

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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Xinhua News Media Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or 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 howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



XINHUA NEWS MEDIA HOLDINGS LIMITED
新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

**1) PROPOSED GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES;
2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
3) PROPOSED INCREASE IN
AUTHORISED SHARE CAPITAL;
4) PROPOSED REFRESHMENT OF SCHEME MANDATE
LIMIT OF THE SHARE OPTION SCHEME;
AND
5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Xinhua News Media Holdings Limited to be held at 9/F., Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong at 11:00 a.m. on Friday, 25 September 2020 is set out on pages 20 to 25 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.XHNmedia.com).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Board	
1. Introduction	3
2. Repurchase and Issuance Mandates	4
3. Re-election of the Retiring Directors	5
4. Increase in Authorised Share Capital	5
5. Proposed Refreshment of Scheme Limit of the Share Option Scheme ..	6
6. Annual General Meeting	8
7. Voting by Poll	8
8. Responsibility Statement	8
9. Recommendation	9
10. General Information	9
 Appendix I — Explanatory Statement on the Repurchase Mandate	 10
 Appendix II — Details of the Retiring Directors Proposed to be	
Re-elected at the Annual General Meeting	13
 Notice of Annual General Meeting	 20

DEFINITIONS

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

“AGM/ Annual General Meeting”	an annual general meeting of the Company to be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Friday, 25 September 2020, at 11:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 20 to 25 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Company”	Xinhua News Media Holdings Limited, a company incorporated in the Cayman Islands as an exempted Company with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 309);
“Director(s)”	the director(s) of the Company;
“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 People's Republic of China;
“Increase in Authorised Share Capital”	the proposed increase in the authorised share capital of the Company from HK\$20,000,000 divided into 2,000,000,000 Shares to HK\$40,000,000 divided into 4,000,000,000 Shares by creating an additional 2,000,000,000 Shares;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	24 July 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Refreshment of Scheme Mandate Limit”	the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme at the AGM;
“Repurchase Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“Scheme Mandate Limit”	the maximum number of Shares that may be allotted and issued upon exercise of all Share Options to be granted under the Share Option Scheme, together with all options to be granted under other such schemes of the Company, which shall not exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders;
“SFO”	Securities and Futures Ordinance of Hong Kong, (Chapter 571 of the laws of Hong Kong) as amended, supplemented and/or otherwise modified from time to time;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Option(s)”	share option(s) granted or to be granted by the Company entitling the holders thereof to subscribe for new Shares pursuant to the Share Option Scheme;
“Share Option Scheme”	the share option scheme adopted and approved by the Company on 25 September 2015;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent.



XINHUA NEWS MEDIA HOLDINGS LIMITED

新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

Executive Directors:

Mr. Lo Kou Hong (*Chairman*)
Mr. Tsui Kwok Hing
Mr. Fu Jun
Mr. Leung Cheung Hang

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Independent Non-executive Directors:

Mr. Wang Qi
Mr. Tsang Chi Hon
Mr. Wong Hon Kit

Principal Place of

Business in Hong Kong:
Unit 407, Fu Hang Industrial Building
1 Hok Yuen Street East,
Hung Hom
Kowloon
Hong Kong

30 July 2020

To the Shareholders

Dear Sir/Madam,

**1) PROPOSED GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES;
2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
3) PROPOSED INCREASE IN
AUTHORISED SHARE CAPITAL;
4) PROPOSED REFRESHMENT OF SCHEME MANDATE
LIMIT OF THE SHARE OPTION SCHEME;
AND
5) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolutions to be proposed at the AGM for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the aggregate nominal amount of the issued Shares repurchased by the Company under the Repurchase Mandate; (iv) the re-election of the retiring Directors; (v) the Increase in Authorised Share Capital; (vi) the Refreshment of Scheme Mandate Limit; and (vii) the giving of notice of the AGM.

LETTER FROM THE BOARD

2. REPURCHASE AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 26 September 2019, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates, to the extent not used by the date of the AGM, will lapse at the conclusion of the AGM.

Ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (a) to repurchase Shares, on the Stock Exchange of an aggregate nominal amount not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution, i.e. up to 167,586,979 Shares on the basis that there will be no change in the number of Shares in issue between the Latest Practicable Date and the date of AGM (the **“Repurchase Mandate”**);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (the **“Issuance Mandate”**). As at the Latest Practicable Date, the number of Shares in issue were 1,675,869,796. Subject to the passing of the relevant resolution, and assuming that there will be no change in the number of Shares in issue between the Latest Practicable Date and the date of AGM, the maximum number of new Shares to be issued under the Issuance Mandate will be 335,173,959; and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 9 and 10 of the notice of AGM as set out on pages 20 to 25 of this circular.

In accordance with the requirements of the Listing Rules, the Company shall send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF THE RETIRING DIRECTORS

According to Article 112 of the Articles of Association, Mr. Lo Kou Hong shall retire by rotation at the Annual General Meeting and according to Article 95 of the Articles of Association, Mr. Tsui Kwok Hing, Mr. Fu Jun, Mr. Leung Cheung Hang and Mr. Wong Hon Kit shall retire at the Annual General Meeting. All the retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Each of Mr. Wang Qi, Mr. Tsang Chi Hon and Mr. Wong Hon Kit has provided a written confirmation of his independence with reference to the factors set out in Rule 3.13 of the Listing Rules.

In proposing candidates of independent non-executive Director of the Company for re-election at the Annual General Meeting, the nomination committee of the Company will consider their past performance, their written confirmations of independence to the Company under Rule 3.13 of Listing Rules as well as their skills, backgrounds, knowledge and experience.

In this respect, the nomination committee of the Company had evaluated the performance of Mr. Wong Hon Kit and found his performance satisfactory. The nomination committee of the Company also evaluated the performance of Mr. Tsui Kwok Hing, Mr. Fu Jun and Mr. Leung Cheung Hang since their appointment, and found their performance satisfactory.

The nomination committee of the Company has further assessed the written confirmation of independence under Rule 3.13 of Listing Rules of each of the independent non-executive Directors and confirmed that all of them remain independent.

Accordingly, with the recommendation of the nomination committee of the Company, the Board is of the view that each of Mr. Lo Kou Hong, Mr. Tsui Kwok Hing, Mr. Fu Jun, Mr. Leung Cheung Hang and Mr. Wong Hon Kit can contribute to the diversity of the Board with their strong and diversified educational backgrounds and professional experience in their expertise and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Therefore, the Board has proposed all the above retiring Directors of the Company stand for re-election as Directors at the Annual General Meeting.

4. INCREASE IN AUTHORISED SHARE CAPITAL

The Company had an authorised share capital of HK\$20,000,000 divided into 2,000,000,000 Shares of which 1,675,869,796 Shares were in issue and there are outstanding Share Options carrying rights to subscribe for an aggregate of 175,519,302 Shares as at the Latest Practicable Date. The Board proposed to seek the approval by way of ordinary resolution at the AGM to increase the authorised share capital of the Company from HK\$20,000,000 divided into 2,000,000,000 Shares to HK\$40,000,000 divided into 4,000,000,000 Shares by creating an additional 2,000,000,000 Shares. The new Shares shall rank pari passu with each other and with the existing Shares in all respects upon issue and being fully paid.

LETTER FROM THE BOARD

Reasons for the Increase in Authorised Share Capital

In order to accommodate future expansion and growth of the Group and to provide the Company with greater flexibility to raise funds by allotting and issuing Shares in the future as and when necessary, the Board proposed the Increase in Authorised Share Capital.

Condition of the Increase in Authorised Share Capital

The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the AGM.

5. PROPOSED REFRESHMENT OF SCHEME LIMIT OF THE SHARE OPTION SCHEME

The Share Option Scheme of the Company was approved and adopted by the Shareholders at the AGM of the Company held on 25 September 2015. The Share Option Scheme will remain in force for a period of 10 years from the date of adoption. Apart from the Share Option Scheme, there was no other Share Option Scheme as at the Latest Practicable Date.

The Scheme Mandate Limit initially represented 10% of the number of the Shares in issue as at the date of adoption of the Share Option Scheme in compliance with the Listing Rules. Subject to prior Shareholders' approval, the Company may, at any time thereafter, refresh the Scheme Mandate Limit to the extent not exceeding 10% of the number of the Shares in issue as at the date of the aforesaid Shareholders' approval. The Scheme Mandate Limit was refreshed by the Shareholders at the AGM of the Company on 27 September 2018 and the maximum number of Shares which can be issued upon exercise of all the Share Options to be granted after refreshment was 160,920,313 Shares.

Pursuant to the Share Option Scheme, as at the Latest Practicable Date, an aggregate of 299,416,004 Share Options were granted by the Company, of which 175,519,302 Share Options remained outstanding, 45,088,702 Share Options had lapsed and 78,808,000 of the Share Options were exercised. Details of grant of Share Options are set out below: (a) on 29 September 2016, 80,675,400 Share Options were granted by the Company, of which nil Share Options remained outstanding, 1,867,400 Share Options had lapsed and 78,808,000 of the Share Options were exercised. (b) On 6 July 2018, 57,940,604 Share Options were granted by the Company, of which 14,719,302 Share Options remained outstanding and 43,221,302 Share Options has lapsed and none of the Share Options has been exercised or cancelled. (c) On 23 July 2020, 160,800,000 Share Options were granted by the Company, of which none of the Share Options has been lapsed, exercised or cancelled.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there was a total of 175,519,302 outstanding Share Options to subscribe for up to a maximum number of 175,519,302 Shares, representing approximately 10.47% of the issued share capital of the Company. Unless the current Scheme Mandate Limit is refreshed, only 120,313 Share Options were available to be granted which represents approximately 0.07% of the existing Scheme Mandate Limit.

As at the Latest Practicable Date, the Company has 1,675,869,796 Shares currently in issue. Assuming no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the maximum number of Shares which may be issued upon the exercise of all the Share Options to be granted under the refreshed Scheme Mandate Limit will be 167,586,979 Shares, representing 10% of the issued share capital of the Company as at the date of approval of the Refreshment of Scheme Mandate Limit by the Shareholders at the AGM. Assuming that the Refreshment of the Scheme Mandate Limit be approved, the number of Shares that may be issued under the Share Option Scheme will be 343,106,281 Shares (comprising 167,586,979 Shares to be allotted and issued upon exercise of the Share Options to be granted under the refreshed Scheme Mandate Limit and 175,519,302 Shares to be allotted and issued upon full exercise of the outstanding Share Options), representing approximately 20.47% of the total number of Shares in issue as at the Latest Practicable Date, and is within the 30% limit in issue from time to time as required under the Listing Rules.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme or other schemes at any time will not exceed 30% of the number of the Shares in issue from time to time. The Board undertakes that no Share Options shall be granted under the Share Option Scheme or any scheme(s) of the Company if this will result in the 30% limit being exceeded.

The Board considers that it is in the interests of the Company to refresh the Scheme Mandate Limit so as to provide the Company with the flexibility of granting further Share Options under the Share Option Scheme and to provide incentives to, and recognise the contributions of, the Group's employees and other selected grantees which the Board considers to be in the interests of the Company and the Shareholders as a whole. The Board therefore seeks the approval of the Shareholders at the AGM to refresh the Scheme Mandate Limit.

The Refreshment of Scheme Mandate Limit is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM to approve the Refreshment of Scheme Mandate Limit; and
- (ii) the Listing Committee of Stock Exchange granting the approval of the listing of, and permission to deal in, the new Shares to be allotted and issued upon exercise of any share options that may be granted under the refreshed Scheme Mandate Limit.

LETTER FROM THE BOARD

An application will be made to the Listing Committee of Stock Exchange for granting the listing of, and permission to deal in the new Shares which may fall to be allotted and issued upon exercise of any share options that may be granted under the refreshed Scheme Mandate Limit.

6. ANNUAL GENERAL MEETING

The notice of AGM is set out on pages 20 to 25 of this circular.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.XHNmedia.com). Whether or not you are able to attend the AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

7. VOTING BY POLL

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, 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, all the proposed resolutions will be put to vote by way of poll at the AGM unless the above-mentioned reason arises.

8. 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.

LETTER FROM THE BOARD

9. RECOMMENDATION

The Directors consider that (i) the granting of the Repurchase Mandate; (ii) the Issuance Mandate; (iii) the re-election of the retiring Directors; (iv) the Increase in Authorised Share Capital; and (v) the Refreshment of Scheme Mandate Limit are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

10. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
By Order of the Board
Xinhua News Media Holdings Limited
Lo Kou Hong
chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,675,869,796 Shares.

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, i.e. being 1,675,869,796 Shares, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, Shares of an aggregate nominal amount not exceeding HK\$1,675,869 (equivalent to 167,586,979 Shares), representing 10% of the aggregate nominal amount of Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and any other applicable laws, as the case may be.

The Company is empowered by its Articles of Association to repurchase Shares. The laws of the Cayman Islands provide that a purchase of shares may be made (to the extent of the par value of such shares) out of profits or the proceeds of a fresh issue of shares made for such purpose or, out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorised by its Articles of Association. Any premium payable on a purchase may be made out of profits, the Company's share premium account or out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorised by its Articles of Association.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2020) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an 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 befitting the Company.

5. TAKEOVERS CODE

If on the exercise of the power to repurchase shares pursuant to the repurchase mandate, a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code) could obtain or consolidate control of the repurchasing company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, the Directors are not aware of any consequences which would arise under the Takeovers Code resulting from any repurchase of Shares pursuant to the Repurchase Mandate.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the following months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
July	0.205	0.155
August	0.169	0.145
September	0.164	0.13
October	0.145	0.11
November	0.154	0.131
December	0.142	0.122
2020		
January	0.123	0.099
February	0.108	0.082
March	0.089	0.066
April	0.10	0.079
May	0.102	0.086
June	0.092	0.073
July (up to the Latest Practicable Date)	0.105	0.077

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
--------------------	--

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the AGM according to the Articles of Association, are provided below.

1. Mr. Lo Kou Hong (“Mr. Lo”), aged 77

Position and experience

Mr. Lo is the founder of the Company, the Chairman of the Board and an Executive Director. He is also a director of certain subsidiaries of the Company. Prior to establishing Lo’s Cleaning Services Limited in 1978, Mr. Lo served as a manager at a local property management company. He was appointed as a vice president of the Friends of Scouting in 2001. Mr. Lo is also a founder member and director of Environmental Innovation Council Limited, a non-profit making organisation incorporated in Hong Kong with limited liability by guarantee.

Save as disclosed above, Mr. Lo does not hold any other positions with the Company or other members of the Group and does not hold any other directorships in any other listed public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the service agreement entered into between the Company and Mr. Lo, Mr. Lo was appointed for a term of 3 years commencing on 1 February 2003. Such agreement shall continue unless and until terminated by either the Company or Mr. Lo giving to the other party not less than six months’ prior notice in writing. He is also subject to the retirement by rotation and re-election at a general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Lo was beneficially interested in 53,674,000 Shares and deemed to be interested in 2,105,000 Shares through interest of his spouse, Ms. Ko Lok Ping, Maria Genoveffa, who personally and beneficially owned the said Shares. As at the Latest Practicable Date, Mr. Lo was interested, as individual beneficial owner, in 16,000,000 Share Options with exercise period between 23 July 2020 and 22 July 2030 at the exercise price of HK\$0.094 granted to him, pursuant to the Share Option Scheme. Mr. Lo is in aggregate interested in approximately 4.28% of the issued share capital of the Company pursuant to Part XV of the SFO. Mr. Lo is also interested in 30% of the total issued share capital of Peixin Group Limited and Shuyang ITAD Environment Technology Limited, each being a subsidiary of the Company, through a corporation controlled by him and his spouse.

Save as disclosed above, Mr. Lo was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Relationships

As far as the Directors are aware, Mr. Lo does not have any relationships with any other Directors, the management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the service agreement entered into between Mr. Lo and the Company on 1 February 2003 and the subsequent review by the Remuneration Committee and the Board, he is not entitled to any basic monthly salary but is entitled to director's fees and/or emoluments as determined by Board from time to time based on his performance, experience, responsibilities and prevailing market conditions.

2. Mr. Tsui Kwok Hing ("Mr. Tsui"), aged 64

Position and experience

Mr. Tsui has been appointed as an executive Director and the Co-Chief Executive Officer of the Company on 12 February 2020. He has been redesignated to Chief Executive Officer of the Company on 27 April 2020 and resigned the role of Chief Executive Officer of the Company on 31 May 2020. Mr. Tsui joined a prominent fashion company in Shenzhen as the chairman and general manager in 1998. In 2005, the company moved to Ganzhou city in Jiangxi Province where he continued his service until 2016. From 2016 to 2019, he served as the general manager of a Hong Kong fashion company. Mr. Tsui was in senior management position for over 20 years and has extensive experience in import and export trading.

Save as disclosed above, Mr. Tsui does not hold any other positions with the Company or other members of the Group and does not hold any other directorships in any other listed public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the service agreement entered into between the Company and Mr. Tsui, Mr. Tsui was appointed for a term of 3 years commencing on 12 February 2020. Such agreement shall continue unless and until terminated by either the Company or Mr. Tsui giving to the other party not less than three months' prior notice in writing. He is also subject to the retirement by rotation and re-election at a general meeting of the Company in accordance with the Articles of Association.

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
--------------------	--

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Tsui was beneficially interested in 69,109,090 Shares and deemed to be interested in 79,681,040 Shares through interest of his spouse, Ms. Budirahaju Lita, who personally and beneficially owned the said Shares. As at the Latest Practicable Date, Mr. Tsui was interested, as individual beneficial owner, in 16,000,000 Share Options with exercise period between 23 July 2020 and 22 July 2030 at the exercise price of HK\$0.094 granted to him, pursuant to the Share Option Scheme. Mr. Tsui is in aggregate interested in approximately 9.84% of the issued share capital of the Company pursuant to Part XV of the SFO.

Save as disclosed above, Mr. Tsui was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Relationships

As far as the Directors are aware, Mr. Tsui does not have any relationships with any other Directors, the management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the service agreement entered into between Mr. Tsui and the Company, he is entitled to a director's fee of HK\$20,000 per month in respect of his position as an executive Director and is entitled to a discretionary bonus determined by the Board with respect to each financial year of the Company. Such director's fee and discretionary bonus will be determined with reference to his duties and the operating position of the Company, as well as the remuneration basis within the industry and the prevailing market conditions.

3. Mr. Fu Jun ("Mr. Fu"), aged 52

Position and experience

Mr. Fu has been appointed as an executive Director on 7 April 2020. Mr. Fu holds a Master of Art degree in Japanese literature from the University of Tsukuba, Japan. He was mainly engaged in internet and media work before 2005. He was the Chief Representative in the PRC for Japan Key Station Co. Ltd. ("Key Station"), the CEO of Jiahe Netstar Network Technology Co. Ltd and the Secretary General of BeiJing Network Science and Technology Promotion Committee. He was responsible for the establishment of the Chinese website for Key Station and helped to set up the China Network TV station and the Mainstream Media Network. After 2005, Mr. Fu engaged in financial service, he was the Vice President of Wealth Index Investment Management Co. Ltd. and the CEO of Oriental Fuying Investment Management Co., Ltd., and participated in overseas IPO and private equity investment of over 20 PRC's enterprises.

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
--------------------	--

Save as disclosed above, Mr. Fu does not hold any other positions with the Company or other members of the Group and does not hold any other directorships in any other listed public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the appointment letter entered into between the Company and Mr. Fu, the appointment of Mr. Fu commenced on 7 April 2020 shall continue until the conclusion of this AGM and be eligible for re-election. Thereafter he is also subject to the retirement by rotation and re-election at a general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As at the Latest Practicable Date, Mr. Fu was interested, as individual beneficial owner, in 8,000,000 Share Options with exercise period between 23 July 2020 and 22 July 2030 at the exercise price of HK\$0.094 granted to him, pursuant to the Share Option Scheme, representing in aggregate approximately 0.48% of the issued share capital of the Company pursuant to Part XV of the SFO.

Save as disclosed above, Mr. Fu was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Relationships

As far as the Directors are aware, Mr. Fu does not have any relationships with any other Directors, the management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the appointment letter entered into between Mr. Fu and the Company on 7 April 2020 and the subsequent review by the Remuneration Committee and the Board, he is not entitled to any basic monthly salary but is entitled to director's fees and/or emoluments as determined by Board from time to time based on his performance, experience, responsibilities and prevailing market conditions.

4. Mr. Leung Cheung Hang (“Mr. Leung”), aged 60

Position and experience

Mr. Leung has been appointed as an executive Director on 21 April 2020. Mr. Leung graduated from high school in the PRC. He has been the general manager for more than 30 years of a company whose main business is import and export trading. He is responsible for the management in the area of sales and marketing. He has extensive experience in managing large enterprises especially in the overall management and strategic planning of the company. Mr. Leung has over 20 years of solid investment background specializing in property investment in both Hong Kong and the PRC.

Save as disclosed above, Mr. Leung does not hold any other positions with the Company or other members of the Group and does not hold any other directorships in any other listed public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the appointment letter entered into between the Company and Mr. Leung, the appointment of Mr. Leung commenced on 21 April 2020 until the conclusion of this AGM and he is eligible for re-election. Thereafter, he is also subject to the retirement by rotation and re-election at a general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As at the Latest Practicable Date, Mr. Leung was interested, as individual beneficial owner, in 8,000,000 Share Options with exercise period between 23 July 2020 and 22 July 2030 at the exercise price of HK\$0.094 granted to him, pursuant to the Share Option Scheme, representing in aggregate approximately 0.48% of the issued share capital of the Company pursuant to Part XV of the SFO.

Save as disclosed above, Mr. Leung was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Relationships

As far as the Directors are aware, Mr. Leung does not have any relationships with any other Directors, the management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the appointment letter entered into between Mr. Leung and the Company, he is entitled to a director's fee of HK\$20,000 per month in respect of his position as an executive Director and is entitled to a discretionary bonus determined by the Board with respect to each financial year of the Company. Such director's fee and discretionary bonus will be determined with reference to his duties and the operating position of the Company, as well as the remuneration basis within the industry and the prevailing market conditions.

5. Mr. Wong Hon Kit ("Mr. Wong"), aged 53

Position and experience

Mr. Wong has been appointed as an independent non-executive Director on 12 February 2020. Mr. Wong obtained a Diploma in Accounting from Hong Kong Shue Yan University in July 1991. He is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong is the independent non-executive Director of Wanjia Group Holdings Limited (stock code: 401) since April 2013 and the independent non-executive Director of Lerthai Group Limited (stock code: 112) since December 2018, both companies whose shares are listed on the Main Board of the Stock Exchange.

In addition, he was the independent non-executive Director of the Company from September to October 2017 and SmartCore Holdings Limited (stock code: 2166) from March 2016 to June 2018, whose shares are listed on the Main Board of the Stock Exchange. Mr. Wong is also an independent non-executive Director of Heng Xin China Holdings Limited (stock code: 8046), a company whose shares had been listed on the GEM of the Stock Exchange and delisted since 2 July 2019.

Mr. Wong has over 16 years of experience in the corporate finance industry. He has held various positions, including chief financial officer, director and company secretary in different companies in Hong Kong, where he has extensive experience in handling corporate finance transactions such as mergers and acquisitions, capital fund raising and restructuring.

Save as disclosed above, Mr. Wong does not hold any other positions with the Company or other members of the Group and does not hold any other directorships in any other listed public companies the securities of which are listed on any securities market in Hong Kong or overseas.

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
--------------------	--

Length of service

Pursuant to the appointment letter entered into between the Company and Mr. Wong, Mr. Wong was appointed for a term of 1 year commencing on 12 February 2020. Such letter shall continue unless and until terminated by either the Company or Mr. Wong giving to the other party not less than one month's prior notice in writing. He is also subject to the retirement and re-election at a general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As at the Latest Practicable Date, Mr. Wong was interested, as individual beneficial owner, in 1,600,000 Share Options with exercise period between 23 July 2020 and 22 July 2030 at the exercise price of HK\$0.094 granted to him, pursuant to the Share Option Scheme, representing in aggregate approximately 0.095% of the issued share capital of the Company pursuant to Part XV of the SFO.

Save as disclosed above, Mr. Wong was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations.

Relationships

As far as the Directors are aware, Mr. Wong does not have any relationships with any other Directors, the management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

Director's emoluments

Pursuant to the service agreement entered into between Mr. Wong and the Company, he is entitled to a director's fee of HK\$20,000 per month in respect of his position as an independent non-executive Director of the Company. Such director's fee will be determined with reference to his duties and the operating position of the Company, as well as the remuneration basis within the industry and the prevailing market conditions.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

Save as disclosed above, in relation to the re-election of the abovementioned Directors, including Mr. Lo Kou Hong, Mr. Tsui Kwok Hing, Mr. Fu Jun, Mr. Leung Cheung Hang and Mr. Wong Hon Kit, there is no other information that needs to be disclosed pursuant to the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



XINHUA NEWS MEDIA HOLDINGS LIMITED

新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Xinhua News Media Holdings Limited (the “**Company**”) will be held at 9/F, Gloucester Tower, The Landmark, 15 Queen’s Road Central, Hong Kong at 11:00 a.m. on Friday, 25 September 2020 for the following purposes:

1. To consider and receive the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and auditors for the year ended 31 March 2020;
2. To re-elect Mr. Lo Kou Hong as an executive Director;
3. To re-elect Mr. Tsui Kwok Hing as an executive Director;
4. To re-elect Mr. Fu Jun as an executive Director;
5. To re-elect Mr. Leung Cheung Hang as an executive Director;
6. To re-elect Mr. Wong Hon Kit as an independent non-executive Director;
7. To authorise the board of Directors to fix the respective directors’ remuneration;
8. To re-appoint ZHONGHUI ANDA CPA Limited as auditors of the Company and to authorise the board of Directors to fix their remuneration;
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) subject to and in accordance with all the applicable laws, and the provisions of, in the manner specified in the Rules Governing the Listing of Securities on the Stock Exchange be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution, “**Relevant Period**” means the period from 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;
10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the exercise of the outstanding subscription rights or conversion rights attaching to any securities, which are convertible into shares of the Company from time to time;
- (iii) the exercise of options granted under a share option scheme of the Company; and
- (iv) any scrip dividend scheme or similar arrangement 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,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (c) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held,

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”; and

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in the resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

12. “**THAT**

- (a) the authorised share capital of the Company be increased from HK\$20,000,000 divided into 2,000,000,000 shares of HK\$0.01 each (“**Share(s)**”) to HK\$40,000,000 divided into 4,000,000,000 Shares by the creation of an additional 2,000,000,000 new Shares (the “**Increase in Authorised Share Capital**”); and
- (b) any one or more of the Directors of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

13. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares which may be allotted and issued upon the exercise of share options to be granted under the refreshed scheme mandate limit (the “**Scheme Mandate Limit**”) of the share option scheme adopted by the Company on 25 September 2015, in the manner as set out in paragraph (a) of this resolution,

- (a) the refreshment of the Scheme Mandate Limit of up to 10 per cent. of the Shares in issue as at the date of passing of this resolution be and is hereby approved; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) the Directors be and are hereby authorised to do such acts and things and execute such documents, including under seal where applicable as they consider necessary or expedient to give effect to the foregoing arrangement.”

By Order of the Board
Xinhua News Media Holdings Limited
Lo Kou Hong
chairman

Hong Kong, 30 July 2020

Notes:

- (a) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) The register of members of the Company will be closed from Tuesday 22 September 2020 to Friday, 25 September 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the above annual general meeting of the Company, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 21 September 2020.
- (d) In relation to the ordinary resolutions nos. 9, 10 and 11 set out in the above notice, the Directors wish to state that they have no immediate plan to issue any new shares or repurchase any existing shares of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- (e) If tropical cyclone warning signal no. 8 or above or “extreme conditions” caused by super typhoons or a “black” rainstorm warning signal is in force at 7 a.m. in the morning on the date of meeting, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.
- (f) In view of the COVID-19 epidemic, the Company may implement the following precautionary measures at the Annual General Meeting to ensure the health and safety of attending Shareholders, staff and other stakeholders:
 - (1) Mandatory body temperature check may be carried out for every attendee at the entrance of the Annual General Meeting venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry to the Annual General Meeting venue and may not be allowed to attend the Annual General Meeting.
 - (2) The Company encourages attendees to wear surgical face masks inside the Annual General Meeting venue at all times, and to maintain a safe distance between seats.

In addition, the Company reminds all shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the Annual General Meeting as their proxy to vote on the relevant resolution(s) at the Annual General Meeting instead of attending the meeting in person, by completing and return the proxy form attached to this documents. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof should they subsequently so wish.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the arrangements of the Annual General Meeting at short notice. Shareholders should check the Company’s website or the HKEx News for further announcements and updates on the said arrangements.