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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Modern Media Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 72)

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

Capitalised terms used in the lower portion of the front and inside cover pages shall have the same respective meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the Annual General Meeting to be held at 7/F, Global Trade Square, 21 Wong Chuk Hang Road, Aberdeen, Hong Kong on Thursday, 28 May 2020 at 3:00 p.m. is set out on pages 17 to 22 of this circular.

Whether or not you intend to attend the Annual General Meeting, you are requested to read the notice and complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time appointed for holding of the Annual General Meeting (i.e. on or before 3:00 p.m. on Tuesday, 26 May 2020 (Hong Kong time)) or any adjournment thereof to the Company’s Hong Kong branch share registrar, Link Market Services (Hong Kong) Pty Limited at Suite 1601, 16/F, Central Tower, 28 Queen’s Road Central, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

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This circular is prepared in both English and Chinese. In the event of inconsistency, the English text of this circular will prevail.

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at 7/F, Global Trade Square, 21 Wong Chuk Hang Road, Aberdeen, Hong Kong on Thursday, 28 May 2020 at 3:00 p.m., the notice of which is set out on pages 17 to 22 of this circular, and any adjournment thereof
“Articles”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Modern Media Holdings Limited 現代傳播控股有限公司, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 72)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be increased by an additional number representing such number of Shares actually repurchased under the refreshed Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting for the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution for approving such mandate
“Latest Practicable Date”	16 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to enable the Directors to repurchase the Shares on the Stock Exchange not exceeding 10% of total number of Shares in issue as at the date of the passing the relevant resolution granting such mandate
“RMB”	Renminbi, the lawful currency of PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers as amended from time to time and administered by the Securities and Futures Commission of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 72)

Executive Directors:

SHAO Zhong

YANG Ying

LI Jian

DEROCHE Alain, Jean-Marie, Jacques

Registered office:

Second Floor, Century Yard, Cricket Square

P.O. Box 902

Grand Cayman, KY1-1103

Cayman Islands

Independent Non-executive Directors:

WANG Shi

GAO Hao

YICK Wing Fat Simon

Principal place of business in Hong Kong:

7/F, Global Trade Square

21 Wong Chuk Hang Road

Aberdeen

Hong Kong

23 April 2020

To the Shareholders

Dear Sir/Madam

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

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include ordinary resolutions on the proposed grant of each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the proposed re-election of Directors.

LETTER FROM THE BOARD

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Issue Mandate be granted for the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 438,352,659 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 87,670,531 Shares.

REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Repurchase Mandate be granted for the Directors to exercise all powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution.

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting to authorise the increase in the total number of new Shares which may be allotted and issued under the Issue Mandate (if the grant of which is approved by the Shareholders at the Annual General Meeting) by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate (if the grant of which is approved by the Shareholders at the Annual General Meeting).

Subject to the approval of the above proposals by the Shareholders at the Annual General Meeting, the Issue Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the end of the period within which the Company is required by the Companies Law, the Articles or applicable Cayman Islands law to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix II to this circular.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 25 May 2020 (Monday) to 28 May 2020 (Thursday) (both days inclusive) during which period no transfer of Shares may be effected.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 105(A) of the Articles, Messrs. Shao Zhong, Yang Ying and Li Jian will retire as Directors by rotation and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting. In accordance with Article 109 of the Articles, any Director appointed either to fill a casual vacancy or as an additional Director shall hold office until the next following general meeting of the Company and shall then be eligible for re-election as Director at the meeting. Mr. Yick Wing Fat Simon was appointed by the Company as independent non-executive Director with effect from 1 October 2019, and being eligible, will offer himself for re-election at the Annual General Meeting.

Mr. Yick Wing Fat Simon, the retiring independent non-executive Director, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy, the Company's corporate strategy, and the independence of independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors, including the aforesaid independent non-executive Director, who is due to retire at the Annual General Meeting. The Company considers that the retiring independent non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules and believes that Mr. Yick Wing Fat Simon's academic background and extensive business experience will continue to bring diversity and new perspectives to the Board for its effective functioning.

Brief biographical details of Messrs Shao Zhong, Yang Ying, Li Jian and Yick Wing Fat Simon are set out in Appendix I to this circular.

LETTER FROM THE BOARD

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the Annual General Meeting must be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

ACTIONS TO BE TAKEN

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the grant of the Issue Mandate, Repurchase Mandate and the Extension Mandate and the re-election of Directors.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting (i.e. on or before 3:00 p.m. on Tuesday, 26 May 2020 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors believe that the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of Directors are beneficial to the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company. The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that such repurchase of Shares will benefit the Company and the Shareholders.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and/or gearing position of the Company compared with that as at 31 December 2019, being the date of its latest audited consolidated financial statements were made up. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing of the Company.

Accordingly, the Directors recommend the Shareholders to vote in favour of (i) ordinary resolutions on the proposed grant of each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) ordinary resolutions relating to the proposed re-election of the Directors.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully

By order of the Board

MODERN MEDIA HOLDINGS LIMITED

Shao Zhong

Chairman

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The health of our Shareholders, staff and other participants of the Annual General Meeting (the “**Stakeholders**”) is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect the Stakeholders from the risk of infection, which include but not limited to:

- (i) Compulsory body temperature checks will be conducted for every attendee at the entrance of the meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Each attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served and there will be no corporate gift.
- (iv) Attendees who are subject to health quarantine prescribed by the Hong Kong Government may be denied entry into the meeting venue or be required to leave the meeting venue.
- (v) Anyone attending the Annual General Meeting is reminded to observe good personal hygiene at all times.

In light of the continuing risks posed by the COVID-19 pandemic, and in the interests of protecting the Stakeholders, the Company is supportive of the precautionary measures being adopted and strongly encourages Shareholders NOT to attend the Annual General Meeting in person and advises Shareholders to appoint the Chairman of the Annual General Meeting as their proxies to vote according to their indicated voting instructions as an alternative to attending the Annual General Meeting in person.

Shareholders are advised to read this section carefully and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

If any Shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to the Company’s principal place of business in Hong Kong or to our email at hk@modernmedia.com.hk.

The brief biographical details of the Directors eligible for re-election at the Annual General Meeting are set out below:

Mr. SHAO Zhong (邵忠先生)

Mr. SHAO Zhong, aged 59, is the founder of the Group. Mr. Shao was initially appointed as a Director in March 2007, and was subsequently designated as the Chairman of the Board and an Executive Director in July 2009. Mr. Shao was the Chief Executive Officer of the Company from September 2015 to November 2016, and he was again appointed as the Chief Executive Officer with effect from 11 October 2017. Mr. Shao is responsible for the overall corporate strategies, policy-formulating, instilling corporate philosophy as well as strategic planning, development and expansion of the Group's new media businesses. Prior to founding the Group, Mr. Shao was formerly a PRC government official before 1989. Then, he also undertook senior positions in other publishing and media enterprises including a listed printing company in Hong Kong until 1999. Mr. Shao holds an EMBA degree from Tsinghua University of Beijing. His in-depth experience in the media and publication industries in the PRC earned him the nomination as one of Top 10 Media Leading Icon at China Media Forum in 2010. As at the Latest Practicable Date, Mr. Shao was the Chairman of the Board, the Chief Executive Officer of the Company and the Chief Content Officer of the Group. He was also the chairman of the Environmental, Social and Governance Committee of the Company. Mr. Shao was a director of all subsidiaries of the Company, and, as the case may be, the legal representative of subsidiaries of the Company incorporated in the PRC. As at the Latest Practicable Date, Mr. Shao was interested in 298,210,000 Shares and was a controlling shareholder of the Company.

Save as disclosed above, Mr. Shao (i) did not hold any position in the Group as at the Latest Practicable Date; (ii) has not been a director of any other publicly listed company in the three years immediately preceding the Latest Practicable Date; (iii) does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined under the Listing Rules; and (iv) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Shao has entered into a service contract with the Company for an initial term of three years with effect from 1 September 2009. The parties entered into a renewal agreement (i.e. the first renewal agreement), pursuant to which the above service contract has been agreed to be renewed for a further term of three years from 1 September 2012. On 1 September 2015, the parties further entered into another renewal agreement (i.e. the second renewal agreement), pursuant to which the above service contracts have been agreed to be renewed for a further term of three years from 1 September 2015. On 1 September 2018, the parties further entered into another renewal agreement (i.e. the third renewal agreement), pursuant to which the above service contracts have been agreed to be renewed for a further term of three years from

1 September 2018, on the same terms and conditions, except that (i) the remuneration of Mr. Shao would be determined in the manner as mentioned below, and (ii) the contract may be terminated by not less than six months' notice in writing served by either Mr. Shao or the Company. Mr. Shao's current annual salary is approximately RMB3,324,000. The Company's policy for determining remuneration is explained in the Company's 2019 annual report. Under the service contract, Mr. Shao is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 10% of all the audited combined, or as the case may be, consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. Mr. Shao is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

Ms. YANG Ying (楊瑩女士)

Ms. YANG Ying, aged 44, was appointed as an executive Director with effect from 1 September 2015. Ms. Yang graduated from the Shanghai Foreign Trade College (上海對外貿易學院) in July 1999, majored in Foreign Trade Economy and obtained her executive master of business administration degree from a course jointly provided by Shanghai Jiao Tong University and Euromed Management Marseille in Shanghai in November 2013. Immediately before her appointment as an executive Director, Ms. Yang was the general manager of the Group's Shanghai office, which is mainly responsible as the publisher for the "Modern Lady Weekly" (which was rebranded into "INSTYLE優家畫報" in May 2017), and the previous mobile terminal platform of "iLady". Following Ms. Yang's appointment, she is also responsible for the management of the operation and development of the Group's digital media business. Ms. Yang has more than 20 years' working experience in the Advertising, Marketing and Public Relationship. Ms. Yang worked for Swatch Group and The Wharf Holdings Limited after graduation. In 2000, Ms. Yang joined the Group as Marketing Director of its Shanghai Office and further on promoted as the Deputy General Manager. To broaden her publishing experience, Ms. Yang joined Vogue Magazine, China as Associate Publisher and Advertising Director from May 2005 to July 2009. In August, 2009, Ms. Yang rejoined the Group as Shanghai Office General Manager to manage the sales and marketing and assisting the business development of the Group. As at the Latest Practicable Date, Ms. Yang was interested in 110,000 Shares.

Save as disclosed above, Ms. Yang (i) did not hold any position in the Group as at the Latest Practicable Date; (ii) has not been a director of any other publicly listed company in the three years immediately preceding the Latest Practicable Date; (iii) does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined under the Listing Rules; and (iv) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Ms. Yang has entered into a service contract with the Company for an initial term of three years with effect from 1 September 2015. The parties entered into a renewal agreement, pursuant to which the above service contract has been agreed to be renewed for a further term of three years from 1 September 2018. Ms. Yang's current annual salary is approximately RMB1,800,000. The Company's policy for determining remuneration is explained in the Company's 2019 annual report. Under the service contract, Ms. Yang is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 10% of all the audited combined, or as the case may be, consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. Ms. Yang is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

Mr. Li Jian (李劍先生)

Mr. LI Jian, aged 44, was appointed as an executive Director on 1 September 2015. Mr. Li joined the Group in September 2011 as the Deputy Publisher for "Bloomberg Businessweek 商業周刊中文版/China" and Deputy General Manager of the Group's operations in the Beijing region. He was promoted, in September 2012 and in February 2013 respectively, to the General Manager of the Beijing region and the Publisher for "Bloomberg Businessweek 商業周刊中文版/China", "Bloomberg Businessweek 商業周刊中文版" (Traditional Chinese edition) and the platform for mobile terminal of "Bloomberg Businessweek 商業周刊中文版". Prior to joining the Group, he had served in two international media companies and held various senior positions, such as the publisher for a number of media. Mr. Li was a pioneer in the digital publication and visual media industries and has accumulated 16 years of working experience in the media field. In the earlier years, Mr. Li had worked for internationally well-known consulting agencies. Mr. Li has gained extensive experience in cross-media operations from international media groups over the years, which will facilitate the Group in exploring and integrating cross-media platforms that will contribute to the development of business. He graduated from John Molson Business School, Concordia University of Canada with a bachelor's degree in Business in 2000.

Save as disclosed above, Mr. Li (i) did not hold any position in the Group as at the Latest Practicable Date; (ii) has not been a director of any other publicly listed company in the three years immediately preceding the Latest Practicable Date; (iii) does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined under the Listing Rules; and (iv) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Li has entered into a service contract with the Company for an initial term of three years with effect from 1 September 2015. The parties entered into a renewal agreement, pursuant to which the above service contract has been agreed to be renewed for a further term of three years from 1 September 2018. Mr. Li's current annual salary is approximately RMB1,200,000. The Company's policy for determining remuneration is explained in the Company's 2019 annual report. Under the service contract, Mr. Li is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 10% of all the audited combined, or as the case may be, consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. Mr. Li is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

Mr. YICK Wing Fat Simon (易永發先生)

Mr. YICK Wing Fat Simon, aged 61, was appointed as an independent non-executive Director, chairman of the Audit Committee and the Remuneration Committee of the Company and member of the Nomination Committee of the Company on 1 October 2019. Mr. Yick graduated with a bachelor's degree in Business Administration, majoring in accounting, from the Chinese University of Hong Kong and is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Chartered Association of Certified Accountants in England. He has over 37 years of experience in audit, direct investment, investment banking and corporate advisory services. As at the Latest Practicable Date, Mr. Yick serves as an independent non-executive director, chairman of the remuneration and nomination committee and member of the audit and compliance committee of Nexteer Automotive Group Limited (listed on the Stock Exchange, stock Code: 1316); an independent non-executive director, chairman of the audit committee and member of remuneration committee and nomination committee of the board of directors of Shenzhen Neptunus Interlong Bio-technique Holdings Company Limited (Stock Code: 8329), China Singyes Solar Technologies Holdings Limited (Stock Code: 750) and Shanghai International Shanghai Growth Investment Limited (Stock Code: 770) (all of which are listed on the Stock Exchange). Mr. Yick is also an independent director of Chengdu Xingrong Environment Co., Ltd. (listed on the Shenzhen Stock Exchange, Stock Code: 000598.SZ).

Mr. Yick was a director of the following companies, all of which were private companies limited by shares incorporated in Hong Kong and were dissolved by way of deregistration:

- China Q-Buy Food Company Limited (dissolved on 2 March 2012), which was dormant;
- Grace Silver Investments Limited (dissolved on 3 October 2008), which was dormant;

- Daytune Corporate Services Limited (dissolved on 20 August 2004), which provided corporate secretarial services; and
- Continental Race Limited (dissolved on 27 October 2000), which principally engaged in the leasing of office premises.

Mr. Yick confirmed that the aforementioned companies were solvent at the time of dissolution by deregistration and that no misconduct or misfeasance on his part as director led to the relevant company's dissolution, nor is he aware of any actual or potential claim that has been or will be made against him as a result of any of the above dissolutions.

Save as disclosed above, Mr. Yick (i) did not hold any position in the Group as at the Latest Practicable Date; (ii) has not been a director of any other publicly listed company in the three years immediately preceding the Latest Practicable Date; (iii) does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined under the Listing Rules; and (iv) had no other interests in the Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Yick entered into a letter of appointment with the Company for his appointment an independent non-executive Director for a term of two years from 1 October 2019. Pursuant to the letter of appointment, Mr. Yick is entitled to a directors' remuneration of HKD240,000 per annum. The Company's policy for determining remuneration is explained in the Company's 2019 annual report. Mr. Yick is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

GENERAL

Pursuant to Article 97 of the Articles, fees and remunerations payable to the Directors are subject to the approval of the general meeting of the Company or the determination by the Board as delegated by the general meeting.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders nor other information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to subparagraphs (h) to (v) therein) in relation to the proposed re-election of Messrs Shao Zhong, Yang Ying, Li Jian and Yick Wing Fat Simon.

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

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at Latest Practicable Date, there were a total of 438,352,659 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under Repurchase Mandate to repurchase a maximum of 43,835,265 Shares.

3. REASONS FOR THE REPURCHASE

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 the Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Share repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing the Company's securities, the Company may only apply funds legally available for the purpose in accordance the Articles, the Companies Law and other applicable laws of the Cayman Islands.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2019, being the date of its latest audited consolidated financial statements were made up. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

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

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
April	0.375	0.315
May	0.405	0.335
June	0.330	0.325
July	0.330	0.300
August	0.315	0.300
September	0.315	0.305
October	0.310	0.305
November	0.300	0.280
December	0.360	0.211
2020		
January	0.330	0.231
February	0.300	0.234
March	0.300	0.218
April (up to and including the Latest Practicable Date)	0.230	0.220

6. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company's exercising of its powers to repurchase Shares pursuant to the Repurchase Mandate (if approved to be granted by the Shareholders at the Annual General Meeting), such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined under the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons or corporations were directly or indirectly interested in 5% or more of the issued capital of the Company. Their respective interest as at the Latest Practicable Date is shown under the column "Before repurchase" while their respective interest in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolutions in relation to the Repurchase Mandate to be proposed at the Annual General Meeting (and assuming that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting) is shown under the column "After repurchase".

		<i>(Note 1)</i>	
Capacity/Nature of interest		Before repurchase	After repurchase
Mr. Shao Zhong	Beneficial owner	68.03%(L)	75.59%(L)
Madam Zhou Shao-min <i>(Note 2)</i>	Interest of spouse	68.03%(L)	75.59%(L)
FIDELITY CHINA SPECIAL SITUATIONS PLC	Beneficial owner	6.97%(L)	7.74%(L)
FIL Investment Services (UK) Limited <i>(Note 3)</i>	Investment fund manager of the substantial Shareholder	6.97%(L)	7.74%(L)
FIL Holdings (UK) Limited <i>(Note 3)</i>	Interest of corporation controlled by the substantial Shareholder	6.97%(L)	7.74%(L)
FIL Limited <i>(Note 3)</i>	Interest of corporation controlled by the substantial Shareholder	6.97%(L)	7.74%(L)
Pandanus Partners L.P. <i>(Note 3)</i>	Interest of corporation controlled by the substantial Shareholder	6.97%(L)	7.74%(L)
Pandanus Associates Inc. <i>(Note 3)</i>	Interest of corporation controlled by the substantial Shareholder	6.97%(L)	7.74%(L)

		<i>(Note 1)</i>	
		Before	After
Capacity/Nature of interest		repurchase	repurchase
United Achievement Limited <i>(Note 4)</i>	Beneficial owner	5.71%(L)	6.34%(L)
Warburg Pincus & Co. <i>(Note 4)</i>	Interest of corporation controlled by the substantial Shareholder	5.71%(L)	6.34%(L)
Warburg Pincus Partners LLC <i>(Note 4)</i>	Interest of corporation controlled by the substantial Shareholder	5.71%(L)	6.34%(L)
Warburg Pincus Private Equity X, L.P. <i>(Note 4)</i>	Interest of corporation controlled by the substantial Shareholder	5.71%(L)	6.34%(L)
Warburg Pincus X, L.P. <i>(Note 4)</i>	Interest of corporation controlled by the substantial Shareholder	5.71%(L)	6.34%(L)
Warburg Pincus X, LLC <i>(Note 4)</i>	Interest of corporation controlled by the substantial Shareholder	5.71%(L)	6.34%(L)

Notes:

- (L) — Long position
- Madam Zhou Shao-min is the spouse of Mr. Shao Zhong. She is deemed to be interested in the Shares held by Mr. Shao Zhong under the SFO.
- According to the corporate substantial shareholder notices of FI Limited, Pandanus Associates Inc. and Pandanus Partners L.P. dated 24 December 2019, FIL Investment Services (UK) Limited is 100% controlled by FIL Holdings (UK) Limited, FIL Holdings (UK) Limited is in turn 100% controlled by FIL Limited, FIL Limited is in turn 40.07% controlled by Pandanus Partners L.P. and ultimately Pandanus Partners L.P. is 100% controlled by Pandanus Associates Inc.. FIL Investment Services (UK) Limited is the investment fund manager of FIDELITY CHINA SPECIAL SITUATIONS PLC. For the purpose of the SFO, each of Pandanus Associates Inc., Pandanus Partners L.P., FIL Limited, FIL Holdings (UK) Limited and FIL Investment Services (UK) Limited is deemed to be interested in the Shares beneficially owned by FIDELITY CHINA SPECIAL SITUATIONS PLC.
- According to the corporate substantial shareholder notice of Warburg Pincus & Co. dated 23 May 2011, United Achievement Limited is 96.9% controlled by Warburg Pincus Private Equity X, L.P., which is ultimately wholly controlled by Warburg Pincus & Co. through Warburg Pincus Partners LLC, Warburg Pincus X, LLC and Warburg Pincus X, L.P., all being directly and indirectly wholly controlled by Warburg Pincus & Co.. For the purpose of the SFO, each of Warburg Pincus & Co., Warburg Pincus Partners LLC, Warburg Pincus X, L.P. and Warburg Pincus Private Equity X, L.P. is deemed to be interested in the Shares beneficially owned by United Achievement Limited.
- The information contained in the above table is extracted from the register kept by the Company pursuant to section 336 of the SFO and is set out in this circular for the purposes of illustration of the implications under the Takeovers Code only. The long positions in the associated corporations of the Company have been omitted as they are irrelevant for the purposes of illustration of the implications under the Takeovers Code. For the information on such long positions, please refer to the Company's 2019 annual report.
- Based on 438,352,659 Shares in issue as at the Latest Practicable Date.

On the basis of the shareholding held by the Shareholders named above and assuming that there is no change as the number of issued Shares nor in the said shareholding, an exercise of the Repurchase Mandate in full will not result in any of the Shareholders named above becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no issue of Shares between the date of this circular and the date of a repurchase and no disposal by any of the substantial Shareholders of their interests in the Shares, an exercise of the Repurchase Mandate whether in whole or in part may result in less than 25% of the Shares being held by the public. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than 25%.

7. SHARE REPURCHASE MADE BY THE COMPANY

In the six months immediately preceding the Latest Practicable Date, the Company had not repurchased its Shares.

8. GENERAL

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

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No core connected persons (as defined under the Listing Rules) of the Company has notified the Company that they have a present intention to sell any Shares to the Company nor has any such core connected persons have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 72)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Modern Media Holdings Limited (“**Company**”) will be held at 7/F, Global Trade Square, 21 Wong Chuk Hang Road, Aberdeen, Hong Kong on Thursday, 28 May 2020 at 3:00 p.m. to consider and, if thought fit, transact the following business:

1. to receive and approve the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and independent auditor of the Company and its subsidiaries for the year ended 31 December 2019;
2. to re-elect Mr. Shao Zhong as an Executive Director;
3. to re-elect Ms. Yang Ying as an Executive Director;
4. to re-elect Mr. Li Jian as an Executive Director;
5. to re-elect Mr. Yick Wing Fat Simon as an Independent Non-executive Director;
6. to authorise the board (the “**Board**”) of the Directors to fix (which authority may be further delegated to its duly authorised committee) the respective Director’s remuneration;
7. to re-appoint Grant Thornton Hong Kong Limited as independent auditor of the Company and to authorise the Board to fix their remuneration;

NOTICE OF THE ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (the “**Share**”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of associations of the Company (the “**Articles**”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed the aggregate of:
- (aa) 20% of the aggregate number of the Shares in issue on the date of the passing of this resolution; and
- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate number of Shares in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

9. to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to purchase Shares on The Stock Exchange of the Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the aggregate number of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined in paragraph (c) below) shall not exceed 10% of the aggregate number of Shares in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
 - (c) for the purposes of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable law of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.”
10. To consider and, if thought fit, pass with or without modification, the following resolution as ordinary resolution:

ORDINARY RESOLUTION

“THAT conditional on the passing of resolutions numbered 8 and 9 above, the Issue Mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 8 above be and is hereby extended by the addition thereto of the aggregate number of Shares repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 9 above.”

By order of the Board
MODERN MEDIA HOLDINGS LIMITED
Shao Zhong
Chairman

Hong Kong, 23 April 2020

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

- 1 All resolutions at the meeting will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
- 2 A member entitled to attend and vote at the meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Articles, vote in his/her stead. A proxy need not be a member of the Company.
- 3 To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Link Market Services (Hong Kong) Pty Limited at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong not less than 48 hours before the time of the meeting (i.e. on or before 3:00 p.m. on Tuesday, 26 May 2020 (Hong Kong time)) or any adjourned meeting.
- 4 The register of members of the Company will be closed from Monday, 25 May 2020 to Thursday, 28 May 2020, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's Hong Kong branch share registrar, Link Market Services (Hong Kong) Pty Limited at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 May 2020.
- 5 In relation to the proposed resolutions numbered 2 to 5, each of Messrs Shao Zhong, Yang Ying, Li Jian and Yick Wing Fat Simon will retire from their office of Directors at the above meeting pursuant to the Articles and, being eligible, offer themselves for re-election.
- 6 In relation to the proposed resolution numbered 7 above, the Board concurs with the view of the audit committee of the Company and has recommended that Grant Thornton Hong Kong Limited be re-appointed independent auditor of the Company.
- 7 In relation to the proposed resolution numbered 8 above, approval is being sought from the Shareholders for granting to the Directors of a general mandate to authorise the allotment and issue of the Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under any scrip dividend scheme which may be approved by the Shareholders.
- 8 In relation to the proposed resolution numbered 9 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the Shareholders. An explanatory statement containing the information necessary to enable the Shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the circular of the Company dated 23 April 2020 of which this notice of the Annual General Meeting forms part.
- 9 Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF THE ANNUAL GENERAL MEETING

- 10 In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- 11 If Typhoon Signal No.8 or above is expected to be hoisted or a Black Rainstorm Warning Signal is expected to be in force any time after 3 hours before the meeting time on the date of the meeting, then the meeting will be postponed. The Company will post an announcement on the website of the Company (www.modernmedia.com.cn) and HKEXnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.