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DIGITAL DOMAIN HOLDINGS LIMITED

數字王國集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 547)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**Meeting**”) of Digital Domain Holdings Limited (the “**Company**”) will be held at the Conference Room, Suite 1201, 12/F., Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong at 10:30 a.m. on Wednesday, 6 October 2021 for the purposes of consideration and, if thought fit, passing the following resolutions of the Company:

SPECIAL RESOLUTION

1. “**THAT** subject to and conditional upon (inter alia) (i) the compliance by the Company with section 46(2) of the Companies Act 1981 of Bermuda, and (ii) the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Adjusted Shares (as defined below) in issue immediately upon the Capital Reorganisation (as defined below) becoming effective, and with effect from 11 October 2021:
 - (a) every ten (10) issued shares of par value of HK\$0.01 each in the share capital of the Company be consolidated (the “**Share Consolidation**”, together with the Capital Reduction (as defined below), the “**Capital Reorganisation**”) into one (1) share of par value of HK\$0.10 each (each a “**Consolidated Share**”);
 - (b) subject to and forthwith upon the Share Consolidation becoming effective, the paid-up capital of the Company shall be reduced by (i) rounding down the total number of Consolidated Shares to the nearest whole number; and (ii) then reducing the par value of each issued Consolidated Share from HK\$0.10 to HK\$0.01 by the cancellation of HK\$0.09 of the paid-up capital on each issued Consolidated Share so that each issued Consolidated Share will be treated as one fully paid-up share of par value of HK\$0.01 each in the share capital of the Company (each such reduced ordinary share, an “**Adjusted Share**”) (the “**Capital Reduction**”);

- (c) the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company, and the directors of the Company (the “**Directors**”) be authorised to apply the amount standing to the credit of the contributed surplus account of the Company to offset part of the balance of the accumulated losses of the Company on the date the Capital Reorganisation becomes effective;
- (d) all fractional entitlements to the Adjusted Shares resulting from the Share Consolidation be disregarded and will not be issued to holders of the same but all such fractional Adjusted Shares shall be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit;
- (e) the Adjusted Shares shall rank pari passu in all respects with each other and have such rights and subject to such restrictions as set out in the bye-laws of the Company; and
- (f) the Directors be and are hereby authorised to do all such acts, deeds and things and to sign all such documents, including under seal where applicable, which they may, in their absolute discretion, deem necessary, desirable, appropriate or expedient to give effect and implement any of the foregoing.”

ORDINARY RESOLUTIONS

2. “THAT

- (a) Dr. CHANG San-Cheng be re-elected as an executive director of the Company;
- (b) Mr. Brian Thomas MCCONVILLE be re-elected as a non-executive director of the Company; and
- (c) Mr. WOO King Hang be re-elected as an independent non-executive director of the Company.”

3. “THAT

- (a) The transactions contemplated under the sale and purchase agreement dated 16 August 2021 (the “**SPA**”) (a copy of which marked “A” has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification) entered into between Digital Domain Broadcasting (Hong Kong) Limited (as the purchaser) and Digital Knight Finance S.à r.l. (as the vendor) in relation to the acquisition of 40% of the total equity interest in Digital Domain Capital Partners S.à r.l. for a cash consideration of EUR13,333,333 (equivalent to approximately HK\$122,266,664), details of which are set out in the circular of the Company dated 13 September 2021 to the shareholders of the Company be and are hereby approved; and

- (b) the Directors be and are hereby authorized to do all such acts and things and execute such further documents and take all steps which, in their opinion may be necessary, desirable, or expedient to implement and give effect to the terms of, and all transactions contemplated under, the SPA for and on behalf of the Company and to approve any change and amendment thereto as they may consider necessary, desirable or expedient.”

By Order of the Board
DIGITAL DOMAIN HOLDINGS LIMITED
Seah Ang
Executive Director and Chief Executive Officer

Hong Kong, 13 September 2021

Notes:

- (1) A member of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and together with a power of attorney or other authority (if any), under which it is signed or a notorially certified copy of that power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the appointed time for the holding the Meeting or any adjournment thereof.
- (2) 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; but 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.
- (3) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the Meeting or any adjournment thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) The register of members of the Company will be closed for a period commencing from Thursday, 30 September 2021 to Wednesday, 6 October 2021, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 29 September 2021.
- (5) Each of the above resolutions will be put to vote by way of a poll at the Meeting.
- (6) If a tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at or at any time after 7:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the websites of the Company and The Stock Exchange of Hong Kong Limited to notify members of the Company of the date, time and venue of the rescheduled Meeting.

Having considered their own situations, members of the Company should decide on their own whether or not they would attend the Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.

(7) To safeguard the health and safety of the members of the Company and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Meeting:

- (i) conduct compulsory body temperature check for attendees at the entrance of the Meeting venue and anyone with a body temperature of over 37.3 degrees Celsius will not be permitted to access to the Meeting venue;
- (ii) properly wear surgical mask prior to admission to the Meeting venue and at any time within the Meeting venue;
- (iii) appropriate settings will be arranged at the Meeting venue to meet the relevant regulatory requirements; and
- (iv) no refreshments will be served at the Meeting.

Attendees may be denied entry into the Meeting venue at the absolute discretion of the Company as permitted by law if any safety regulation or the above precautionary measures cannot be complied with.

(8) For the health and safety of the members of the Company, the Company reminds attendees that they should carefully consider the risks of attending the Meeting, taking into account the current situation of the COVID-19 pandemic, and encourages the members of the Company to exercise their right to vote at the Meeting by appointing the chairman of the Meeting as their proxy.

As at the date of this announcement, Mr. Seah Ang and Dr. Chang San-Cheng are the executive directors of the Company; Mr. Jiang Yingchun, Mr. Cui Hao, Mr. Sergei Skatershchikov and Mr. Brian Thomas McConville are the non-executive directors of the Company; and Ms. Lau Cheong, Mr. Duan Xiongfei, Dr. Elizabeth Monk Daley and Mr. Woo King Hang are the independent non-executive directors of the Company.