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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Litian Pictures Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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

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**Litian Pictures Holdings Limited**

**力天影業控股有限公司**

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

**(Stock Code: 9958)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Litian Pictures Holdings Limited to be held at 5-A LiTian TV & Film Conference Room, Tong Niu Movie Industry Park, No. 85 Chaoyang Road, Chaoyang District, Beijing, the People's Republic of China on Friday, 27 May 2022 at 9:00 a.m. is set out on pages 16 to 20 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 website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). 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, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, 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 (i.e. before 9:00 a.m. on Wednesday, 25 May 2022) 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 and in such event, the proxy shall be deemed to be revoked.



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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 5-A LiTian TV & Film Conference Room, Tong Niu Movie Industry Park, No. 85 Chaoyang Road, Chaoyang District, Beijing, the People’s Republic of China on Friday, 27 May 2022 at 9:00 a.m. or any adjournment thereof, the notice of which is set out on pages 16 to 20 of this circular
“Articles of Association”	the articles of association of the Company, as may be amended from time to time
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“China” or “PRC”	the People’s Republic of China which, for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	Litian Pictures Holdings Limited (力天影業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the 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 General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the relevant resolution granting the General Mandate

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## DEFINITIONS

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“Group”	the Company and its subsidiaries (including the consolidated affiliated entities)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	22 June 2020, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LiTian TV & Film”	Zhejiang LiTian TV & Film Co., Ltd.* (浙江力天影視有限公司), a limited liability company established under the laws of the PRC on 2 August 2013, which is a consolidated affiliated entity of the Company
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the number of issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“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) of nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Takeovers Code” the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time

*If there is any inconsistency between the Chinese names of PRC nationals, entities, departments, facilities, certificates, titles, etc. and their English translations, the Chinese names shall prevail. The English translation of PRC nationals, entities, departments, facilities, certificates, titles, etc. which are marked with “\*” is for identification purpose only.*

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LETTER FROM THE BOARD

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**Litian Pictures Holdings Limited**

**力天影業控股有限公司**

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

**(Stock Code: 9958)**

*Executive Directors:*

Mr. YUAN Li  
Ms. TIAN Tian  
Ms. FU Jieyun

*Non-executive Directors:*

Mr. YU Yang  
Mr. TANG Zhiwei  
Mr. LUO Jianxing

*Independent Non-executive Directors:*

Mr. TENG Bing Sheng  
Mr. LIU Hanlin  
Mr. GAN Weimin

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Principal place of business  
in Hong Kong:*

40/F, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai, Hong Kong

26 April 2022

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
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 grant to the Directors of General Mandate, the Repurchase Mandate and the Extension Mandate, (ii) the re-election of the retiring Directors.

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## LETTER FROM THE BOARD

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### **GENERAL MANDATE TO ISSUE SHARES**

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought for the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. An ordinary resolution no. 4(A) will be proposed at the Annual General Meeting to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with new Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, there was 300,000,000 Shares in issue. Subject to the passing of the above resolution 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 60,000,000 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20 per cent limit of the General Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional number shall not exceed 10 per cent of the issued Shares as at the date of passing of the General Mandate and the Repurchase Mandate.

### **REPURCHASE MANDATE TO REPURCHASE SHARES**

In addition, an ordinary resolution no. 4(B) will be proposed at the Annual General Meeting to approve the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate. As at the Latest Practicable Date, there was 300,000,000 Shares in issue. Subject to the passing of the above resolution 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 30,000,000 Shares.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II 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.

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

In accordance with Article 84(1) of the Articles of Association, notwithstanding any other provisions in the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

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## LETTER FROM THE BOARD

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Accordingly, in accordance with Article 84(1) of the Articles of Association, Mr. YUAN Li, Ms. TIAN Tian and Ms. FU Jieyun shall retire by rotation at the Annual General Meeting. The retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. The biographical details of the retiring Directors are set out in Appendix I to this circular.

### **Recommendation of the Nomination Committee with respect to the Directors subject to re-election at the Annual General Meeting**

The Nomination Committee has reviewed the structure and composition of the Board, the qualifications, skills, knowledge and experience, time commitment and contributions of the retiring Directors, having regard to the director nomination policy and the board diversity policy of the Company. The Nomination Committee is of the view that the retiring Directors have extensive experience in different fields and professions that are relevant to the Company's business. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board. Accordingly, the Nomination Committee has recommended them to the Board for re-election and the Board has endorsed the recommendations of the Nomination Committee and recommended all retiring Directors to stand for re-election at the Annual General Meeting.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the Shareholders' eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 24 May 2022 to Friday, 27 May 2022 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Monday, 23 May 2022.

### **NOTICE OF ANNUAL GENERAL MEETING**

Set out on pages 16 to 20 of this circular is the notice of Annual General Meeting at which, *inter alia*, ordinary resolutions will be proposed to Shareholders to consider and approve (i) the grant to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate, (ii) the re-election of the retiring Directors.

### **FORM OF PROXY**

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Whether or not you intend to attend the Annual General 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, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183



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## LETTER FROM THE BOARD

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Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. before 9:00 a.m. on Wednesday, 25 May 2022) or any adjournment thereof.

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 and in such event, the proxy shall be deemed to be revoked.

### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general 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. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

### RESPONSIBILITY STATEMENT

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

### RECOMMENDATION

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

Yours faithfully,  
By order of the Board  
**Litian Pictures Holdings Limited**  
**YUAN Li**  
*Chairman*

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## APPENDIX I THE BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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

As at the Latest Practicable Date, each of the following Directors, save as disclosed herein, did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, none of the following Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, none of the following Director has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

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

### EXECUTIVE DIRECTORS

**Mr. YUAN Li (袁力)**, aged 44, was appointed as a Director on 17 June 2019 and was re-designated to the chairman of the Board and an executive Director on 27 September 2019. Mr. Yuan has over 23 years' experience in the television and film industry. The following table shows the key working experience of Mr. Yuan:

<b>Period</b>	<b>Company</b>	<b>Latest position</b>	<b>Roles and responsibilities</b>
August 2013 to present	LiTian TV & Film	Director and general manager	Oversee management and operations of the company
June 1998 to June 2013	Great Wall Movie and Television Co., Ltd.* (長城影視股份有限公司, “ <b>Great Wall Movie and Television</b> ”), a company listed on the Shenzhen Stock Exchange (stock code: 002071)	Deputy general manager	Oversee management and operations of the distribution department

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**APPENDIX I THE BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS  
PROPOSED FOR RE-ELECTION**

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Mr. Yuan was an executive director, supervisor and/or legal representative of the below companies established in the PRC at the time of or within one year prior to its dissolution. Mr. Yuan confirmed that (i) these companies were solvent and not in operation immediately prior to their dissolution, (ii) there was no wrongful act on his part leading to the dissolution of these companies, (iii) he was not aware of any actual or potential claim which has been or will be made against him as a result of the dissolution of these companies, and (iv) that no misconduct or misfeasance has been involved in the dissolution of these companies.

<b>Company</b>	<b>Principal business</b>	<b>Methods of dissolution</b>	<b>Role(s)</b>
Dongyang Changli Firm Services Co. Ltd.* (東陽長立影視服務有限公司)	Rental & sale of film and television equipment	Dissolved by deregistration	Legal representative and supervisor
Beijing Great Wall Huanyu International Film Advertising Co. Ltd.* (北京長城環宇國際影視廣告有限公司)	Design, production, agency and release of domestic and foreign advertisements	Dissolved by deregistration	Legal representative and executive director

Mr. Yuan has graduated from The Open University of China (中央廣播電視大學) in Beijing, the PRC in January 2016 with a diploma in administration management. Mr. Yuan was awarded the Outstanding Distributor Award (優秀發行人) by the Shanghai Eastern Television Channel (上海東方電影頻道) in 2017.

Ms. TIAN Tian is the spouse of Mr. YUAN Li.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Yuan was interested in 132,662,851 Shares, representing 44.22% of the issued Shares of the Company.

Mr. Yuan had entered into a service contract with the Company for a term of 3 years commencing from the Listing Date and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Yuan is entitled to a director's remuneration of RMB1,020,000 per annum and a discretionary bonus which have been determined by the Remuneration Committee and the Board with reference to his qualification, experience, responsibility, performance of the individual, performance of the Group and the market practices.

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**APPENDIX I THE BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS  
PROPOSED FOR RE-ELECTION**

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**Ms. TIAN Tian (田甜)**, aged 39, was appointed as an executive Director on 27 September 2019 and the chief executive officer of the Group on 24 May 2020.

Ms. Tian has over 17 years' experience in the television and film industry. The following table shows the key working experience of Ms. Tian:

<b>Period</b>	<b>Company</b>	<b>Latest position</b>	<b>Roles and responsibilities</b>
August 2016 to present	LiTian TV & Film	Director	Oversee operation of the company
August 2018 to February 2019	Chongqing Wanmei Zhenzhi Film Co., Ltd.* <sup>(1)</sup> (重慶完美臻至影視文化有限公司)	Director and general manager	Oversee management and operations of the company
October 2017 to February 2019	Beijing Perfect World Pictures Limited Liability Company* (北京完美影視傳媒有限責任公司)	Vice president	Responsible for the investment, production, promotion and distribution of film
February 2004 to November 2016	Beijing Enlight Media Co., Ltd.* (北京光線傳媒股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300251)	General manager of distribution department and producer	Responsible for the investment, production, promotion and distribution of film

*Note:*

<sup>(1)</sup> Chongqing Wanmei Zhenzhi Film Co., Ltd is a subsidiary of Perfect World Joint Stock Company\* (完美世界股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002624).

Ms. Tian has graduated from the Beijing Normal University (北京師範大學) in Beijing, the PRC in June 2004 with a diploma in music education. Ms. Tian is in the course of obtaining a degree in EMBA from the Cheung Kong Graduate School of Business (長江商學院) in Beijing, the PRC.

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**APPENDIX I THE BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS  
PROPOSED FOR RE-ELECTION**

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Mr. YUAN Li is the spouse of Ms. TIAN Tian.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Ms. Tian was interested in 132,662,851 Shares, representing 44.22% of the issued Shares of the Company.

Ms. Tian had entered into a service contract with the Company for a term of 3 years commencing from the Listing Date and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Ms. Tian is entitled to a director's remuneration of RMB1,020,000 per annum and a discretionary bonus which have been determined by the Remuneration Committee and the Board with reference to her qualification, experience, responsibility, performance of the individual, performance of the Group and the market practices.

**Ms. FU Jieyun (傅潔雲)**, aged 40, was appointed as an executive Director on 27 September 2019, the chief financial officer of the Group on 24 May 2020 and the joint company secretary of the Company on 13 January 2021. Ms. Fu is a member of the Nomination Committee.

Ms. Fu has over 17 years' experience in accounting. The following table shows the key working experience of Ms. Fu:

<b>Period</b>	<b>Company</b>	<b>Latest position</b>	<b>Roles and responsibilities</b>
September 2015 to present	LiTian TV & Film	Chief financial officer, deputy manager and secretary to the board of directors	Oversee financial operations of the company
May 2011 to September 2015	Hangzhou Unimas Data Technology Co., Ltd.* (杭州合眾資料技術有限公司)	Secretary to the board of directors and deputy general manager	Participate in management and operations of the company and assisting the operations of the board of directors

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**APPENDIX I THE BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS  
PROPOSED FOR RE-ELECTION**

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<b>Period</b>	<b>Company</b>	<b>Latest position</b>	<b>Roles and responsibilities</b>
September 2004 to April 2011	Zhejiang Dongfang Accounting Firm* (浙江東方會計師事務所) which was merged into Pan-China Certified Public Accountants LLP* (天健會計師事務所) in 2009	Accountant – auditing manager	Manage auditing projects

Ms. Fu received bachelor's degrees in management and economics from the Zhejiang University of Finance & Economics (浙江財經大學) in Zhejiang, the PRC, majoring in accounting and finance, respectively, in June 2004. Ms. Fu has received her qualification in intermediate accounting in December 2008.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Ms. Fu was interested in 4,389,580 Shares, representing 1.46% of the issued Shares of the Company.

Ms. Fu had entered into a service contract with the Company for a term of 3 years commencing from the Listing Date and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Ms. Fu is entitled to a director's remuneration of RMB660,000 per annum and a discretionary bonus which have been determined by the Remuneration Committee and the Board with reference to her qualification, experience, responsibility, performance of the individual, performance of the Group and the market practices.

*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 total number of Shares in issue was 300,000,000 Shares. Subject to the passing of the resolution granting the 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 30,000,000 Shares which represent 10 per cent of the total number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Cayman Company Law 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 prior to the next annual general meeting of the Company.

## **REASONS AND FUNDING OF 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 its Shares on the Stock Exchange. Such 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 its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Cayman Companies Act and the Listing Rules. 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 Directors 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 Repurchase Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and/or 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 2021, 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 Repurchase Mandate 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 nor any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, in the event that the 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 Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person of the Company 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 Repurchase Mandate is exercised.

If as a result of a repurchase of Shares by the Company pursuant to the Repurchase Mandate, 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. YUAN Li was interested in 132,662,851 Shares, approximately 44.22% of the issued Shares, 68,282,350 Shares of which were held by Litian Century Media Co. Ltd., which is wholly owned by Mr. YUAN Li and 64,380,501 Shares of which were held by Ms. TIAN Tian, the spouse of Mr. YUAN Li. Ms. TIAN Tian was interested in 132,662,851 Shares, approximately 44.22% of the issued Shares, 64,380,501 Shares of which were held by Marshal Investment Co. Ltd., which is wholly owned by Ms. TIAN Tian, and 68,282,350 Shares of which were held by Mr. YUAN Li, the spouse of Ms. TIAN Tian.

In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Mr. YUAN Li and Ms. TIAN Tian in the Company will be increased to approximately 49.13% of the issued Shares, respectively, which may trigger an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would trigger a mandatory offer obligation under the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be



in public hands. 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) have been made by the Company in the six months preceding the Latest Practicable Date.

#### SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during the twelve months preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest traded prices HK\$</b>	<b>Lowest traded prices HK\$</b>
<b>2021</b>		
April	1.75	1.43
May	1.67	1.45
June	1.64	1.40
July	1.50	1.29
August	1.58	1.11
September	1.53	1.33
October	1.74	1.34
November	1.45	1.23
December	1.45	1.27
<b>2022</b>		
January	1.35	1.02
February	1.27	1.08
March	1.27	0.92
April ( <i>up to the Latest Practicable Date</i> )	1.39	1.08

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## NOTICE OF ANNUAL GENERAL MEETING

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### Litian Pictures Holdings Limited

### 力天影業控股有限公司

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

**(Stock Code: 9958)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Litian Pictures Holdings Limited (the “**Company**”) will be held at 5-A LiTian TV & Film Conference Room, Tong Niu Movie Industry Park, No. 85 Chaoyang Road, Chaoyang District, Beijing, the People’s Republic of China on Friday, 27 May 2022 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2021.
2. (a) To re-elect the following retiring directors of the Company:
  - (i) Mr. YUAN Li as executive director;
  - (ii) Ms. TIAN Tian as executive director; and
  - (iii) Ms. FU Jieyun as executive director.
- (b) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint KPMG as the auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company, and to authorise the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, to pass (with or without amendments) the following resolutions as ordinary resolutions:
  - (A) “**THAT:**
    - (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional

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## NOTICE OF ANNUAL GENERAL MEETING

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shares 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 authorisation given to the directors of the Company and shall authorise the directors of the Company 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;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company 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 the directors, 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 the aggregate of 20 per cent of the total 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;
    - (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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “Rights Issue” means an offer of shares 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 of the Company to holders of shares of the Company whose names 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 of the Company 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).”
- (B) “**THAT:**
- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited 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 of Hong Kong Limited under the Code on Share Buy-back and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) 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
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company 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 4(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount of shares of the Company shall not exceed 10 per cent of the total number of issued shares of the Company at the date of passing of the said resolutions.”

By order of the Board  
**Litian Pictures Holdings Limited**  
**YUAN Li**  
*Chairman*

Hong Kong, 26 April 2022

*Registered office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Principal place of business in Hong Kong:*  
40/F, Dah Sing Financial Centre  
248 Queen’s Road East  
Wanchai, Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

- (ii) In order to be valid, a form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 9:00 a.m. on Wednesday, 25 May 2022) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iii) For the purpose of determining the shareholders' eligibility to attend and vote at the above meeting to be held on Friday, 27 May 2022, the register of members of the Company will be closed from Tuesday, 24 May 2022 to Friday, 27 May 2022 (both days inclusive), during which period no transfers of shares will be registered. In order to qualify for attending and voting at the above meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 23 May 2022.
- (iv) In respect of ordinary resolution numbered 2(a) above, Mr. YUAN Li, Ms. TIAN Tian and Ms. FU Jieyun shall retire and, being eligible, offered themselves for re-election as directors of the Company. The biographical details of the retiring directors are set out in Appendix I to the circular of the Company dated 26 April 2022.
- (v) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interest of the Company and its shareholders. An explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase shares of the Company, as required by the Listing Rules, is set out in Appendix II to the circular of the Company dated 26 April 2022.