

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Starrise Media Holdings Limited**

**星宏傳媒控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1616)**

## **(1) PROPOSED CHANGE OF COMPANY NAME**

**AND**

## **(2) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**

The board of directors (the “**Board**”) of Starrise Media Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) proposes to (i) change its company name; and (ii) adopt a new share option scheme.

### **PROPOSED CHANGE OF COMPANY NAME**

The Board proposes to change the English name of the Company from “Starrise Media Holdings Limited” to “A Metaverse Company”, and the Chinese name of the Company from “星宏傳媒控股有限公司” to “一元宇宙公司” (the “**Proposed Change of Company Name**”).

### **Conditions for the Proposed Change of Company Name**

The Proposed Change of Company Name will be subject to the following conditions:

1. the passing of a special resolution by the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting of the Company (the “**EGM**”) to approve the Proposed Change of Company Name; and
2. the Registrar of Companies of the Cayman Islands granting the approval for the Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date of issue of a certificate of incorporation on change of name issued by the Registrar of Companies of the Cayman Islands. The Company will then carry out the necessary filing procedures with the Companies Registry in Hong Kong.

## **Reasons for the Change of Company Name**

The Group is principally engaged in the licensing of drama series and films and the production of drama series and films, and distribution and related services (the “**Media Business**”).

As disclosed in the Company’s Annual Report for the year ended 31 December 2020, China’s film and movie industry, where the Group operates its existing Media Business in, has been significantly affected by the COVID-19 pandemic and other related government policies. As such, the Group has been actively exploring opportunities to diversify its businesses portfolio as an attempt to broaden its source of income in case of resurgence of COVID-19 or other unforeseen circumstances that would adversely affect the Group’s Media Business.

In line with this strategy, on 3 December 2021, the Group acquired the entire issued shares in Digital Light Year Technology Co., Limited, which, together with its subsidiaries, engage in cloud gaming, software development, technology consulting services and digital content production services, in order to venture into the field of Metaverse.

The Board considers that the Proposed Change of Company Name will better reflect the current business strategies and its direction of future development. The Board believes that the Proposed Change of Company Name will provide the Company with a more accurate corporate image which will benefit the Company’s future business development. As such, the Board is of the view that the Proposed Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

## **Effects of the Proposed Change of Company Name**

The Proposed Change of Company Name will not affect any rights of the holders of the securities of the Company. The existing certificates of the securities in issue bearing the present name of the Company shall, after the Proposed Change of Company Name becomes effective, continue to be evidence of title to such securities and will continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing certificates of securities for new certificates bearing the new name of the Company. Once the Proposed Change of Company Name becomes effective, new certificates of securities of the Company will be issued only in the new name of the Company.

In addition, subject to the confirmation of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the English and Chinese stock short names of the Company will also be changed after the Proposed Change of Company Name becoming effective. Further announcement(s) will be made by the Company to inform the Shareholders of the effective date of the Proposed Change of Company Name and the change of stock short names in English and Chinese, and the arrangement for the trading and dealings in the shares of the Company (the “**Shares**”) (including the date on which the Shares will be traded under the new name of the Company on the Stock Exchange).

## **PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**

The existing share option scheme of the Company adopted on 26 June 2012 for a period of 10 years (the “**Existing Share Option Scheme**”) will expire on 25 June 2022. As at the date of this announcement, no option was granted, exercised, cancelled or lapsed under the Existing Share Option Scheme.

In view of the expiry of the Existing Share Option Scheme, and in order to continue to provide the Company with a flexible means of giving incentive to rewarding, remunerating, compensating and/or providing benefits to eligible participants and for such other purposes as the Board may approve from time to time, the Company proposes to (i) terminate the Existing Share Option Scheme in accordance with its terms; and (ii) adopt a new share option scheme (the “**New Share Option Scheme**”) for the approval by the Shareholders in the EGM.

The New Share Option Scheme will constitute a share option scheme under Chapter 17 of the Listing Rules. The terms of the New Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The Board considers that the adoption of the New Share Option Scheme will serve as an alternative means to provide incentives or rewards to the eligible participants for their contribution to the Group and is in the best interests of the Company and the Shareholders as a whole.

### **Conditions for the Proposed Adoption of the New Share Option Scheme**

Adoption of the New Share Option Scheme is subject to the following conditions precedent (the “**Conditions**”):

1. the passing of an ordinary resolution to approve the adoption of the New Share Option Scheme by the Shareholders; and
2. the Stock Exchange granting approval to the listing of, and permission to deal in, the main board of the Stock Exchange in the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the New Share Option Scheme.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options granted under the New Share Option Scheme.

## Key Terms of the New Share Option Scheme

It is proposed that the principal key terms of the New Share Option Scheme will include the following:

**Purposes:** The purpose of the New Share Option Scheme is to enable the Group to grant options to Eligible Participants (as defined below) as incentives or rewards for their contribution to the Group, in particular:

- (a) to motivate them to optimise their performance and efficiency for the benefit of the Group; and
- (b) to attract and retain or otherwise maintain ongoing business relationships with the Eligible Participants whose contributions are or will be beneficial to the Group.

**Adoption Date:** The date on which the last Condition set out in the paragraph headed “Conditions for the Proposed Adoption of the New Share Option Scheme” is fulfilled (the “**Adoption Date**”)

**Duration:** Ten (10) years from the Adoption Date

**Eligible Participants:**

- (a) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (b) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;
- (c) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (d) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
  - (i) contribution to the development and performance of the Group;
  - (ii) quality of work performed for the Group;
  - (iii) initiative and commitment in performing his/her duties; and
  - (iv) length of service or contribution to the Group.

Maximum number of Shares available for subscription:

- (a) The maximum number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the date of approval of the Shareholders for the adoption of the New Share Option Scheme (the “**Scheme Limit**”), excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the New Share Option Scheme (or any other share option schemes of the Company).
- (b) The Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time.

Maximum entitlement of each Eligible Participant:

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Share Option Scheme and any other share option schemes of the Company (including both exercised, outstanding options and Shares which were the subject of options which have been granted and accepted under the New Share Option Scheme or any other scheme of the Company but subsequently cancelled) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to issue of a circular by the Company and approved by the Shareholders in accordance with the Listing Rules.

Exercise price:

The exercise price in respect of any option shall be at the absolute discretion of the Board, provided that it shall be not less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets on the date of offer for the grant of option (“**Date of Grant**”), which must be a business day;
- (b) the average closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Date of Grant; and
- (c) the nominal value of the Shares.

Option Period: A period (which may not end later than 10 years from the Date of Grant) to be determined and notified by the Board to the grantee thereof and, in the absence of such determination, from the date of acceptance of the offer of such option to the earlier of the date on which such option lapses and 10 years from the Date of Grant.

Further details of the terms of the New Share Option Scheme will be set out in a circular to be despatched to the Shareholders.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, (i) the Proposed Change of Company Name; (ii) the termination of the Existing Share Option Scheme; and (iii) the adoption of the New Share Option Scheme.

A circular containing details of (i) the Proposed Change of Company Name; (ii) the termination of the Existing Share Option Scheme; (iii) the adoption of the New Share Option Scheme; (iv) terms of the New Share Option Scheme; and (iv) a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

As at the date of this announcement, the adoption of the New Share Option Scheme remains subject to the Conditions of the New Share Option Scheme being fulfilled. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities.

By order of the Board  
**Starrise Media Holdings Limited**  
**LIU Dong**  
*Chairman*

Beijing, the PRC, 9 December 2021

*As at the date of this announcement, the Board comprises seven Directors, namely Mr. LIU Dong, Mr. LIU Zongjun, Ms. YANG Qinyan and Mr. HE Han as executive Directors; and Mr. LAM Kai Yeung, Ms. LIU Chen Hong and Mr. KWOK Pak Shing as independent non-executive Directors.*