties to this Plan. ~~The~~Without prejudice to the Listing Rules and subject to the terms under Clause 11.2 of this Plan and Applicable Laws, the Board shall have the right or delegate such right to its authorized representative(s), to (i) interpret and construe the provisions of the Plan; (ii) determine the persons who will be offered Options under the Plan and the Subscription Price in relation to such Options in accordance with the provisions of this Plan; (iii) subject to Clause 10, make such appropriate and equitable adjustments to the terms of the Options granted under this Plan; and (iv) make such other decisions as it deems appropriate in the administration of this Plan.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

4. ELIGIBILITY AND GRANT OF OPTIONS

4.1 ~~The basis of eligibility of any Participant to be granted Options under this Plan shall be determined by the Board/CEO (as the case may be) from time to time on the basis of the Participant's contribution or potential contribution to the development and growth of the Group, or such other factors as the Board may deem appropriate.~~ The Eligible Participants for the Plan include the directors, senior management and employees ~~(whether full time or part time)~~ of the Group ~~and any other persons as the Board may deem appropriate, (including persons who are granted Options under the Scheme as an inducement to enter into employment contracts with the Group)~~ provided that such ~~Eligible~~ Participant shall have satisfied the following conditions, or any other conditions as agreed by the Board:

~~4.1.1~~ having entered into the agreements with the Company in terms of employment, confidentiality, intellectual properties and non-competition in the form and content to the satisfaction of the Company;

~~4.1.2~~ ~~having achieved the performance standards as required by the Board or the CEO (as the case may be); and~~

~~4.1.3~~ ~~having met the assessment criteria for the grant of Options as stipulated by the Board.~~

4.2 ~~On~~ Without prejudice of Clause 11.1 and 11.2, on and subject to the terms of this Plan and Applicable Laws, the Board shall be entitled at any time during the operation of this Plan, at its sole and absolute discretion,

4.2.1 to determine all the matters in terms of the Options granted to, or to be granted to, the Senior Grantees, including but not limited to the name list of such Senior Grantees, number of Options to be granted, Grant Date, Subscription Price, performance targets, vesting period and acceleration of vesting period of Options in the event of change of control of the Company and the Listing which may result in vesting period less than 12 months;

4.2.2 to review and approve the portion and duration of the Options to be granted to, and the ~~assessment criteria~~ eligibility of, the Junior Grantees;

4.2.3 to determine any other matters in terms of the Options granted to, or to be granted to, the Other Grantees as the CEO may propose;

4.2.4 to make the amendments and adjustments to the Plan;

4.2.5 to determine the repurchase/buy back/termination in relation to the vested Options and relevant terms and conditions thereof (including but not limited to the repurchase price); and

4.2.6 to take other actions as the Board may deem appropriate.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

- 4.3 ~~On~~ Without prejudice to Clause 11.2 and on and subject to Clause 4.2 and other terms of this Plan and Applicable Laws, the CEO shall be entitled at any time during the operation of this Plan, pursuant to the authorisation of the Board,
- 4.3.1 subject to the principles concerning the grant percentage, duration and ~~criteria~~ eligibility as determined by the Board, to determine all the matters in relation to the grant of Options to the Junior Grantees, including but not limited to the name list of the Junior Grantees, number of Options to be granted, Grant Date, Subscription Price, performance targets, vesting period and acceleration of vesting period of Options in the event of change of control of the Company and the Listing which may result in vesting period less than 12 months;
- ~~4.3.2 to propose to the Board all the matters in relation to the grant of Options to persons other than employees of the Group, including but not limited to the name list of the Other Grantees, number of Options to be granted, Grant Date, Subscription Price, acceleration of vesting period of Options in the event of change of control of the Company and the Listing;~~
- 4.3.3~~2~~ to ascertain or amend the documents and agreements in relation to this Plan;
- 4.3.4~~3~~ to revise the terms of any Options which have been granted under this Plan; and
- 4.3.5~~4~~ within the scope authorised by the Board, to take other actions as the CEO deems appropriate.
- 4.4 The grant of an Option to a Grantee shall be conditional upon the following conditions being satisfied:
- 4.4.1 the Grantee having counter signed the Grant Letter and other documents in relation to the Plan; and
- 4.4.2 the Grantee having entered into the agreements with the Company in terms of employment, confidentiality, intellectual properties and non-competition in the form and content to the satisfaction of the Company.
- 4.5 ~~An amount of 1 RMB is payable by the Grantee to the Company upon acceptance of the offer of Options, and such remittance shall not be refundable and shall not be deemed to be a part~~ Subject to otherwise determined by the Board at its sole absolute discretion, the Senior Grantee is not required pay any grant or purchase price or make any other payment to the Company to accept the Options granted; and subject to otherwise determined by the CEO at its sole absolute discretion, the Junior Grantee is not required pay any grant or purchase price or make any other payment ~~of~~ to the Subscription Price Company to accept the Options granted.
- 4.6 Any offer of Options may be accepted or deemed to have been accepted for a number of Shares less than those offered under the relevant Options provided that the number of Shares in respect of the Options accepted constitutes a board lot or an integral multiple thereof for the purposes of trading on the Stock Exchange.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

4.7 The Company shall issue a statement in such form as the Board shall from time to time determine to any Grantee who has accepted an offer within seven (7) calendar days after the end of the period for acceptance of the offer.

4.8 The Options shall not be listed on any stock exchange.

~~4.9 Any grant of Options to a connected person (as defined in the Listing Rules) of the Company, or any of his Associates, shall also comply and be approved in accordance with the applicable requirements of the Listing Rules, including but not limited to:~~

~~4.9.1 if Options are granted to a director, chief executive or substantial shareholder of the Company or any of their respective associates, such grant shall be subject to the approval by the independent non-executive directors of the Company (and in the event that the Board offers to grant Options to an independent non-executive director of the Company, the vote of such independent non-executive director shall not be counted for the purposes of approving such grant);~~

~~4.9.2 if Options are granted to a substantial shareholder or an independent non-executive director of the Company (or any of their respective associates) and that grant would result in the 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 under this Scheme and any other schemes in the 12-month period up to and including the Grant Date:~~

~~(a) representing in aggregate over 0.1 per cent., or such other percentage as may from time to time be provided under the Listing Rules, of the Shares in issue on the Grant Date; and~~

~~(b) having an aggregate value, based on the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the Grant Date, in excess of HK\$5 million or such other sum as may from time to time be provided under the Listing Rules;~~

~~such grant shall be subject to, in addition to the approval of the independent non-executive directors of the Company as referred to under paragraph 4.8.1, the issue of a circular by the Company to its shareholders and the approval of the shareholders of the Company in general meeting by way of a poll convened and held in accordance with the Articles at which all Connected Persons of the Company shall abstain from voting in favour of the resolution concerning the grant of such Options at the general meeting, and/or such other requirements prescribed under the Listing Rules from time to time. Unless provided otherwise in the Listing Rules, the date of the Board meeting at which the Board proposes to grant the proposed Options to that Eligible Participant shall be taken as the Grant Date for the purpose of calculating the Exercise Price.~~

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~~4.10~~ For as long as the Shares are listed on the Stock Exchange, an Option must not be made after 4.9 inside information has come to the knowledge of the Company until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular during the period commencing one month immediately preceding the earlier of:

~~4.10.1~~ 4.9.1 the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

~~4.10.2~~ 4.9.2 the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement,

~~4.140~~ For as long as the Shares are listed on the Stock Exchange, where any Option is proposed to be granted to a director, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

~~4.140.1~~ 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

~~4.140.2~~ 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

5. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

~~5.1~~ Subject to the ESOP Limit, the total number of Shares which may be issued upon exercise of all Options that may be granted under the Plan and any other option scheme involving the issue or grant of options over Shares or other securities by the Company or any of its Subsidiaries shall not in aggregate exceed 5.19% of ESOP Enlarged Share Capital as at the Adoption Date, unless the Company obtains the approval of its shareholders in accordance with Clause 5.2. Options lapsed in accordance with the terms of the Plan or any other scheme shall not be counted for the purpose of calculating the 10% limit.

Without prejudice to Clause 5.2 of this Plan, the total number of Shares which have been issued and may be issued in respect of the Options granted or to be granted under this Scheme must not in aggregate exceed not in aggregate exceed 23,293,595 Shares, representing 2.04% of the total issued Shares of the Company as at the Amendment Date (the "Option Plan Limit"). The total number of new Shares which have been allotted and issued and may be allotted and issued in respect of the RSUs and Options granted or to be granted under the RSU Scheme and this Plan must not in aggregate exceed 55,211,880 Shares, representing 4.83% of the total issued Shares of the Company as at the Amendment Date (the "Aggregate Scheme Limit"). RSUs or Options lapsed in accordance with terms of the RSU Scheme and the Share Option Plan shall not be regarded as utilised for the purpose of calculating Option Plan Limit and Aggregate Scheme Limit.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

~~5.2 The Company may seek the approval of its shareholders in general meeting to refresh the limit in Clause 5.1 such that the total number of Shares which may be issued upon exercise of all Options that may be granted under the Plan and any other option scheme/plan involving the issue or grant of options over Shares or other securities by the Company under the limit as refreshed shall not exceed 10% of the issued share capital of the Company as at the date of approval of the refreshed limit. Options previously granted under the Plan or any other option scheme, including options outstanding, cancelled or lapsed in accordance with the relevant option scheme or exercised options, shall not be counted for the purpose of calculating the limit to be refreshed.~~

5.2 Subject to Clause 5.1 of this Plan,

- (a) and without prejudice to Clauses 5.2(b) and 5.3, the Company may seek approval of its shareholders at general meeting to refresh the Option Plan Limit after three years from the date of shareholders' approval for the last refreshment (or the Amendment Date);
- (b) any refreshment within any three-year period under Clause 5.2(a) of this Plan must be approved by shareholders of the Company subject to the following provisions:
 - (i) any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules;
- (c) The requirements under Clauses 5.2(b)(i) and 5.2(b)(ii) of this Plan do not apply if the refreshment is made immediately after an issue of Shares by the Company to its shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Option Plan Limit (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the Option Plan Limit immediately before the issue of Shares, rounded to the nearest whole Share.

~~5.3 The Company may seek the approval of its shareholders in general meeting to grant Options which will result in the total number of Shares which may be issued in respect of all the Options to be granted under this Plan, and all RSUs to be granted under the Plan and all the options granted under any other option schemeRSU Scheme as refreshed must not exceeding 10% of the total issued sShares capital of the Company, provided that such Options are granted only to participants specifically identified by the Company before the approval ofas at the date of approval of the refreshed Pplan mandate. In such event, the Company will send a circular to its shareholders is soughtcontaining the number of Options that were already granted under the existing Aggregate Plan Limit and the reason for the refreshment.~~

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

- 5.4 Share covered by an Option which is forfeited, cancelled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Plan and any other options granted and yet to be exercised under any other option scheme shall not exceed 30% of the issued share capital of the Company from time to time under the Plan. For the avoidance of doubt, where the Company cancels Options granted to a Participant, and makes a new grant to the same Participant, such new grant may only be made under a scheme with available scheme mandate limit approved by shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules, such Options cancelled will be regarded as utilised for the purpose of calculating the Option Plan Limit.
- 5.5 No Option may be granted to any Eligible Participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the Options already granted or The Company may seek separate shareholders' approval at general meeting for granting Options beyond the Option Plan Limit provided the Options in excess of the Option Plan Limit are granted only to Participants specifically identified by the Company before such approval is sought. In such event, the Company will send a circular to its shareholders containing the name of each specified Participant who may be granted such Options ("**Selected Person**"), the number and terms of Options to be granted to each Selected Person and the purpose of granting Options to the specified Participant with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant under the Plan (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the Grant Date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the Grant Date of such new grant. Any grant of further Options above this limit shall be subject to the requirements provided under the Listing Rules must be fixed before Shareholders' approval.
- 5.6 Subject to Clause 5.7, where any grant of Options to a Participants would result in the total number of Shares issued and to be issued in respect of all Awards and Options granted (excluding any Awards and Options lapsed in accordance with the terms of RSU Scheme and Share Option Plan) under RSU Scheme and Share Option Plan in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such Participant and his/her close associate (or associates, if the Participant is a connected person (as defined under the Listing Rules), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of the Options to be granted to such Participant must be fixed before the approval of the Shareholders.

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5.7 Where any grant of Options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Options, RSUs and Awards granted (excluding any Options and Awards lapsed in accordance with the terms of RSU Scheme and Share Option Plan) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of Options must be approved by shareholders of the Company in general meeting (with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

6. OPTION TERMS AND EXERCISE OF OPTIONS

6.1 The Grant Letter issued by the Board (in accordance with its discretion so authorized under Clause 4.2) or the CEO (in accordance with its discretion so authorized under Clause 4.3) to the relevant Eligible Participant shall specify, among others, the number of Shares under the Options, the Subscription Price, the Exercise Period, the vesting schedule of the Options and any conditions (including, without limitation, ~~the Stock Exchange granting approval for the listing of and permission to deal in any Shares issued pursuant to the exercise of the Options under the Plan, and the commencement of dealing in the Shares on the Stock Exchange, as well as any performance targets which shall be achieved before the Options can be granted, vested or exercised~~) in respect of which an offer of the Options are made, and requiring the Eligible Participant to undertake to hold the Options on the terms on which it is to be granted and to be bound by the provisions of this Plan, in particular:

6.1.1 Subscription Price: the Subscription Price shall be a price determined by the Board and notified to any Grantee (subject to any adjustments made pursuant to Clause 10) which shall be not less than the highest~~str~~ of:

- (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the Grant Date of the relevant Options, which must be a Business Day;
- (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five (5) Business Days immediately preceding the Grant Date of the relevant Options; and
- (c) the par value of the Share on the Grant Date.

6.1.2 Exercise Period: the Board may specify the Exercise Period and the vesting schedule of the Options in the Grant Letter, and in all circumstances all Options shall automatically lapse upon the expiry of the tenth (10th) anniversary of the Grant Date. Unless the Options have been withdrawn and cancelled or been forfeited in whole or in part, and subject to the provisions in Clauses 6.9 and 6.10, the Grantee may exercise his rights under the Plan according to the vesting schedule set out in the relevant Grant Letter.

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- 6.2 Subject to the terms of the Plan and unless otherwise specified in the Grant Letter pursuant to Clause 6.1.2, the granted Options shall 1) vest 25% per year within four (4) anniversary years; or 2) vest 50% upon/within the second anniversary year, and the remaining shall vest equally upon/within the third and fourth anniversary year. Save as the circumstances as listed out in Clause 6.3 of this Plan, the vesting period shall not be less than 12 months or such other period as the Listing Rules may prescribe or permit. The vesting period shall commence on the Grant Date or any other date as the Board or the CEO (as the case may be) may agree.
- 6.3 Options granted to Participants may be subject to a shorter vesting period under the following circumstances at the sole absolute discretion of the Board or CEO (as the case may be):
- (a) the grants of “make-whole” Options to new joiners to replace the Options they forfeited when leaving the previous employers;
 - (b) Options to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event. In those circumstances the vesting of share awards may accelerate;
 - (c) Options with performance-based vesting conditions as determined by the Board/CEO (as the case may be), in lieu of time-based vesting condition;
 - (d) Grant of Options that are made in batches during a year for administrative and compliance reasons which may include Options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an Option would have been granted;
 - (e) Grants of Options with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
 - (f) Grants of Options with a total vesting and holding period of more than 12 months;
 - (g) unvested Awards to be vested immediately in the event of a general or partial offer as provided in Clause 6.9.6 below of this Plan; and
 - (h) vesting period of Awards may accelerate in the event of change of control of the Company as provided in Clause 6.9.7 below of this Plan.
- 6.34 The Board (in accordance with its discretion so authorized under Clause 4.2) or CEO (in accordance with its discretion so authorized under Clause 4.3) may ~~grant~~ establish performance based Options and non-performance based Options. In the case of performance based Options, the performance target should be targets against the attainment of which the Options are granted to the selected Participant concerned. Subject to compliance with Clause 11.1 and 11.2, the Board/CEO shall have the authority, after the grant of any Options which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the vesting period if there is a change in circumstances (for example, there’s a change in market/industry due to factors unforeseen to Board/CEO at the time of the grant including material change of industry structure, applicable laws and regulations, or market conditions), provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the

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Directors/CEO (as the case may be). Proposed performance targets include performance of milestones by any member of the Group, the Grantee or any group of Grantees, such as business, financials, operations and creation of capital value for the Group's business segments (such as increase in revenue and net profit) as well as that for the selected Participant based on individual performance indicators relevant to their roles and responsibilities, as specified in the Grant Letter and unless the Board or CEO (as the case may be) determines otherwise, the vesting schedule for a specific year may be delayed for 12 months if the Grantee fails to meet his/her performance target of such year. The Board/CEO (as the case may be) will conduct assessment at the end of a performance period by comparing the performance of the business segments and the individual performance of the Participants with the pre-agreed targets to determine whether the targets and the extents to which have been met.

- 6.45 Any Options shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whether legal or beneficial in favour of any third party over or in relation to any Options, except assignment or transfer in compliance with Listing Rules and with prior written consent from the Board/CEO as the case may be. Any breach of the foregoing by the Grantee shall entitle the Company to cancel any Options or part thereof granted to such Grantee (to the extent not already exercised) without incurring any liability on the part of the Company.
- 6.56 Subject to Clause 6.1 and the restrictions which may be imposed by the Board, any Options may be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) at any time during the Exercise Period by the Grantee (or in the case of his death, his legal personal representatives) giving notice in writing (in such form as the Company may from time to time specify) to the Company stating that the Options are thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given.
- 6.67 When the Options are exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole of the Options granted and a new statement shall be issued accordingly by the Company (pursuant to Clause 4.7) as soon as reasonably practicable after such partial exercise.
- 6.7 ~~The Company shall use all reasonable endeavours to procure that Shares to be allotted and issued upon exercise of any Options shall, upon the allotment and issue thereof (or as soon as practicable), become listed on the Stock Exchange upon which Shares already in issue are listed.~~
- 6.8 Notwithstanding any provisions herein, if at the time a Grantee wishes to exercise any Options, the exercise of such Options or the consequence of such exercise is not permitted by Applicable Laws or the Listing Rules, the Grantee shall not be entitled to exercise his Options until such exercise becomes permissible by the ~~a~~Applicable ~~L~~aws and the Listing Rules.
- 6.9 Subject to Clause 6.10, any Options may be exercised by a Grantee at any time or times during the Exercise Period provided that:

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- 6.9.1 notwithstanding any provisions to the contrary, the Board may forfeit any vested or unvested Options (to the extent not already exercised) at its sole and absolute discretion in the case of termination of employment or engagement of the Grantee due to:
- (a) any material breach of the employment contract with the Company and/or its Subsidiaries by the Grantee;
 - (b) any material breach of the regulations and policies of the Group by the Grantee, and in the event of material breach of non-competition undertaking or policy by the Grantee, apart from the forfeiture of such Grantee's vested or unvested Options (to the extent not already exercised), the Grantee should be disgorged of the difference in value between the market price of the Shares acquired as a result of the exercise of the Options on the date of exercise and the Subscription Price;
 - (c) material breach of ~~a~~Applicable ~~H~~Laws and regulations for which the Grantee is held to be criminally responsible;
 - (d) any actions by the Grantee which is detrimental to the interests or reputation of the Group and/or its affiliates; or
 - (e) any other wilful misconduct or gross negligence by the Grantee in performing his/her services to the Group, or is involved in a material misstatement in the Group's financial statements.
- 6.9.2 in the case of retirement, voluntary termination of employment or engagement of the Grantee, the Grantee may exercise any vested Options which he is entitled to exercise within ninety (90) calendar days after such termination (which date shall be the last actual employment or engagement day with the Company and its Subsidiaries whether salary is paid in lieu of notice or not), or such longer period following the date of termination as the Board or the CEO (as the case may be) may determine. Any unvested Options at such termination ~~will be automatically forfeited~~ and any Option not exercised prior to the expiry of the ninety-day period will lapse;
- 6.9.3 in the case of the transfer of the Grantee's employment or engagement within the Company and/or its Subsidiaries according to the relevant internal rules, the rights and obligations in relation to the Options granted to such Grantee shall remain the same;
- 6.9.4 if the Grantee who is an employee of the Group is no longer able to be employed due to injury resulting from an occupational accident (as evidenced by a written confirmation issued by the relevant human resources department or the board of directors of the Company and/or its Subsidiaries to which the Grantee is employed or engaged), the Grantee may exercise any granted and vested Options which he/she is entitled to exercise up to the date of termination within ninety (90) calendar days after such termination (which date shall be the last actual employment or engagement day with the Company and its Subsidiaries whether salary is paid in lieu of notice or not. Any unvested Options at such termination ~~will be automatically forfeited~~ and any Option not exercised prior to the expiry of the ninety-day period will lapse, provided that the vesting period of such unvested Options may be accelerated at the discretion of the Board/CEO (as the case may be) in accordance with Clause 6.3;

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- 6.9.5 in the event of the death of a Grantee (provided that none of the events under sub-clauses 6.9.1 and 6.9.2 arises prior to his death), the legal personal representative(s) of such Grantee may exercise any granted and vested Options which such Grantee is entitled to exercise up to the date of death within ninety (90) calendar days after his/her death. Any unvested Options at such termination will be automatically forfeited and any Option not exercised prior to the expiry of the ninety-day period will lapse;
- 6.9.6 if a general or partial offer (whether by way of takeover offer, repurchase offer or scheme of arrangement or otherwise in like manner) has been made to all the Shareholders (other than the offeror and/or any person controlled by the offeror and/or any party acting in concert with the offeror) to acquire all or part of the issued Shares and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, all unvested Options shall vest immediately which may result in vesting period less than 12 months, and the Grantee shall be entitled to exercise his Options to their full extent or to the extent specified in his notice for such exercise within fourteen (14) calendar days after the date on which such offer becomes or is declared unconditional. For the purposes of this Clause, “acting in concert” have the meaning ascribed to it under the Takeovers Codes;
- 6.9.7 other than pursuant to Clause 6.9.6 in the event of the change of control, the Company shall take actions to deal with all the unvested Options in accordance with the resolution passed by the Board with the affirmative votes of more than (or equal to) two thirds (2/3) of the Directors of the Company (specifically subjected to the Articles of Association of the Company and related agreements), and the Grantee shall provide the necessary assistance or cooperation to consummate all the necessary procedures. Change of control refers to:
- (a) the Company sales, transfers or otherwise disposes all or substantially all of its assets;
 - (b) the shareholders of the Company agree with the plan and resolution to liquidate and wind-up the Company;
 - (c) the Company merges with another entity following which the Company is not the surviving entity or if the Company is the surviving entity, more than 50 per cent of the Shares of the Company prior to such merger have to transferred to third parties; or
 - (d) any person or a group of persons (other than the Company or the employee benefit scheme initiated by the Company) purchase more than 50 per cent of the Company’s shares unless the Board considers such transaction will not cause the change of control.

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- (e) Notwithstanding the above, subject to the approval and authorization of the Board and the Shareholders, the CEO, pursuant to the authorization of the Board, has the right to seek a third party to purchase the unvested Options of the Grantees, provided that the Shareholders shall have the pre-emptive right to purchase such unvested Options;
- 6.9.8 for any other situation not mentioned above, the handling of the unvested Options shall be separately submitted to and approved by no less than 2/3 of the members of the Board on a case-by-case basis.
- 6.10 Any Options shall lapse forthwith and not exercisable (to the extent not already exercised), with immediate effect or after such period the Board may determine, on the earliest of:
- 6.10.1 the expiry of the Exercise Period;
- 6.10.2 the expiry of any of the exercise periods referred to in Clause 6.9;
- 6.10.3 the date on which the scheme of the Company referred to in sub-clause 6.9.6 becomes effective;
- 6.10.4 the date on which the Board (in accordance with its discretion so authorized under Clause 4.2) or the CEO (in accordance with its discretion so authorized under Clause 4.3) exercises the Company's right to cancel or forfeit the Options if the Grantee commits any breach of the provisions of Clause 6.2 or Clause 14; and
- ~~6.10.5 the situation set out under the proviso to Clause 3.1; and~~
- 6.10.6~~5~~ the date on which the Options are cancelled in accordance with Clause 13.

7. RANKING OF THE SHARES

No dividends (including distributions made upon the liquidation of the Company) will be payable and no voting rights will be exercisable in relation to any Options that have not been exercised. Shares allotted and issued on the exercise of any Options will be subject to all provisions of the Articles of Association of the Company and will rank equally in all respects with the Shares in issue on the date of allotment and issuance. They will not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment and issuance.

8. SHARE CAPITAL

The exercise of any Options shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company (where required). Subject thereto the Board shall make available sufficient authorised but unissued share capital of the Company (where applicable) to meet subsisting requirements on the exercise of Options.

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9. DISPUTES

Any dispute arising in connection with this Plan (whether as to the number of Shares which is the subject of any Options, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Board and whose decision shall be final and binding.

10. CHANGES IN CAPITAL STRUCTURE

10.1 If there is any alteration in the capital structure of the Company while any Options remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to:

10.1.1 the number of Shares (without fractional entitlements) subject to the Options so far as unexercised; and/or

10.1.2 the Subscription Price; and/or

10.1.3 the maximum number of Shares for which further Options may be granted under this Plan.

10.2 Except alterations made on a capitalisation issue, any alteration to the number of Shares which is the subject of the Options and/or the Subscription Price shall be conditional on the Auditors or the independent financial adviser appointed by the Company confirming by the issue of certificate to the Board that the alteration is in their opinion fair and reasonable, is made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such alteration shall remain the same as that to which he was entitled before such alteration. No such alteration shall be made to the effect which would be to enable any Share to be issued at less than its nominal value (where applicable) or which would result in the aggregate amount payable on the exercise of any Options in full being increased. The capacity of the Auditors or an independent financial adviser appointed by the Company in this Clause 10 is that of experts and not of arbitrators and their certification shall be final and binding on the Company and the Grantees in the absence of manifest error. The costs of the Auditors or an independent financial adviser appointed by the Company in so certifying shall be borne by the Company.

11. ALTERATION OF THIS PLAN

11.1 This Plan may be amended or altered in any respect by resolution of the Board to the extent allowed by the Listing Rules except that the following alteration must be approved by a resolution of the Shareholders in general meeting:

11.1.1 any changes to the definitions of Eligible Participant(s), Grantee and Exercise Period in this Plan;

11.1.2 any alteration to the terms and conditions of this Plan which are of a material nature;

11.1.3 any alteration to the terms and conditions of this Plan relating to matters set out in Rule 17.03 of the Listing Rules to the advantage of Participants;

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11.1.34 any changes to the terms of Options granted; and

11.1.45 any change to the authority of the Board in relation to any alteration to the terms of this Plan,

except where such alterations take effect automatically under the existing terms of this Plan, provided that no such alteration shall be to the advantage of Grantee or the prospective Grantee, without the prior approval of the Shareholders in general meeting with the Eligible Participants, the Grantees and their respective Associates abstaining from voting.

11.2 Any change to the terms of Options granted to a Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial Grant of the Options approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the Plan.

~~11.2 No alteration shall operate to affect adversely the terms of issue of any Options granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such Options prior to such alteration except with the consent in writing of Grantees holding in aggregate Options which if exercised in full on the Business Day immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all Shares which would fall to be issued upon the exercise of all Options outstanding on that date.~~

11.3 Any change to the authority of the Directors or CEO in relation to any alteration to the terms of this Plan must be approved by the Shareholders in general meeting.

~~11.4 The amended terms of this Plan or the Options upon the Listing shall comply with the relevant requirements of the Listing Rules (including, without limitation, Chapter 17 of the Listing Rules).~~

11.54 Notwithstanding the foregoing, this Plan may be amended or altered in any aspect by resolution of the Board without the approval of the Shareholders or the Grantees to the extent such amendment or alteration is required by the Listing Rules and/or any applicable legal or regulatory requirements from time to time.

12. TERMINATION

12.1 The Board may at any time terminate the operation of this Plan before the end of its life and in such event no further Options will be offered but ~~(save in the case of termination pursuant to the proviso to Clause 3.1)~~ the provisions of this Plan shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination, which shall continue to be exercisable in accordance with their terms of grant. Details of the Options granted, including Options exercised or outstanding, under this Plan, and (if applicable) Options that become void or non-exercisable as a result of termination must be disclosed in the circular to the Shareholders seeking approval for the first new scheme to be established after such termination.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

13. CANCELLATION

~~Unless otherwise provided for in this Plan, any~~ The Board may at any time at its absolute discretion cancellation of any Options granted in accordance with this Plan but not exercised ~~must be approved by the Grantee concerned in writing.~~ In the event that the Board elects to cancel any Options and issue new ones to the same Grantee, the issue of such new Options may only be made with the available unissued Options (excluding the cancelled Options) within the limit set out under Clause 5.

14. CONFIDENTIALITY

All Grantees shall strictly comply with the rules of confidentiality. Unless the relevant laws or competent authorities require otherwise, the Grantees shall not ask others or disclose information regarding the granted Options and other relevant information. Any violation of the confidentiality obligation can be deemed as violation of the employment contract, and the Board shall have the right to forfeit any unvested Options of such Grantee or beneficiary.

15. MISCELLANEOUS

15.1 The Company shall bear the costs of establishing and administering this Plan.

15.2 The Company shall provide a copy of this Plan to all Grantees who are offered the Options. The Company shall also provide to all Grantees all details relating to changes of the terms of this Plan during the life of this Plan upon such changes taking place.

15.3 The Board shall procure that details of this ~~Scheme~~ Plan and other schemes of the Company ~~and its Subsidiaries~~ are disclosed in the annual reports and interim reports of the Company in compliance with the Listing Rules in force from time to time.

15.4 This Plan shall not form part of any contract of employment between any of the Company, its Subsidiaries and any Eligible Participant. This Plan shall afford such a Grantee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

15.5 Nothing contained in this Plan or in any related agreement, and no action of the Company or its Subsidiaries or the Board with respect thereto, shall confer or be construed to confer on any Grantee any right to continue in the employment with it or them or interfere in any way with the right of the Company and/or its Subsidiaries to terminate the employment of the Grantee at any time, with or without cause.

APPENDIX IV PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

15.6 Any notice or other communication between the Company and an Eligible Participant or Grantee shall be in writing and may be given by sending the same through facsimile, electronic communication, or by prepaid post or personal delivery to, in the case of the Company, its designated facsimile number, electronic account or principal place of business in Hong Kong, which is at ~~1903, Lee Garden One, No.33 Haysan Avenue, Causeway Bay~~40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong or such other address as may be notified to the Eligible Participant and Grantee from time to time and, in the case of the Eligible Participant or Grantee, his designated facsimile number, electronic account or address as notified to the Company or its Subsidiaries from time to time.

15.7 A Grantee shall be entitled to inspect all notices and other documents sent by the Company to Shareholders, which shall be made available to him during normal office hours at the Company's principal place of business in Hong Kong.

15.8 Any notice or other communication served by post:

15.8.1 by the Company shall be deemed to have been served 48 hours after it was placed in the post where the recipient's address is in Hong Kong and seven (7) calendar days where the address is elsewhere; and

15.8.2 by the Eligible Participant or Grantee shall not be deemed to have been served until the same shall have been received by the Company.

In the case of sub-clause 15.8.1, in proving the service of any notice or other communication by post, it will be sufficient to prove that the notice or other communication was properly stamped, addressed and placed in the post.

15.9 An Eligible Participant or Grantee, as the case may be, shall be responsible at his sole costs and expenses for obtaining any government or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of any Options, as the case may be. None of the Company or its Subsidiaries shall be responsible for any failure by such person to obtain any such consent or for any tax or other liability to which that person may become subject as a result of his participation in this Plan.

15.10 This Plan and all Options granted hereunder shall in all respects be governed by and construed in accordance with the laws of Hong Kong.

Details of the Proposed Amendments are as follows:

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
2	The registered office of the Company will be situated at the offices of Walkers Corporate Limited, <u>Cayman Corporate Centre, 27 Hospital Road</u> , George Town, Grand Cayman KY1-9008, Cayman Islands or at such other location as the Directors may from time to time determine.	2	The registered office of the Company will be situated at the offices of Walkers Corporate Limited, <u>190 Elgin Avenue</u> , George Town, Grand Cayman KY1-9008, Cayman Islands or at such other location as the Directors may from time to time determine.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
1(a)	“Companies <u>Law</u>” means the Companies <u>Law</u> (as revised) of the Cayman Islands <u>as amended from time to time and every other act, order regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or the Articles of Association;</u>	1(a)	“Companies <u>Act</u>” means the Companies <u>Act</u> (as amended) of the Cayman Islands;

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
5(a)	<p>If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies <u>Law</u>, be varied or abrogated either with the consent in writing of the holders of not less than <u>3/4 in nominal value</u> of the <u>issued Shares</u> 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 the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than <u>two</u> persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy one-third <u>in nominal value</u> of the issued Shares of that class, that the quorum for any meeting adjourned for want of quorum shall be two Shareholders present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of Shares held by them) and that any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.</p>	5(a)	<p>If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies <u>Act</u>, be varied or abrogated either with the consent in writing of not less than <u>three-fourths of the voting rights</u> of the <u>holders</u> 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 the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than <u>two</u> persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy <u>holding not less than</u> one-third of the issued Shares of that class, that the quorum for any meeting adjourned for want of quorum shall be two Shareholders present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of Shares held by them) and that any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.</p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
62	<p><u>At all times during the Relevant Period</u> other than the year of the Company's adoption of these Articles, the Company shall <u>in each year</u> hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.</p>	62	<p><u>Other than the year of the Company's adoption of these Articles, <u>in each financial year during the Relevant Period</u>, the Company shall hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.</u></p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
64	The Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.	64	The Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, <u>on a one vote per Share basis in the share capital of the Company.</u> Such requisition <u>(and resolutions to a meeting agenda as applicable)</u> shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.
67(d)	the appointment of Auditors;	67(d)	the appointment <u>and removal</u> of Auditors;
67(f)	the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued Shares representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph <u>(vii)</u> of this Article; and	67(f)	the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued Shares representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph <u>(e)</u> of this Article; and

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
		79A	(newly added) <u>Shareholders shall have the right to: (a) speak at a general meeting of the Company; and (b) vote at a general meeting except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.</u>
86	Any Shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder of the Company. On a poll or a show of hands votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise if it were an individual Shareholder.	86	Any Shareholder entitled to attend and vote at a general meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder of the Company. On a poll or a show of hands votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise if it were an individual Shareholder.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
93(b)	Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 94) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company <u>or</u> at any meeting of any class of Shareholders provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article 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)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to vote individually <u>on a show of hands</u> .	93(b)	Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 94) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company, at any meeting of any class of Shareholders, <u>or at any meeting of the creditors of the Company</u> , provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article 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)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to <u>speak and</u> vote individually.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
113	The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.	113	The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first annual general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.
115	The Company may by Ordinary Resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 108 .	115	The Shareholders may by Ordinary Resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 109 .

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
173	The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the assets and liabilities of the Company and of all other matters required by the Companies <u>Law</u> necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.	173	The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the assets and liabilities of the Company and of all other matters required by the Companies <u>Act</u> necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions. <u>The financial year of the Company shall end on 31 December of each year or such other date as the Directors may determine.</u>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
177	<p>(a) The Company shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by or on the authority of the Company in the annual general meeting except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.</p>	177	<p>(a) The Company shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors <u>until the next annual general meeting</u>, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The <u>appointment, removal and remuneration of the Auditors must be approved by a majority of the Company’s Shareholders</u> in the annual general meeting <u>or by another body that is independent of the Board, except that in any particular year the Company in general meeting (or such body independent of the Board as aforementioned) may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.</u></p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
	(b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by Ordinary Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.		(b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by Ordinary Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term. <u>A body that is independent of the Board may also remove the Auditors by a simple majority vote before the expiration of the terms of office and shall by a simple majority vote appoint new auditors in its place for the remainder of the term.</u>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
191	If the Company shall be wound up (<u>in whatever manner</u>) the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Companies <u>Law</u> , divide among the Shareholders in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of <u>one</u> kind or <u>shall consist of properties of different kinds</u> and the liquidator may, for such purpose, set such value as he deems fair upon any <u>one or more class or classes of</u> property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders and the Shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any <u>Shares or other</u> assets upon which there is a liability.	191	If the Company shall be wound <u>up</u> the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Companies <u>Act</u> , divide among the Shareholders in specie or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of <u>the same</u> kind or <u>not</u>) and the liquidator may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders and the Shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept <u>any</u> assets upon which there is a liability.

NOTICE OF ANNUAL GENERAL MEETING



Maoyan Entertainment

貓眼娛樂

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1896)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2023 Annual General Meeting (the “**AGM**”) of Maoyan Entertainment (the “**Company**”) will be held at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, PRC on Wednesday, 28 June 2023 at 2:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and auditor of the Company for the year ended 31 December 2022.
2. To consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:

(A) “**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:
- (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company; or
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association of the Company to be held; or
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting; and
- (b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the capital of the Company whose name appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company). ”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange and, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to purchase its shares at a price determined by the Directors;
- (iii) the number of shares of the Company which are authorized to be purchased by the Directors pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (iv) subject to the passing of each of the paragraphs (i) to (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) to (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon the resolutions numbered 2(A) and 2(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 2(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of issued shares of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the number of issued shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 2(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the number of issued shares of the Company as at the date of passing of the said resolutions.”
3. (a) To re-elect the following persons as Directors:
- (i) To re-elect Mr. Zheng Zhihao as an executive Director;
 - (ii) To re-elect Ms. Li Xiaoping as a non-executive Director;
 - (iii) To re-elect Mr. Sun Zhonghuai as a non-executive Director;
 - (iv) To re-elect Mr. Tang Lichun, Troy as a non-executive Director;
 - (v) To re-elect Ms. Liu Lin as an independent non-executive Director;
- (b) To authorize the board of Directors (the “**Board**”) to fix remuneration of the Directors.
4. To re-appoint PricewaterhouseCoopers as the auditor of the Company and authorize the Board to re-authorize the executive Director or the management of the Company to fix remuneration of auditor.
5. To consider and, if thought fit, pass, with or without amendments, the following resolution as ordinary resolution:

“**THAT**

- (a) the proposed amendments (the “**Proposed Amendments to the RSU Scheme**”) to the restricted share unit scheme of the Company currently in force (the “**RSU Scheme**”) as set out in Appendix III to the circular of the Company dated 26 April 2023 be and are hereby approved and adopted, and the Directors be and are hereby authorised to do all things necessary to implement the adoption of the Proposed Amendments to the RSU Scheme; and
- (b) the amended RSU Scheme which incorporates all of the Proposed Amendments to the RSU Scheme, a copy of which has been produced to this meeting and marked “A” and initiated by the chairman of this meeting for identification purpose, be and is hereby approved and adopted in substitution for, and to the exclusion of, the RSU Scheme with immediate effect after the close of this meeting.”

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

“**THAT**

- (a) the proposed amendments (the “**Proposed Amendments to the Share Option Scheme**”) to the post-IPO share option plan of the Company currently in force (the “**Share Option Scheme**”) as set out in Appendix IV to the circular of the Company dated 26 April 2023 be and are hereby approved and adopted, and the Directors be and are hereby authorised to do all things necessary to implement the adoption of the Proposed Amendments to the Share Option Scheme; and
- (b) the amended Share Option Scheme which incorporates all of the Proposed Amendments to the Share Option Scheme, a copy of which has been produced to this meeting and marked “B” and initiated by the chairman of this meeting for identification purpose, be and is hereby approved and adopted in substitution for, and to the exclusion of, the Share Option Scheme with immediate effect after the close of this meeting.”
7. To consider and, if thought fit, pass, with or without amendments, the following resolution (with or without modification) as special resolution of the Company:

“**THAT:**

- (a) the proposed amendments to the existing amended and restated memorandum of association and articles of association of the Company (the “**Proposed Amendments**”), the details of which are set out in Appendix V to the circular of the Company dated 26 April 2023, be and are hereby approved;
- (b) the second amended and restated memorandum of association and articles of association of the Company (the “**Second Amended and Restated Memorandum and Articles of Association**”), which contains all the Proposed Amendments and a copy of which has been produced to this meeting and marked “C” and initialled by the chairman of the meeting, be and is hereby approved and adopted in substitution for and to the exclusion of the existing amended and restated memorandum of association and articles of association of the Company with immediate effect; and

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- (c) any Director or company secretary of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the Second Amended and Restated Memorandum and Articles of Association, including without limitation, attending to the necessary filings with the Registrar of Companies in Hong Kong and the Cayman Islands.”

By order of the Board
Maoyan Entertainment
Zheng Zhihao
Executive Director

Hong Kong, 26 April 2023

Registered office:
Walkers Corporate Limited
190 Elgin Avenue George Town
Grand Cayman KY1-9008
Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen’s Road East
Wanchai
Hong Kong

Notes:

- (i) The ordinary resolution numbered 2(C) above will be proposed to the Shareholders for approval provided that the ordinary resolutions numbered 2(A) and 2(B) above are passed by the Shareholders.
- (ii) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote in his stead. A proxy need not be the Shareholders.
- (iii) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the AGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person if he is subsequently able to be present.
- (iv) A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorized to sign the same.
- (v) In the case of joint holders of any shares, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such shares as if he was solely entitled thereto. However, if more than one of such joint holders is present at the meeting, either personally or by proxy, the joint holder whose name stands first in the register of members of the Company will alone be entitled to vote in respect of such shares.
- (vi) On a poll, every shareholder present at the AGM shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the AGM at which the poll was so required or demanded.
- (vii) Shareholders or their proxies attending the AGM shall be responsible for their own accommodation and travel expenses.

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- (viii) For determining the entitlement to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023, both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 21 June 2023.
- (ix) In respect of the ordinary resolution numbered 3 above, Mr. Zheng Zhihao, Ms. Li Xiaoping, Mr. Sun Zhonghuai, Mr. Tang Lichun, Troy and Ms. Liu Lin shall retire and, being eligible, offered themselves for re-election at the AGM. Details of the above retiring Directors are set out in Appendix II to the accompanied circular of the Company dated 26 April 2023.
- (x) In respect of the ordinary resolution numbered 2(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to such general mandate, other than shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Options Schemes of the Company. Approval is being sought from the Shareholders as a general mandate for the purposes of the Listing Rules.
- (xi) In respect of ordinary resolution numbered 2(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. An explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix I to the accompanied circular of the Company dated 26 April 2023.

As at the date of this notice, the Board of Directors of the Company comprises Mr. Zheng Zhihao as executive Director, Mr. Wang Changtian, Ms. Li Xiaoping, Ms. Wang Jian, Mr. Sun Zhonghuai, Mr. Chen Shaohui and Mr. Tang Lichun, Troy as non-executive Directors, and Mr. Wang Hua, Mr. Chan Charles Sheung Wai, Mr. Yin Hong and Ms. Liu Lin as independent non-executive Directors.