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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)

- 1. PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES**
 - 2. PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS
AND**
 - 3. NOTICE OF 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 Wednesday, 29 May 2019 at 3:00 p.m. is set out on pages 19 to 23 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 Monday, 27 May 2019 (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.

25 April 2019

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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 Wednesday, 29 May 2019 at 3:00 p.m., the notice of which is set out on pages 19 to 23 of this circular, and any adjournment thereof
“Articles”	the articles of association of the Company, as amended from time to time
“associates”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors of the Company
“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”	17 April 2019, 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 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.



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

MOK Chun Ho, Neil

YANG Ying

LI Jian

DEROCHE Alain, Jean-Marie, Jacques

Registered office:

P.O. Box 10008

Willow House, Cricket Square

Grand Cayman KY1-1001

Cayman Islands

Independent non-executive Directors:

JIANG Nanchun

WANG Shi

AU-YEUNG Kwong Wah

GAO Hao

Principal place of business in Hong Kong:

7/F, Global Trade Square

21 Wong Chuk Hang Road

Aberdeen

Hong Kong

25 April 2019

To the Shareholders

Dear Sir/Madam

- 1. PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES**
- 2. PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS
AND**
- 3. NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

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 and continuous appointment of independent non-executive Directors.

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 24 May 2019 (Friday) to 29 May 2019 (Wednesday) (both days inclusive) during which period no transfer of Shares may be effected.

PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

In accordance with Article 105(A) of the Articles, Messrs Mok Chun Ho, Neil, Deroche Alain and Gao Hao will retire as Directors by rotation and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

As at the Latest Practicable Date, each of Messrs. Jiang Nanchun, Wang Shi and Au-Yeung Kwong Wah has served as independent non-executive Director for more than nine years. According to code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, if an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders. Each of Messrs Wang Shi and Au-Yeung Kwong Wah is subject to a separate resolution to be approved by the Shareholders for their further appointment as an independent non-executive Director.

Recommendations to the Board for the proposal for election of each of the above retiring Directors were made by the nomination committee of the Board, after having considered a range of diversity perspectives including but not limited to skills, experience, knowledge, expertise, culture, independence, age and gender as set out under the board diversity policy of the Company.

LETTER FROM THE BOARD

The Board has received from each of the independent non-executive Directors (including each of Mr. Wang Shi, Mr. Jiang Nanchun and Mr. Au-Yeung Kwong Wah, who has served for more than 9 years) a confirmation of his independence according to the guidelines set out in Rule 3.13 of the Listing Rules. Based on the Company's nomination policy, the nomination committee of the Board also took into consideration the perspectives, skills and experiences each of the independent non-executive Directors could bring to the Board. Apart from other experiences, Mr. Wang Shi was the founder and currently the honorary chairman of China Vanke Co., Ltd. (which was listed on the Shenzhen Stock Exchange starting from 1991); Mr. Au-Yeung Kwong Wah has over 20 years of experience in auditing and financial control and is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants; and Dr. Gao Hao is currently the head of the Global Family Business Research Center of Tsinghua University PBC School of Finance (清華大學五道口金融學院). The independent non-executive Directors contribute to ensuring the interests of all Shareholders. They made objective decisions and contributed to the Board with their valuable experience for promoting the best interests of the Company and the Shareholders, and they demonstrated a firm commitment to their roles. Also, each of Mr. Wang Shi, Mr. Au-Yeung Kwong Wah and Dr. Gao Hao has specialized expertise in PRC real estate development, auditing and financial field and economics, finance and management, respectively, contributing to diversity of the Board in terms of professional background, skills, experience, knowledge and expertise.

The Board considers that the long service of Mr. Wang Shi and Mr. Au-Yeung Kwong Wah would not affect their exercise of independent judgements and is satisfied that each of Mr. Wang Shi, Mr. Au-Yeung Kwong Wah and Dr. Gao Hao has the required character, integrity, experience and profound knowledge of the Group's business and their respective field of expertise to continue fulfilling the role of independent non-executive Directors effectively.

Taking into consideration of the above factors, the Directors consider each of Mr. Wang Shi and Mr. Au-Yeung Kwong Wah to be independent under the Listing Rules despite the fact that they have served the Company for more than nine years.

Mr. Jiang Nanchun who was appointed by the Board as independent non-executive Director with effect from August 2009 and has served the Group for more than nine years. Mr. Jiang shall retire from office at the Annual General Meeting. Mr. Jiang has expressed his intention to retire as independent non-executive Director upon conclusion of the Annual General Meeting and will not offer himself for re-election due to his other business engagement. Mr. Jiang has confirmed that he has no disagreement with the Board and there are no any matters concerning his retirement that need to be brought to the attention of the Shareholders. The Board would like to take this opportunity to thank Mr. Jiang for his valuable contributions and services to the Group during his tenure of office. Following Mr. Jiang's retirement, he will cease to be the members of the audit committee, remuneration committee and nomination committee of the Company. Subject to the approval by the Shareholders for the re-election of Mr. Wang Shi and Dr. Gao Hao to be independent non-executive Directors, the Board proposes to appoint (i) Dr. Gao Hao to be a member of the nomination committee and (ii) Mr. Wang Shi to be a member of the remuneration committee to fill up the vacancy as a result of the retirement of Mr. Jiang with effect from the conclusion of the Annual General Meeting.

LETTER FROM THE BOARD

Brief biographical details of Messrs Mok Chun Ho, Neil, Deroche Alain, Gao Hao, Wang Shi and Au-Yeung Kwong Wah are set out in Appendix I to this circular.

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 Monday, 27 May 2019 (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 and continuous appointment of independent non-executive 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 2018, 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 and continuous appointment of Independent non-executive 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

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

MOK Chun Ho, Neil (莫峻皓)

Mr. MOK Chun Ho, Neil, aged 53, the chief financial officer of our Group responsible for the general financial planning and management of our Group. Mr. Mok joined our Group in March 2003 and was appointed as an executive Director of our Group in July 2009. He obtained his MBA degree from Charles Sturt University in Australia in November 2002 and the Diploma in Accountancy from the Lingnan College of Hong Kong (currently known as Lingnan University) in November 1989. Mr. Mok was admitted as a fellow member of the Hong Kong Institute of Certified Public Accountants and the associate member of the Taxation Institute of Hong Kong and The Hong Kong Institute of Chartered Secretaries in February 2010, April 1999 and May 2011, respectively. Mr. Mok has over 24 years of experience in finance and accounting management through his previous financial positions with several listed and private companies in Hong Kong. As at the Latest Practicable Date, Mr. Mok was also a director of each of Modern Creative Life Company Limited, Novel Idea Investments Ltd., iFashion (HK) Ltd., Modern Film & Entertainments Holdings Co., Ltd., Modern Art Holdings Ltd., Modern Art International Trading Ltd., Modern Art Exhibition Ltd., Modern Art Auction Company Limited, Modern Group Holdings Ltd. and Modern Media Company Limited Taiwan Branch Company, all being subsidiaries of the Company. As at the Latest Practicable Date, Mr. Mok was interested in 1,954,000 Shares.

Save as disclosed above, Mr. Mok (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 in 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. Mok 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 renewal agreements (i.e. the first renewal agreement and the second renewal agreement, respectively), pursuant to which the above service contract has been agreed to be renewed for a further term of three years from 1 September 2012 and 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. Mok 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. Mok or the Company. Mr. Mok's current annual salary is approximately RMB1,260,000. The Company's policy for determining remuneration is explained in the Company's 2018 annual report. Under the service contract, Mr. Mok 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.

DEROCHE Alain, Jean-Marie, Jacques

Mr. DEROCHE Alain, aged 57, was appointed as an executive Director with effect from June 2016. Mr. Deroche was awarded a bachelor's degree in public service from Institut d'Etudes Politiques de PARIS (English translation: Paris Institutes of Political Studies) of France, in July 1982. He was further awarded a bachelor's degree in law and a master degree in commercial law in September 1984 and September 1985, respectively, from Paris West Université Nanterre La Défense (formerly known as Université Paris X Nanterre) of France. In October 1986, Mr. Deroche obtained his postgraduate degree in international business administration from Université de Paris-Dauphine (English translation: Paris Dauphine University) of France. Immediately before his appointment as an executive Director, Mr. Deroche was the publishing director of the Group, serving as the publisher of two of our Group's international titles, namely "Numero" and "The Good Life", and was also the co-publisher of "IDEAT".

Mr. Deroche joined our Group in June 2008 as vice president and publishing director of the Group and has since been responsible for the management of our Group's international copyright business and the planning and content innovation for our Group's printed publications. Mr. Deroche has extensive experience in international media management of the international media industry. Prior to joining our Group, Mr. Deroche was employed by Hachette Filipacchi Associates, a publishing house in France from September 1989 to June 2008. Immediately before he left the said entity, Mr. Deroche served as the general manager in charge of the publication in the PRC. He was also the publishing director for ELLE's international edition from 1999 to 2005. As at the Latest Practicable Date, Mr. Deroche was interested in 94,000 Shares of the Company.

Save as disclosed above, Mr. Deroche (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 in 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. Deroche has entered into a service contract with the Company for an initial term of three years with effect from 1 June 2016. Mr. Deroche's current annual salary is approximately RMB1,896,000. The Company's policy for determining remuneration is explained in the Company's 2018 annual report. Under the service contract, Mr. Deroche 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.

GAO Hao (高皓)

Dr. GAO Hao, aged 36, was appointed as an independent non-executive Director with effect from August 2016. Dr. Gao was awarded a bachelor's degree in engineering from Tsinghua University, the PRC, in July 2005 specialising in automation, and also a bachelor's degree in economics from Peking University, the PRC, in July 2007, respectively. Dr. Gao was further awarded a Ph.D. degree in management from Tsinghua University, the PRC, in June 2012 specialising in management science and engineering. Dr. Gao was the chief editor of 《家族企業治理叢書》 and 《家族財富傳承叢書》 published by People's Oriental Publishing & Media Co., Ltd. (The Oriental Press) (人民東方出版傳媒有限公司(東方出版社)) since January 2011 to June 2016. Dr. Gao is currently the head of the Global Family Business Research Center of Tsinghua University PBC School of Finance (清華大學五道口金融學院). Dr. Gao has also been serving as an independent director of Xinyuan Real Estate Co., Ltd. (listed on NYSE with stock code: XIN) since May 2018, and an independent non-executive director of Hope Education Group Co., Ltd. (listed on Hong Kong Stock Exchange with stock code: 1765) since July 2018.

Save as disclosed above, Dr. Gao (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 in 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.

Dr. Gao has been appointed for a term of one year commencing from 19 August 2018. Dr. Gao's current annual director's fee is RMB132,000. The Company's policy for determining remuneration is explained in the Company's 2018 annual report.

WANG Shi (王石)

Mr. Wang, aged 68, was appointed as the independent non-executive Director in August 2009. Mr. Wang has about 23 years of experience in real estate development in the PRC. Mr. Wang was the founder of China Vanke Co., Ltd. (listed on the Shenzhen Stock Exchange with stock code: 000002 and the Stock Exchange with stock code: 2202 for H Shares). He acted as its general manager of China Vanke Co., Ltd from 1988 to 1999, and he also acted as its chairman from 1988 till 2017 and is now its honorary chairman. Mr. Wang obtained his bachelor's degree in water supply studies from Lanzhou Jiaotong University in China in September 1977. Mr. Wang has also been a director of Sohu.com Inc. (NASDAQ stock code: SOHU) since May 2005.

Save as disclosed above, Mr. Wang did not hold any position in the Group as at the Latest Practicable Date. In the three years immediately preceding the Latest Practicable Date, Mr. Wang has not been a director of any other publicly listed company.

Save as disclosed above, Mr. Wang does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

Mr. Wang 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. Wang has been appointed for a term of two years commencing from 1 September 2017. Mr. Wang's current annual director's fee is RMB132,000. The Company's policy for determining remuneration is explained in the Company's 2018 annual report.

AU-YEUNG Kwong Wah (歐陽廣華)

Mr. AU-YEUNG Kwong Wah, aged 54, was appointed as the independent non-executive Director in August 2009. Mr. Au-Yeung obtained a bachelor's degree in commerce from The Bond University in Australia in September 1996, a master's degree in accountancy from The Chinese University of Hong Kong in December 2000, a postgraduate diploma in corporate administration from The Hong Kong Polytechnic University in December 2005 and an EMBA degree from The Chinese University of Hong Kong in December 2008. Mr. Au-Yeung is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants. He has over 20 years of experience in auditing and financial control through his prior employments with accounting firms and listed companies in Hong Kong. From September 2014 to April 2015, Mr. Au-Yeung served as the executive director of China Lumena New Materials Corp. (Stock code: 67).

Save as disclosed above, Mr. Au-Yeung (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 in 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. Au-Yeung has been appointed for a term of two years commencing from 1 September 2017. Mr. Au-Yeung's current annual director's fee is RMB330,000. The Company's policy for determining remuneration is explained in the Company's 2018 annual report.

GENERAL

Pursuant to Article 97 of the Articles, fees and remunerations payable to independent non-executive Directors are subject to the approval of the general meeting of the Company or the determination and approval 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 Mok Chun Ho, Neil, Deroche Alain, Gao Hao, Wang Shi and Au-Yeung Kwong Wah.

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 with the Company's memorandum of association, 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 2018, 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 HK\$	Lowest HK\$
2018		
April	0.66	0.58
May	0.62	0.58
June	0.65	0.56
July	0.63	0.50
August	0.50	0.47
September	0.50	0.47
October	0.48	0.425
November	0.455	0.40
December	0.40	0.37
2019		
January	0.39	0.37
February	0.375	0.355
March	0.38	0.32
April (up to and including the Latest Practicable Date)	0.375	0.36

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 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 in 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 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	Before repurchase	After repurchase
Mr. Shao Zhong	Beneficial owner	65.40%(L)	72.67%(L)
Zhou Shao-min <i>(Note 2)</i>	Interest of spouse	65.40%(L)	72.67%(L)
FIL Investment Management (Hong Kong) Limited <i>(Note 3)</i>	Beneficial owner	7.89%(L)	8.76%(L)
FIL Asia Holdings Pte Limited <i>(Note 3)</i>	Interest of corporation controlled by the substantial shareholder	7.89%(L)	8.76%(L)
FIL Limited <i>(Note 3)</i>	Interest of corporation controlled by the substantial shareholder	7.89%(L)	8.76%(L)
Pandanus Partners L.P. <i>(Note 3)</i>	Interest of corporation controlled by the substantial shareholder	7.89%(L)	8.76%(L)
Pandanus Associates Inc. <i>(Note 3)</i>	Interest of corporation controlled by the substantial shareholder	7.89%(L)	8.76%(L)

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

Notes:

- (L) — Long position
- Zhou Shao-min is the spouse of Mr. Shao Zhong, under the SFO and 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 Pandanus Associates Inc. and Pandanus Partners L.P. both dated 13 November 2018, FIL Investment Management (Hong Kong) Limited is 100% controlled by FIL Asia Holdings Pte Limited, FIL Asia Holdings Pte Limited is in turn 100% controlled by FIL Limited, FIL Limited is in turn 37.51% controlled by Pandanus Partners L.P. and ultimately Pandanus Partners L.P. is 100% controlled by Pandanus Associates Inc.. For the purpose of the SFO, each of Pandanus Associates Inc., Pandanus Partners L.P., FIL Limited and FIL Asia Holdings Pte Limited is deemed to be interested in the shares beneficially owned by FIL Investment Management (Hong Kong) Limited.
- 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.

5. 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 annual report for its financial results ended 31 December 2018.
6. 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

None of the Director nor, to the best of their knowledge having made all reasonable enquiries, any of their associate have any present intention to sell any Shares to the Company or its subsidiaries if 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 connected person of the Company has notified the Company that he has a present intention to sell any Share to the Company nor has any such connected person undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.



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 Wednesday, 29 May 2019 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 directors’ report and the independent auditors’ report of the Company for the year ended 31 December 2018;
2. to re-elect the retiring directors (namely, Messrs Mok Chun Ho, Neil, Deroche Alain, Gao Hao, Wang Shi and Au-Yeung Kwong Wah (each of Mr. Wang Shi and Mr. Au-Yeung Kwong Wah has served as an independent non-executive Director for more than 9 years)) (each as a separate resolution) and to authorise the board (“**Board**”) of the directors (“**Director(s)**”) of the Company to fill vacancies on the Board and to fix (which authority may be further delegated to its duly authorised committee) the Directors’ remuneration;
3. to re-appoint the Company’s independent auditors and to authorise the Board to fix their remuneration;
4. to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

NOTICE OF ANNUAL GENERAL MEETING

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, including warrants to subscribe for Shares, 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 (“**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 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, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares 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).”

5. to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

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 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.”
6. to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTION

“**THAT** conditional on the passing of resolutions numbered 4 and 5 above, the Issue Mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 4 above be and it is hereby extended by the addition thereto of an amount representing the total number of Shares repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 5 above.”

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

Hong Kong, 25 April 2019

Registered office:

P.O. Box 10008
Willow House, Cricket Square
Grand Cayman KY1-1001
Cayman Islands

Principal place of business in Hong Kong:

7/F, Global Trade Square
21 Wong Chuk Hang Road
Aberdeen
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- 1 A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Articles, vote in his stead. A proxy need not be a member of the Company.
- 2 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 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 above meeting (i.e. on or before 3:00 p.m. on 27 May 2019 (Hong Kong time)) or any adjourned meeting.
- 3 The Register of Members of the Company will be closed from 24 May 2019 to 29 May 2019, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending 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 Thursday, 23 May 2019.
- 4 In relation to proposed resolution numbered 2, each of Messrs Mok Chun Ho, Neil, Deroche Alain, Gao Hao, Wang Shi and Au-Yeung Kwong Wah will retire from their office of Directors at the above meeting pursuant to the Articles and, being eligible, offer themselves for re-election.
- 5 In relation to the proposed resolution numbered 3 above, the Board concurs with the views of the audit committee of the Board and has recommended that Grant Thornton Hong Kong Limited be re-appointed independent auditor of the Company.
- 6 In relation to proposed resolution numbered 4 above, approval is being sought from the Shareholders for granting to the Directors of a general mandate to authorise the allotment and issue of 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 the share option scheme of the Company or any scrip dividend scheme which may be approved by Shareholders.
- 7 In relation to proposed resolution numbered 5 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 25 April 2019 of which this notice of the Annual General Meeting forms part.
- 8 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.
- 9 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.

As at the date of this notice, the Board comprises the following members: (a) as executive directors, Mr. Shao Zhong, Mr. Mok Chun Ho, Neil, Ms. Yang Ying, Mr. Li Jian and Mr. Deroche Alain; (b) as independent non-executive directors, Mr. Jiang Nanchun, Mr. Wang Shi, Mr. Au-Yeung Kwong Wah and Dr. Gao Hao.