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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in IMAX China Holding, Inc., 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 or transfer was effected for transmission to the purchaser or transferee.

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IMAX[®]

IMAX CHINA HOLDING, INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1970)

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES
TO BUY BACK SHARES AND TO ISSUE SHARES
AND
PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME AND
THE RESTRICTED SHARE UNIT SCHEME
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of IMAX China Holding, Inc. to be held at Meeting Room 4, Shanghai Marriott Hotel City Centre, 555 Xi Zang (Middle) Road, Huangpu District, Shanghai, China on 7 June 2023 at 7:00 a.m. (Hong Kong time) is set out on pages 52 to 57 in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 7:00 a.m. on 5 June 2023 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.imax.cn>).

16 May 2023

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DEFINITIONS

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

“Affiliate”	with respect to any entity (i) any entity that is consolidated with such entity for financial reporting purposes, (ii) any entity that, directly or indirectly, is controlled by or controls or is under common control with such entity or (iii) any other entity designated by the Board in which the Company or an Affiliate has a direct or indirect equity interest of at least twenty per cent. (20%), measured by reference to vote or value
“Annual General Meeting”	the annual general meeting of the Company to be held at Meeting Room 4, Shanghai Marriott Hotel City Centre, 555 Xi Zang (Middle) Road, Huangpu District, Shanghai, China on 7 June 2023 at 7:00 a.m. (Hong Kong time), to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 52 to 57 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Auditor”	auditors of the Company from time to time
“Average Annual EBITDA Growth”	the average annual EBITDA growth of the Company over a prescribed performance period
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Cause”	with respect to a grantee, (a) Cause as defined in any employment, consulting, services or similar agreement applicable to a grantee, or (b) in the case any grantee does not have any such agreement that defines Cause: (i) any act or omission that constitutes a material breach by the grantee of any of the grantee’s obligations under any employment, consulting, services or other similar agreement with the Group or of the applicable agreement; (ii) the continued failure or refusal of the grantee to substantially perform the duties reasonably required of the grantee to the Group; (iii) any wilful and material violation by the grantee of any law or regulation applicable to the business of the applicable member of the Group for whom the grantee provided services, or the grantee’s conviction of a felony, or any wilful perpetration by the grantee of a common law fraud or (iv) any other wilful misconduct by the grantee which is materially injurious to the financial condition and business reputation of, or is otherwise materially injurious to, the Company or any member of the Group

DEFINITIONS

“Cayman Companies Law”	the Companies Law (2016 Revision) of the Cayman Islands, as amended or supplemented from time to time
“Change of Control”	a sale (whether by merger, consolidation, recapitalization, reorganization, sale of securities or otherwise) in one transaction or a series of related transactions upon completion of which a person or a group of persons acting in concert (other than any subsidiary of the Company or Affiliate of the Company) acquires directly or indirectly Shares representing more than 50% of the voting power of the Company or all or substantially all of the assets of the Company, in each case, other than a “Change in Control” of IMAX Corporation under IMAX Corporation’s Long Term Incentive Plan (as amended from time to time, or any successor plan)
“Company”	IMAX China Holding, Inc., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Competitor”	any corporation, partnership, joint venture, trust, individual proprietorship, firm, governmental unit or other enterprise (including any of their respective affiliates) that carries on activities for profit or is engaged in or is about to become engaged in any activity of any nature that competes (directly or indirectly) with a product, process, technique, procedure, device or service of the Company or any of its subsidiaries
“Consultation Conclusions”	consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Director(s)”	the director(s) of the Company
“EBITDA”	earnings before interest, taxes, depreciation and amortization

DEFINITIONS

“Family Member”	the grantee’s child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships, a trust in which these persons have more than 50 per cent. of the beneficial interest, a foundation in which these persons (or the grantee) control the management of assets and any other entity in which these persons (or the grantee) own more than 50 per cent. of the voting interests
“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
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting
“Latest Practicable Date”	9 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing”	the listing of the shares of the Company on the Main Board of the Stock Exchange on 8 October 2015
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Long Term Incentive Plan” or “LTIP”	The long term incentive plan adopted by the Company in October 2012
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company as amended or supplemented from time to time
“Memorandum of Association”	the memorandum of association of the Company
“New Chapter 17”	the amended Chapter 17 of the Listing Rules, which came into effect on 1 January 2023

DEFINITIONS

“New Memorandum and Articles of Association”	the fifth amended and restated memorandum and articles of association as set out in Appendix III of this circular (with proposed changes marked-up against the existing Memorandum and Articles of Association) proposed to be approved and adopted by the Shareholders with effect from the passing of the special resolution at the Annual General Meeting
“Option”	a contingent right to subscribe for Shares pursuant to the Share Option Scheme
“Other Schemes”	any other share option/award scheme of the Company under which Share Grants are made by the Company or any of its subsidiaries in accordance with Chapter 17 of the Listing Rules
“Participants”	(i) a Director (including executive Directors, non-executive Directors and independent non-executive Directors); (ii) a director of the Company’s subsidiaries; and (iii) an employee of the Group, who the Board considers, in its absolute discretion, have contributed or will contribute to the Group
“Performance Share Unit Scheme” or “PSU Scheme”	the rules on the Performance Share Unit Scheme adopted by the Company on 12 March 2020, as amended from time to time
“PRC”	People’s Republic of China
“Proposed Amendments to the Restricted Share Unit Scheme”	the proposed amendments to be made on the RSU Scheme
“Proposed Amendments to the Share Option Scheme”	the proposed amendments to be made on the Share Option Scheme
“Prospectus”	The prospectus of the Company dated 24 September 2015
“PSUs”	performance share unit(s)
“Restricted Share Unit Scheme” or “RSU Scheme”	the rules on the Post-IPO restricted share unit scheme adopted by the Company on 21 September 2015, as amended from time to time
“RSU(s)”	restricted share unit(s)
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share(s)”	ordinary share(s) of US\$0.0001 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting
“Share Grants”	the grant of share awards and/or options over new Shares under Other Schemes and which is governed by Chapter 17 of the Listing Rules
“Share Option Scheme”	the rules on the Post-IPO Share Option Scheme adopted by the Company on 21 September 2015, as amended from time to time
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong as amended from time to time
“US\$”	US dollars, the lawful currency of the United States of America
“%”	percent

LETTER FROM THE BOARD



IMAX CHINA HOLDING, INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1970)

Executive Directors:

Mr. Jiande Chen
Mr. Jim Athanasopoulos
Ms. Mei-Hui (Jessie) Chou

Non-executive Directors:

Mr. Richard Gelfond (*Chairman*)
Mr. Robert Lister

Independent Non-executive Directors:

Ms. Yue-Sai Kan
Mr. John Davison
Ms. Dawn Taubin
Mr. Peter Loehr

Registered Office:

c/o Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman
KY1-1104 Cayman Islands

Corporate Headquarters:

7/F, Verdant Place
No. 128 West Nanjing Road
Huangpu District, Shanghai
People's Republic of China

*Principal Place of Business
in Hong Kong:*

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

16 May 2023

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES
TO BUY BACK SHARES AND TO ISSUE SHARES
AND
PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME AND
THE RESTRICTED SHARE UNIT SCHEME
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 7 June 2023.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 16.18 of the Articles of Association, Mr. Jiande Chen, Mr. Jim Athanasopoulos and Ms. Yue-Sai Kan shall retire from office as Directors at the Annual General Meeting, and, being eligible, will offer themselves for re-election at the Annual General Meeting.

In addition, in accordance with Article 16.2 of the Articles of Association, Mr. Robert Lister, who was appointed by the Board as an addition to the Board with effect from 1 May 2023, will hold office as a Director only until the Annual General Meeting, and, being eligible, will offer himself for re-election at the Annual General Meeting.

Biographical details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 23 June 2022, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 52 to 57 of this circular (i.e. a total of 33,959,314 Shares on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting).

The Directors will evaluate the trading price of the Shares from time to time and may exercise the Share Buy-Back Mandate when they consider that the Shares are trading at a level which does not reflect the underlying value of the Company.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 23 June 2022, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company

LETTER FROM THE BOARD

as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 52 to 57 of this circular (i.e. a total of 67,918,628 Shares on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 22 February 2023 in relation to (i) the proposed amendments to the existing Memorandum and Articles of Association and (ii) the proposed adoption of the New Memorandum and Articles of Association.

The Listing Rules were amended by, among others, adopting a uniform set of 14 core standards for shareholder protections for issuers regardless of their place of incorporation set out in Appendix 3 to the Listing Rules, which took effect on 1 January 2022. The Board proposes to make certain amendments (the “**Proposed Amendments to the Memorandum and Articles of Association**”) to the existing Memorandum and Articles of Association (i) to conform to the said core standards for shareholder protections and the relevant requirements of the applicable laws of the Cayman Islands; (ii) to provide flexibility to the Company in relation to the conduct of general meetings; and (iii) to incorporate certain housekeeping changes. The Board also proposes to adopt the New Memorandum and Articles of Association in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association.

The Proposed Amendments to the Memorandum and Articles of Association and the adoption of the New Memorandum and Articles of Association shall be subject to the passing of a special resolution by the Shareholders at the Annual General Meeting. The New Memorandum and Articles of Association will take effect on the date on which the Proposed Amendments to the Memorandum and Articles of Association are approved by the Shareholders at the 2023 Annual General Meeting.

Details of the Proposed Amendments to the Memorandum and Articles of Association are set out in Appendix III to this circular. A special resolution will be proposed at the Annual General Meeting to approve the Proposed Amendments to the Memorandum and Articles of Association.

LETTER FROM THE BOARD

The Company's legal advisers have confirmed that the Proposed Amendments to the Memorandum and Articles of Association conform with the requirements of the Listing Rules and the Cayman Islands laws. The Company also confirms that there is nothing unusual about the Proposed Amendments to the Memorandum and Articles of Association for a company listed in Hong Kong.

6. PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME AND THE RESTRICTED SHARE UNIT SCHEME

As at the Latest Practicable Date, the Company has a total of four share schemes, namely:

- (i) the LTIP, which is an inactive share scheme as no further incentives will be offered or granted pursuant to the LTIP with effect from the Listing;
- (ii) the Share Option Scheme, which allows the Company to grant options over new Shares to participants;
- (iii) the RSU Scheme, which allows the Company to grant awards involving new or existing Shares to participants; and
- (iv) the PSU Scheme, which allows the Company to grant awards involving only existing Shares to participants.

Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. To bring the Company's relevant share schemes in line with the New Chapter 17, the Company seeks approval from Shareholders to amend the rules of (i) the Share Option Scheme and (ii) the RSU Scheme.

No amendments are required to be made to the rules of LTIP as it is an inactive scheme and no further incentives will be offered or granted pursuant to the LTIP with effect from the Listing. On the other hand, the PSU Scheme does not involve the grant of share awards or options over new Shares. Accordingly, the rules of the PSU Scheme do not need to be amended to comply with the requirements of the New Chapter 17.

A summary of the principal terms of the amended Share Option Scheme is set out below:

Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract skilled and experienced personnel, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

LETTER FROM THE BOARD

Participants of the Share Option Scheme and Eligibility

On and subject to the terms of the Share Option Scheme and the Listing Rules, the Board may, at its discretion, grant Options to any Participants.

The Directors (including the independent non-executive Directors) are of the view that allowing Participants to participate in the Share Option Scheme is consistent with the purposes of the Share Option Scheme, which enable the Group to use share-based incentives to encourage skilled and experienced persons of the Group to cooperate and contribute to the future development and expansion of the Group. It also aligns the interests of the Participants by allowing them to become owners of the Company.

Scheme Mandate Limit

The maximum aggregate number of new Shares available for offers under the Share Option Scheme shall be calculated in accordance with the following formula:

$$X = A - B - C$$

where:

- X** = the maximum aggregate number of new Shares available for offers under the Share Option Scheme;
- A** = the total number of Shares that may be allotted and issued by the Company in respect of (i) Options under the Share Option Scheme and (ii) the Share Grants under Other Schemes, being (a) 33,959,314 which is 10 per cent. of the Shares in issue on the date of the Annual General Meeting (on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting), or (b) 10 per cent. of the Shares in issue as at the New Approval Date) (the *Scheme Mandate Limit*);
- B** = the maximum aggregate number of new Shares that have been or may be allotted and issued by the Company to satisfy the Options already granted under the Share Option Scheme (which in the event that there has been a New Approval Date, shall only include those new Shares which have been or may be allotted and issued by the Company to satisfy Options that have been granted since that most recent New Approval Date); and
- C** = the maximum aggregate number of new Shares which have been or may be allotted and issued by the Company to satisfy the Share Grants already made under any Other Scheme.

LETTER FROM THE BOARD

The Scheme Mandate Limit may be renewed (a) every three years subject to prior Shareholders' approval; or (b) within a three-year period with the relevant persons specified in the Listing Rules abstaining from voting on the relevant resolution, with the approval of the Shareholders in general meeting, and in each case, in accordance with the requirements of the Listing Rules. In any event, the total number of new Shares which may be allotted and issued by the Company in respect of Options under the Share Option Scheme and Share Grants under any Other Schemes following the date of approval of the renewed limit (the *New Approval Date*) under the limit as renewed must not exceed 10 per cent. of the Shares in issue as at the New Approval Date. New Shares allotted and issued by the Company in respect of Options under the Share Option Scheme and Share Grants under any Other Schemes (including those outstanding, lapsed or vested, exercised or encashed) prior to the New Approval Date will not be counted for the purpose of determining the maximum aggregate number of new Shares available for Options under the Share Option Scheme following the New Approval Date under the limit as renewed.

Maximum Entitlement of Each Participant

Any offer to a Participant who is a Director, chief executive officer or substantial Shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors (excluding the independent non-executive Director who is the proposed grantee of the Option in question).

Where an offer to a Participant who is a substantial Shareholder or an independent non-executive Director (or any of their respective associates) would result in the aggregate number of Shares issued and to be issued in respect of (i) all Options under the Share Option Scheme and (ii) Share Grants under Other Schemes, to such individual in the 12-month period (up to and including the offer date) to exceed 0.1 per cent. of the Shares in issue on the offer date, such further offer shall be subject to prior approval by the Shareholders in general meeting with the individual, his/her associates and all core connected persons of the Company abstaining from voting in favour of the resolution relating to such offer at such general meeting.

Where any offer to a Participant would result in the aggregate number of Shares issued and to be issued in respect of (i) all Options under the Share Option Scheme and (ii) Share Grants under Other Schemes, to such individual in the 12-month period (up to and including the offer date) to exceed 1 per cent. of the Shares in issue on the offer date, such further offer shall be subject to prior approval by the Shareholders in general meeting with such individual and his/her close associates (or associates if the individual is a connected person) abstaining from voting.

The Remuneration Committee may in its sole and absolute discretion determine the maximum entitlement of each Participant having regard to their respective functions and roles within the Group and the relevant limits under the Listing Rules.

LETTER FROM THE BOARD

Exercise Period

Subject to any restrictions applicable under the Listing Rules, an Option may be exercised by the grantee at any time during the exercise period to be determined by the Board and notified to the grantee in the notice of grant, in accordance with the terms of the Share Option Scheme and the terms on which the Option was granted, which shall expire no later than 10 years from the offer date.

Vesting Period

The vesting period for Options ranges from two years to eight years. The vesting period may not be shorter than 12 months unless otherwise determined by the Board (and the Remuneration Committee in respect of grants of Options to the Directors and/or senior management) in respect of Participants and where the offer is made:

- (a) to grantees to replace the share awards they forfeited when leaving the previous employer or company which engaged them;
- (b) to grantees whose employment or engagement is terminated due to death, ill health, serious injury, disability or retirement or upon the occurrence of any out of control event;
- (c) later than it should have been made due to administrative and compliance reasons and the vesting period is shortened in order to put the grantees in the same position as they would have been in had the offer been made earlier; and
- (d) with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months.

The Board (and the Remuneration Committee in respect of grants of Options to the Directors and/or senior management) are of the view that the discretion in allowing a shorter vesting period in each of the circumstances as detailed above is appropriate and in line with the requirements under the Listing Rules and market practice. Such discretion gives the Company more flexibility to provide competitive remuneration package to reward exceptional performers and grant Options in exceptional circumstances where justified, which is in line with the purpose of the Share Option Scheme.

Performance Targets

The Options under the Share Option Scheme are not subject to any performance targets. However, the Board may at its discretion specify the terms on which Options are granted.

LETTER FROM THE BOARD

Acceptance of an Offer

An offer is accepted when the Company receives from the grantee the duplicate notice of grant duly executed by the grantee and a remittance of the sum of HK\$1.00 or such other amount in any other currency as may be determined by the Board as consideration for the grant of an Option. Such remittance is not refundable in any circumstances. To the extent that the offer is not accepted within the time period and in the manner specified in the offer, the offer will be deemed to have been irrevocably declined and will lapse.

Determination of the Exercise Price

The exercise price shall be determined by the Board in its absolute discretion but in any event shall not be less than the higher of:

- (a) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the offer date, which must be a Business Day;
- (b) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Business Days immediately preceding the offer date; and
- (c) the nominal value of the Shares.

The Directors are of the view that the exercise price of Options is appropriate given that it is in line with the requirement of the Listing Rules while providing the Company with sufficient flexibility to determine the exercise price of Options that can provide sufficient incentive to the selected Participants to achieve the purpose of the Share Option Scheme.

Certain rights attaching to the Options

No dividends or distributions shall be payable in respect of any Shares underlying an Option which has not been exercised. Subject to the foregoing, the Shares which are allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Memorandum and Articles of Association for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a winding-up of the Company) as, the existing fully paid Shares in issue on the date on which those Shares are allotted and issued upon the exercise of the Option and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are allotted and issued, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued.

LETTER FROM THE BOARD

Term of the Share Option Scheme

The Share Option Scheme (as amended) shall be valid and effective from 7 June 2023, being the date of approval of the Proposed Amendments to the Share Option Scheme by Shareholders, and shall expire on the tenth anniversary thereof or such earlier date as the Share Option Scheme is terminated in accordance with the terms thereof.

Lapse of Option

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the exercise period (subject to the provisions of the Share Option Scheme);
- (b) the date of termination of the grantee's employment or service by the Company or any of its subsidiaries for Cause;
- (c) the date on which the grantee:
 - a. becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning more than a 5 per cent. interest in, any Competitor; or
 - b. knowingly performs any act that may confer any competitive benefit or advantage upon any Competitor;
- (d) the expiry of the period for exercising the Option in the event of Change of Control;
- (e) the date of the commencement of the winding-up of the Company;
- (f) the expiry of the period for exercising the Option in the event of termination of the grantee's employment or service with the Company or any of its subsidiaries for any reason other than for Cause;
- (g) the date on which the grantee (whether intentionally or otherwise) assign or transfer an Option or in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any third party over or in relation to any Option against the terms of the Share Option Scheme;
- (h) the date on which the grantee is declared bankrupt or enters into any arrangement or composition with his creditors generally; and

LETTER FROM THE BOARD

- (i) (in respect of Shares underlying an Option which are subject to vesting condition(s)) the date on which the condition(s) to vesting of the relevant Shares underlying the Option are not satisfied.

Reorganization of Capital Structure

In the event of an alteration in the capital structure of the Company by way of a capitalisation issue, rights issue, subdivision or consolidation of shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company or any of its subsidiaries is a party or in connection with any Other Schemes) whilst any Option under the Share Option Scheme remains unvested or has vested but has not yet been exercised and/or satisfied, such corresponding adjustments (if any) shall be made to:

- (a) the number or nominal value of Shares underlying the Option so far as unvested, unexercised or exercised but not yet satisfied; and/or
- (b) the exercise price,

or any combination thereof, provided that any such adjustments give a grantee the same proportion of the share capital of the Company as that to which that grantee was previously entitled but no such adjustments shall be made to the extent that a Share would be issued at less than its nominal value. In respect of any such adjustments, the Auditors or an independent financial adviser to the Company (as the case may be) must confirm to the Board in writing that the adjustments are in their opinion fair and reasonable.

Cancellation

The Board may at any time cancel unexercised Options granted to a grantee due to legal, regulatory and/or compliance reasons. Where the Company cancels Options and offers new Options to the same grantee, the offer of such new Options may only be made with available Options to the extent not yet granted (excluding the cancelled Options) within the Scheme Mandate Limit.

Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the Share Option Scheme and in such event, no further Options may be offered or granted but in all other respects the terms of the Share Option Scheme shall remain in full force and effect in respect of Options which are granted during the term and which remain unexercised immediately prior to the termination of the Share Option Scheme.

LETTER FROM THE BOARD

Transferability

An Option shall be personal to the grantee and shall not be assignable or transferable by the grantee and the grantee shall not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option, provided that where permitted by applicable laws and regulations (including the Listing Rules) and subject to the approval of the Stock Exchange, the grantee may transfer Options to a vehicle (such as a trust or a private company) for the sole benefit of such grantee and his Family Members that would continue to meet the purpose of the Share Option Scheme, provided the terms of such Options will continue to bind any such transferee with reference to the grantee, where relevant.

Alterations to the Share Option Scheme

The Board may alter any of the terms of the Share Option Scheme at any time, including but not limited to the method by which a Participant accepts the Options and such other minor amendments to benefit the administration of the Scheme, provided that such alterations comply with the requirements of the Cayman Companies Law and the Listing Rules, to the extent applicable.

Those specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of grantees or Participants. Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature and changes to the authority of the Board in relation to any alteration of the terms of the Share Option Scheme shall not be made, in either case, without the prior approval of Shareholders in general meeting.

Any changes to the terms of the Options granted (save where the alterations take effect automatically under the existing terms and conditions of the Share Option Scheme) shall be subject to approval of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial offer was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be).

The Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

Clawback Mechanism

All Options granted under the Share Option Scheme, any cash payment made under the Share Option Scheme in satisfaction of the exercise of an Option and any gains realized upon exercise or settlement of an Option shall be subject to clawback or recoupment as permitted or mandated by applicable law, regulations, rules, any Company policy or the Long Term Incentive Plan.

LETTER FROM THE BOARD

The Long Term Incentive Plan currently provides that where permitted under applicable law, (a) the Board may in its sole discretion cancel an Option if the Participant, without the consent of the Company, while employed by the Group or after the termination of such employment, violates a noncompetition, non-solicitation, non-disparagement or non-disclosure covenant or agreement or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate of the Company, (b) if the Participant otherwise has engaged in or engages in any activity referred to in the preceding clause, the Participant will forfeit any gain realized on the vesting, exercise or settlement of an Option, or the sale or other transfer of an Option, and most promptly repay the gain to the Company, and (c) if the Participant receives any amount in excess of what the Participant should have received under the terms of an Option for any reason, then the Participant shall be required to promptly repay any such excess amount to the Company.

The Directors (and the Remuneration Committee in respect of grants of Options to the Directors and/or senior management) are of the view that the clawback mechanism provides a choice for the Company to clawback the equity incentives granted to any Participant who engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliates of the Company and is therefore in line with the purpose of the Share Option Scheme and the interests of Shareholders.

A summary of the principal terms of the amended RSU Scheme is set out below:

Purpose of the RSU Scheme

The purpose of the RSU Scheme is to attract skilled and experienced personnel, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

Participants of the RSU Scheme and Eligibility

On and subject to the terms of the RSU Scheme and the Listing Rules the Board may, at its discretion, make a grant to any Participants.

The Directors (including the independent non-executive Directors) are of the view that the inclusion of Participants to participate in the RSU Scheme is consistent with the purposes of the RSU Scheme, which enable the Group to use share incentives to encourage skilled and experienced persons of the Group to cooperate and contribute to the future development and expansion of the Group. It also aligns the mutual interests of each party, as the Company on one hand and the Participants on the other hand, by holding on to equity incentives.

LETTER FROM THE BOARD

Scheme Mandate Limit

The maximum aggregate number of new Shares available for grants under the RSU Scheme shall be calculated in accordance with the following formula:

$$X = A - B - C$$

where:

- X** = the maximum aggregate number of new Shares available for grants under the RSU Scheme;
- A** = the Scheme Mandate Limit;
- B** = the maximum aggregate number of new Shares that have been or may be allotted and issued by the Company to satisfy the RSUs already granted under the RSU Scheme (which in the event that there has been a New Approval Date, shall only include those new Shares which have been or may be allotted and issued by the Company to satisfy RSUs that have been granted since that most recent New Approval Date); and
- C** = the maximum aggregate number of new Shares which have been or may be allotted and issued by the Company to satisfy the Share Grants already made under any Other Scheme.

Maximum Entitlement of Each Participant

Any grant to a Participant who is a Director, chief executive officer or substantial Shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors (excluding the independent non-executive Director who is the proposed grantee of the grant in question).

If a grant made to a Participant who is a Director (other than an independent non-executive Director) or the chief executive officer (or an associate of a Director or the chief executive officer) would result in the aggregate number of new Shares issued and to be issued in respect of all RSUs under the RSU Scheme and Share Grants (excluding share options) under Other Schemes, to such individual in the 12-month period (up to and including the grant date) to exceed 0.1 per cent. of the Shares in issue, such further grant must be approved by the Shareholders in general meeting with the individual, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting. The Company must send a circular to the Shareholders in the manner set out in the Listing Rules. For the avoidance of doubt, any RSUs and share grants lapsed or encashed in accordance with the terms and conditions of the RSU Scheme or Other Schemes will not count towards the 0.1 per cent. limit.

LETTER FROM THE BOARD

If a grant made to a Participant who is a substantial Shareholder or an independent non-executive Director (or any of their respective associates) would result in the aggregate number of Shares issued and to be issued in respect of all (i) RSUs under the RSU Scheme and (ii) Share Grants under Other Schemes, to such individual in the 12-month period (up to and including the grant date) to exceed 0.1 per cent. of the Shares in issue on the grant date, such further grant shall be subject to prior approval by the Shareholders in general meeting with the individual, his/her associates and all core connected persons of the Company abstaining from voting in favour of the resolution relating to such grant at such general meeting.

Where any grant to a Participant would result in the aggregate number of new Shares issued and to be issued in respect of all (i) RSUs under the RSU Scheme and (ii) Share Grants under Other Schemes, to such individual in the 12-month period (up to and including the grant date) to exceed 1 per cent. of the Shares in issue on the grant date, such further grant shall be subject to prior approval by the Shareholders in general meeting with such individual and his/her close associates (or associates if the individual is a connected person) abstaining from voting.

The Remuneration Committee may in its sole and absolute discretion determine the maximum entitlement of each Participant having regard to their respective functions and roles within the Group and the relevant limits under the Listing Rules.

Vesting Period

The vesting period for RSUs ranges from two years to eight years. The vesting period for RSUs satisfied by new Shares may not be shorter than 12 months unless otherwise determined by the Board (and the Remuneration Committee in respect of grants of RSUs to the Directors and/or senior management) in respect of Participants and where the grant is made:

- (a) to grantees to replace the share awards they forfeited when leaving the previous employer or company which engaged them;
- (b) to grantees whose employment or engagement is terminated due to death, ill health, serious injury, disability or retirement or upon the occurrence of any out of control event;
- (c) later than it should have been made due to administrative and compliance reasons and the vesting period is shortened in order to put the grantees in the same position as they would have been in had the grant been made earlier; and
- (d) with a mixed or accelerated vesting schedule such as where the RSUs may vest evenly over a period of 12 months.

LETTER FROM THE BOARD

The Board (and the Remuneration Committee in respect of grants of RSUs to the Directors and/or senior management) are of the view that the discretion in allowing a shorter vesting period in each of the circumstances as detailed above is appropriate and in line with the requirements under the Listing Rules and market practice. Such discretion gives the Company more flexibility to provide competitive remuneration package to reward exceptional performers and grant RSUs in exceptional circumstances where justified, which is in line with the purpose of the RSU Scheme.

Performance Targets

The RSUs under the RSU Scheme are not subject to any performance targets. However, the Board may at its discretion specify the terms on which RSUs are granted.

Acceptance of an Offer

A grant is accepted when the Company receives from the grantee the duplicate notice of grant duly executed by the grantee and, if applicable and as specified in the notice of grant, a remittance of the sum of HK\$1.00 or such other amount in any other currency as may be determined by the Board as consideration for the grant of the RSU. Such remittance is not refundable in any circumstances. To the extent that the grant is not accepted within the time period and in the manner specified by the Company, the grant will be deemed to have been irrevocably declined and it shall lapse with immediate effect.

Certain rights attaching to the Shares underlying an RSU or the RSUs

A grantee shall not be entitled to any dividends or distributions in respect of any Shares underlying the RSUs granted until such Shares have been allotted and issued or transferred (as the case may be) to the grantee. Subject to the foregoing, the Shares to be allotted and issued or transferred (as the case may be) upon the vesting of the RSUs granted pursuant to the RSU Scheme shall be subject to all the provisions of the Memorandum of Association and Articles of Association for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a winding-up of the Company) as, the existing fully paid Shares in issue on the date on which those Shares are allotted and issued or transferred (as the case may be) upon the vesting of the RSUs granted and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are allotted and issued or transferred (as the case may be), other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued or transferred (as the case may be).

LETTER FROM THE BOARD

The RSUs do not carry any right to vote at general meetings of the Company, or any dividend, transfer or other rights (including those arising on the winding-up of the Company). No grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an RSU pursuant to the RSU Scheme, unless and until the Shares underlying the RSU are actually allotted and issued or transferred (as the case may be) to the grantee upon the vesting of such RSU.

Term of the RSU Scheme

The RSU Scheme (as amended) shall be valid and effective from 7 June 2023, being the date of approval of the Proposed Amendments of the Restricted Share Unit Scheme by Shareholders and shall expire on the tenth anniversary thereof or such earlier date as the RSU Scheme is terminated in accordance with the terms thereof.

Lapse of RSUs

An unvested RSU shall lapse automatically upon the earliest of:

- (a) the date of termination of the grantee's employment or service by the Company or any of its subsidiaries for Cause;
- (b) the date on which the grantee:
 - (i) becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning more than a 5 per cent. interest in, any Competitor; or
 - (ii) knowingly performs any act that may confer any competitive benefit or advantage upon any Competitor;
- (c) the date on which the grantee (whether intentionally or otherwise) assign or transfer an RSU against the terms of the RSU Scheme; and
- (d) (in respect of Shares underlying an RSU which are subject to vesting condition(s)) the date on which the condition(s) to vesting of those underlying Shares are not satisfied.

Reorganization of Capital Structure

In the event of an alteration in the capital structure of the Company by way of a capitalisation issue, rights issue, subdivision or consolidation of shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company or any of its subsidiaries is a party or in connection with any Other Schemes) whilst any RSU under the RSU Scheme has not vested or

LETTER FROM THE BOARD

has vested but has not yet been satisfied, such corresponding adjustments (if any) shall be made to the number or nominal value of Shares underlying the RSUs so far as unvested or vested but not yet satisfied, provided that any such adjustments give a grantee the same proportion of the share capital of the Company as that to which that grantee was previously entitled. In respect of any such adjustments, the Auditors or an independent financial adviser to the Company (as the case may be) must confirm to the Board in writing that the adjustments are in their opinion fair and reasonable.

Cancellation

The Board may at any time cancel any unvested RSUs granted to a grantee due to legal, regulatory and/or compliance reasons. Where the Company cancels unvested RSUs and makes a grant of new RSUs to the same grantee, such grant (to the extent satisfied by new Shares) may only be made with available RSUs to the extent not yet granted (excluding the cancelled RSUs) within the Scheme Mandate Limit.

Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the RSU Scheme and in such event, no further RSUs may be granted but in all other respects the terms of the RSU Scheme shall remain in full force and effect in respect of RSUs which are granted during the term and which remain unvested immediately prior to the termination of the RSU Scheme.

Transferability

An RSU shall be personal to the grantee and shall not be assignable or transferable by the grantee, provided that:

- (a) following the grantee's death, to the extent that the Board determines that the unvested RSUs shall vest and when such RSUs shall vest, the RSUs shall be vested as notified by the Board. The Shares underlying the RSUs being vested may be transferred by will or by the laws of testacy and distribution pursuant to the terms of the RSU Scheme. For the avoidance of doubt, in the absence of the decision by the Board, all unvested RSUs as of the date of the grantee's death shall immediately be forfeited; and
- (b) where permitted by applicable laws and regulations (including the Listing Rules) and subject to the approval of the Stock Exchange, the grantee may transfer RSUs to a vehicle (such as a trust or a private company) for the sole benefit of such grantee and his Family Members that would continue to meet the purpose of the RSU Scheme, provided the terms of such RSUs will continue to bind any such transferee with reference to the grantee, where relevant.

LETTER FROM THE BOARD

The terms of the RSU Scheme and the notice of grant shall be binding upon the executors, administrators, legal personal representatives, heirs, successors and permitted assignees and transferees of the grantee.

Alterations to the RSU Scheme

The Board may alter any of the terms and conditions of the RSU Scheme at any time, including but not limited to the method by which a Participant accepts the RSU and such other minor amendments to benefit the administration of the RSU Scheme, provided that such alterations comply with the requirements of the Cayman Companies Law and the Listing Rules, to the extent applicable.

Those specific provisions of the RSU Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of grantees or Participants. Any alterations of the terms and conditions of the RSU Scheme which are of a material nature and changes to the authority of the Board in relation to any alteration of the terms of the RSU Scheme shall not be made, in either case, without the prior approval of Shareholders in general meeting.

Any changes to the terms of the RSUs granted (save where the alterations take effect automatically under the existing terms and conditions of the RSU Scheme) shall be subject to approval of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be).

The RSU Scheme so altered must comply with Chapter 17 of the Listing Rules.

Clawback Mechanism

All RSUs granted under the RSU Scheme, any cash payments made under the RSU Scheme in satisfaction of the vesting of an RSU and any gains realised upon vesting or settlement of an RSU shall be subject to clawback or recoupment as permitted or mandated by applicable law, regulations, rules, any Company policy or the Long Term Incentive Plan.

The Long Term Incentive Plan currently provides that where permitted under applicable law, (a) the Board may in its sole discretion cancel an RSU if the Participant, without the consent of the Company, while employed by the Group or after the termination of such employment, violates a noncompetition, non-solicitation, non-disparagement or non-disclosure covenant or agreement or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate of the Company, (b) if the Participant otherwise has engaged in or engages in any activity referred to in the preceding clause, the Participant will forfeit any gain realized on the vesting or settlement of an RSU, or the sale or other transfer of an RSU, and most promptly repay the gain to the Company, and (c) if the Participant receives any amount in excess of what the Participant should have received under the terms of an RSU for any reason, then the Participant shall be required to promptly repay any such excess amount to the Company.

LETTER FROM THE BOARD

The Directors (and the Remuneration Committee in respect of grants of RSUs to the Directors and/or senior management) are of the view that the clawback mechanism provides a choice for the Company to clawback the equity incentives granted to any Participant who engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliates of the Company and is therefore in line with the purpose of the RSU Scheme and the interests of Shareholders.

7. PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT

The existing rules of the Share Option Scheme and RSU Scheme provide that the scheme mandate limit (being the maximum number of Shares that may underlie the equity-based incentive options or awards granted under any equity-based incentive schemes of the Company), being 35,532,500, representing 10 per cent. of the Shares in issue on the date of Listing, may be renewed subject to prior Shareholders' approval.

Pursuant to the New Chapter 17, the scheme mandate limit must not exceed 10 per cent. of the relevant class of shares of the listed issuer in issue as at the date of approval of the scheme, and the scheme mandate limit may be refreshed (a) every three years with Shareholders' approval or (b) within a three-year period with Shareholders' approval but with the controlling shareholder and its associates abstaining from voting.

Subject to the passing of the proposed resolutions contained in items 8 and 9 of the notice of Annual General Meeting, the amended rules of the Share Option Scheme and RSU Scheme provide that the Scheme Mandate Limit (i.e. the maximum number of new Shares that may be allotted and issued by the Company in respect of any share schemes of the Company which are governed by Chapter 17 of the Listing Rules (namely, the Share Option Scheme and the RSU Scheme), being 33,959,314, representing 10 per cent. of the Shares in issue on the date of the Annual General Meeting on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting), may be renewed (a) every three years with Shareholders' approval or (b) within a three-year period with Shareholders' approval but with the relevant persons specified in the Listing Rules abstaining from voting on the relevant resolution.

The Directors consider that a refreshment of Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole because it provides greater flexibility for the Company to reward Participants under the Share Option Scheme and the RSU Scheme.

Accordingly, the Company is seeking approval from Shareholders to refresh the Scheme Mandate Limit to the full 10 per cent. of the Shares in issue on the date of the Annual General Meeting.

LETTER FROM THE BOARD

Refreshment of Scheme Mandate Limit

Subject to the passing of the proposed resolutions contained in items 8 and 9 of the notice of Annual General Meeting, the refreshed Scheme Mandate Limit shall be 10 per cent. of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolutions contained in these items (i.e. a total of 33,959,314 Shares on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting).

To the extent not already made and obtained, application will be made by the Company to the Listing Committee of the Stock Exchange, as and when appropriate, for the granting of the listing of, and permission to deal in, the new Shares to be issued pursuant to the refreshed Scheme Mandate Limit.

Approval of the Proposed Amendments to the Share Option Scheme and the Proposed Amendments to the Restricted Share Unit Scheme and the refreshment of the Scheme Mandate Limit

Any Directors and employees of the Group who are eligible to participate in the Share Option Scheme and the RSU Scheme and who hold Shares, as well as the trustee engaged by the Company who holds Shares for the purpose of administering the Share Option Scheme and/or the RSU Scheme, should abstain from voting on the proposed ordinary resolutions contained in items 8, 9 and 10 of the notice of the Annual General Meeting respectively.

The Company has appointed Computershare Hong Kong Trustees Limited as the trustee for the RSU Scheme and PSU Scheme, which is a third party independent of the Company. As at the Latest Practicable Date, for the purpose of administering the RSU Scheme and PSU Scheme, Computershare Hong Kong Trustees Limited held 200,780 Shares, representing approximately 0.06% of the total number of issued Shares. Computershare Hong Kong Trustees Limited is required under the trust deed relating to the RSU Scheme and PSU Scheme to abstain from exercising the voting rights in respect of any Shares held by it under trust. None of the Directors has a direct or indirect interest in the trustee.

Accordingly, Computershare Hong Kong Trustees Limited as RSU Scheme administrator and PSU Scheme administrator (if it holds any Shares as at the date of the Annual General Meeting), shall abstain from voting on the relevant resolutions. To the extent that the Directors are aware having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the Proposed Amendments to the Share Option Scheme and the Proposed Amendments to the Restricted Share Unit Scheme and the approval of the Scheme Mandate Limit. Nevertheless, to the extent there are any Directors and employees of the Group who are eligible to participate in the Share Option Scheme and the RSU Scheme and who hold Shares, they shall abstain from voting on the proposed ordinary resolutions contained in items 8, 9 and 10 of the notice of the Annual General Meeting respectively.

LETTER FROM THE BOARD

8. PROPOSED PAYMENT OF FINAL DIVIDEND

The Board proposes the declaration and payment of a final dividend of US\$0.015 per Share (equivalent to HK\$0.117 per Share) for the year ended 31 December 2022. As at the Latest Practicable Date, the Company has 339,593,143 issued Shares. Based on the number of issued Shares as at the Latest Practicable Date, the final dividend, if declared and paid, will amount to an aggregate amount of approximately US\$5.09 million.

The Company has received an indication from IMAX Corporation, the Company's controlling Shareholder, that it intends to direct IMAX (Barbados) Holding, Inc., its wholly-owned subsidiary, to vote in favour of the resolution to declare a final dividend.

9. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 52 to 57 of this circular.

Pursuant to the Listing Rules and the Articles of Association, 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 relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.imax.cn>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, 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 at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 7:00 a.m. on 5 June 2023, (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

10. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Buy-back Mandate and the Issuance Mandate, the proposed adoption of New Memorandum and Articles of Association, the Proposed Amendments to the Share Option Scheme and the Proposed Amendments to the Restricted Share Unit Scheme, and the refreshment of the 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 Annual General Meeting.

LETTER FROM THE BOARD

11. 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.

12. DOCUMENTS ON DISPLAY

Copies of (i) the Share Option Scheme and (ii) the RSU Scheme, which incorporated the proposed amendments to each of these schemes respectively will be published and will remain on the Company's website at www.imax.cn and the Stock Exchange's website at www.hkexnews.hk for a period of not less than 14 days before the Annual General Meeting and such rules will be made available for inspection at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
IMAX China Holding, Inc.
Yifan (Yvonne) He
Joint Company Secretary

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

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Jiande Chen

Mr. Jiande Chen, aged 67, was an Executive Director of the Company from 27 May 2015 to 28 January 2021 and a non-executive Director of the Company from 29 January 2021 to 4 August 2022, and has been re-designated from non-executive Director to Executive Director since 5 August 2022. He is responsible for the overall strategic direction and business operations of the Group. Mr. Chen was the Chief Executive Officer of the Group between 1 August 2011 and 9 December 2019 and the interim Chief Executive Officer of the Group between 5 August 2022 and 8 January 2023 and has been the Vice Chairman of the Group since 9 December 2019. Furthermore, Mr. Chen holds directorship position in certain subsidiaries of the Company. Mr. Chen is a member of the board of directors of TCL-IMAX Entertainment Co., Limited, a joint venture of TCL Corporation and IMAX Corporation. Mr. Chen has also been an independent director of Beijing Cultural Investment Holdings Co., Ltd. (Shanghai Stock Exchange: 600715) since June 2017. Mr. Chen was previously the Senior Vice President, Chief Representative and General Manager of Sony Pictures Entertainment, China from 2000 to 2011. Prior to that, Mr. Chen was a Vice President of Allied Signal (China) Holding Corp., an aerospace, automotive and engineering company from 1998 to 1999, a Vice President of Boeing China Inc. from 1995 to 1998 and a Vice President of DDB Advertising/PR Corp. in Seattle from 1990 to 1995. Mr. Chen received a doctorate in Communications from the University of Washington, the United States, in December 1991 and a bachelor's degree from Fudan University, the PRC, majoring in English in 1982. Mr. Chen serves as the Vice Chairman of the Alumni Association of Fudan University and Chairman of the Alumni of China Association of University of Washington.

Save as disclosed herein, Mr. Chen has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Chen has entered into a letter of appointment with the Company in respect of his appointment as an Executive Director with a term of approximately 18 months, commencing from 9 January 2023 until the conclusion of the annual general meeting of the Company approving the annual report for the year ending 31 December 2023, and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Mr. Chen is entitled to receive an annual fee of US\$75,000, an annual salary of approximately US\$151,000, an allowance of approximately US\$43,000 per annum, payments in lieu of continued pension contributions of US\$0 per annum. He is also entitled to receive a discretionary award of RSUs in respect of Shares having a value at grant of up to US\$100,000 per annum. The above emoluments of Mr. Chen have been determined with reference to his role and duties, performance and responsibilities as well as the prevailing market conditions.

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

As at the Latest Practicable Date, Mr. Chen had interest of 96,298 Shares, 303,050 share options, and 155,452 RSUs, granted by the Company under the LTIP, Share Option Scheme and RSU Scheme within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Chen involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Chen that need to be brought to the attention of the Shareholders.

(2) Mr. Jim Athanasopoulos

Mr. Jim Athanasopoulos, aged 52, has been an Executive Director of the Company since 27 May 2015. He is responsible for the overall strategic direction and business operations of the Group. Mr. Athanasopoulos assumed the role of Chief Financial Officer and Chief Operating Officer of the Company effective May 2015, and served as the Chief Financial Officer and Senior Vice President, Corporate Operations of the Group since 1 August 2011. Mr. Athanasopoulos joined IMAX Corporation in 2000. Furthermore, Mr. Athanasopoulos holds directorship or legal representative positions in certain subsidiaries of the Company. Prior to his current role, Mr. Athanasopoulos served as the Senior Vice President of Joint Venture Theatre Development of IMAX Corporation from 2010 to 2011, where he helped oversee the execution of IMAX Corporation's joint venture theatre rollout worldwide. He was also the Vice President of Theatre Development of IMAX Corporation from 2008 to 2010. From 2004 to 2008, Mr. Athanasopoulos was an integral part of a worldwide theatre development team that expanded the IMAX Corporation commercial network, signing over 460 new theatres during a time when IMAX Corporation's business model transitioned from institutional clients to multiplexes and from film to digital. Prior to joining IMAX Corporation, Mr. Athanasopoulos worked at KPMG in Toronto for seven years in both their assurance and insolvency practices. Mr. Athanasopoulos graduated from the University of Toronto, Canada, with a bachelor's degree in Commerce in June 1993. He is also a Chartered Accountant, qualified in February 1997, and a member of the Institute of Chartered Accountants of Ontario.

Save as disclosed herein, Mr. Athanasopoulos has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Athanasopoulos has entered into a letter of appointment with the Company in respect of his appointment as an Executive Director with a term of approximately three years commencing from 6 May 2021 until the conclusion of the annual general meeting of the Company approving the annual report for the year ending 31 December 2023, and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

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

Mr. Athanasopoulos receives an annual salary of approximately US\$334,000, an allowance of approximately US\$339,000 per annum, payments in lieu of continued pension contributions of US\$18,000 per annum, as well as award of RSUs and share options and discretionary bonus. The above emoluments of Mr. Athanasopoulos have been determined with reference to his role and duties, performance and responsibilities as well as the prevailing market conditions.

As at the Latest Practicable Date, Mr. Athanasopoulos had interest of 576,966 Shares, 2,073,332 share options, 800,693 RSUs, and 481,212 PSUs (including additional 206,233 PSUs which might be granted to Mr. Athanasopoulos when the Average Annual EBITDA Growth reaches 20% or more), granted by the Company under the LTIP, Share Option Scheme, RSU Scheme and the PSU Scheme, and is interested in 4,068 common shares of IMAX Corporation, the controlling Shareholder of the Company, in each case within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Athanasopoulos involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Athanasopoulos that need to be brought to the attention of the Shareholders.

(3) Ms. Yue-Sai Kan

Ms. Yue-Sai Kan, aged 75, has been an Independent Director of the Company since 25 August 2014 and was appointed as an Independent non-executive Director on 27 May 2015. She is responsible for giving independent strategic advice and guidance on the business and operations of the Group. Ms. Kan is an Emmy-winning television host and producer with extensive experience in the entertainment industry. In 1972, she established Yue-Sai Kan Productions and created her first major U.S. television production, a weekly series called “Looking East”. In 1986, she produced and hosted the television series “One World” on China’s national television network, CCTV. Ms. Kan has produced a number of documentaries, including “China Walls and Bridges”, which earned her an Emmy, as well as “Journey through a Changing China” and the series “Mini Dragons” “Doing Business in Asia,” and “Seeking Miss China,” among others. Ms. Kan created the cosmetics company and brand “Yue-Sai” in 1992, which was acquired by L’Oréal in 2004. She is now the Honorary Vice Chairman of L’Oréal China. She launched the House of Yue-Sai lifestyle stores in 2007 to cater to China’s growing middle class. She is also an author of nine best-selling books. She is also the National Director of Miss Universe China and produces its annual pageant as a major charity event in China. Ms. Kan graduated from the Brigham Young University in Hawaii with a Bachelor of Arts in May 1969. Ms. Kan has served as the International Ambassador of the Shanghai International Film Festival since 2006.

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

Save as disclosed herein, Ms. Kan has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Ms. Kan has entered into a letter of appointment with the Company in respect of her appointment as an Independent non-executive Director with a term of approximately three years commencing from 6 May 2021 until the conclusion of the annual general meeting of the Company approving the annual report for the year ending 31 December 2023, and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Ms. Kan is entitled to receive an annual fee of US\$50,000 and an additional fee of US\$10,000 per annum for membership (as applicable) of each of the board committees of the Company and a further fee of US\$5,000 per annum for being the chairman of any one of those board committees. She is also entitled to receive a discretionary award of RSUs in respect of Shares having a value at grant of up to US\$100,000 per annum. The above emoluments of Ms. Kan have been determined with reference to her role and duties, performance and responsibilities as well as the prevailing market conditions.

As at the Latest Practicable Date, Ms. Kan had interest of 309,812 Shares in the Company within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Ms. Kan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Kan that need to be brought to the attention of the Shareholders.

(4) Mr. Robert Lister

Mr. Robert Lister, aged 54, was appointed as a Non-executive Director of the Company with effect from 1 May 2023. Mr. Lister has been the Global Chief Legal Officer and Senior Executive Vice President of IMAX Corporation since January 2018. Mr. Lister joined IMAX Corporation in May 1999 and held numerous positions, including Chief Legal Officer and Chief Business Development Officer between 2012 and 2018, Executive Vice President, Business & Legal Affairs and Chief Legal Officer between 2007 and 2012, Executive Vice President, Business & Legal Affairs and Corporate Communications and General Counsel between 2003 and 2007, Executive Vice President, Legal and Business Affairs and General Counsel between 2002 and 2003, and Senior Vice President, Legal Affairs and General Counsel between 1999 and 2002. Prior to joining IMAX Corporation, Mr. Lister was Vice President, General Counsel and Secretary of Clearview Cinemas, a film exhibitor, from March 1998 until his employment with IMAX Corporation. From April 1996 to February 1998, Mr. Lister served as Associate General Counsel of Merit Behavioral Care Corporation, a behavioral healthcare company. From September 1993 to March 1996, Mr. Lister served as Legal Associate of Kelley

**APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Drye & Warren LLP. Mr. Lister also serves on the board of directors of TCL-IMAX Entertainment Co., Ltd., a joint venture of TCL Corporation and the Company. Mr. Lister graduated from Lehigh University in June 1990 and graduated from Fordham University, with a juris doctor's degree in May 1993. Mr. Lister is a member of the New York State Bar Association and a registered attorney in the New York State Unified Court System.

Save as disclosed herein, Mr. Lister has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Lister has entered into a letter of appointment with the Company in respect of his appointment as a non-executive Director with a term of approximately 13 months commencing from 1 May 2023 until the conclusion of the annual general meeting of the Company approving the annual report for the year ending 31 December 2023, and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Mr. Lister is not entitled to any fees or other remuneration from the Company for his services as a non-executive Director.

As at the Latest Practicable Date, Mr. Lister does not have any interest in the Shares or underlying Shares of the Company, and he is interested in 134,618 common shares, 145,962 share options, 77,522 RSUs, 151,932 PSUs (including potential additional 63,318 PSUs based on fulfillment of relevant performance conditions by IMAX Corporation) of IMAX Corporation, the controlling Shareholder of the Company, in each case, within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Lister involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Lister that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 339,593,143 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that no further Shares are issued or bought back between the period from the Latest Practicable Date and the Annual General Meeting, i.e. being 339,593,143 Shares, the Directors would be authorized under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total of 33,959,314 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole.

Shares buy-back 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 and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders. The Directors are seeking the grant of the Share Buy-back Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. FUNDING OF BUY-BACK

The company may only apply funds legally available for share buy-back in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

A listed company may not buy back its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Any purchase by the Company may be made out of the profits of the Company or out of a fresh issue of Shares made for the purpose of the purchase or, subject to the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the Cayman Companies Law, out of capital.

It is currently envisaged that the funds required for any repurchase would be derived from the profits of the Company available for distribution.

4. IMPACT OF SHARE BUY-BACK

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 December 2022) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest HK\$	Lowest HK\$
May 2022	9.26	8.59
June 2022	9.10	7.51
July 2022	8.18	7.01
August 2022	7.46	5.72
September 2022	6.52	5.52
October 2022	5.69	4.29
November 2022	6.01	4.00
December 2022	9.93	5.55
January 2023	12.00	6.97
February 2023	10.92	8.68
March 2023	9.79	7.04
April 2023	8.64	7.20
May 2023 (<i>up to the Latest Practicable Date</i>)	7.70	6.61

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close 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 Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core 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 Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, IMAX Corporation, the controlling Shareholder of the Company (as defined in the Listing Rules) was interested in 243,262,600 Shares representing approximately 71.63% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate shareholding of IMAX Corporation would be increased to approximately 79.59% of the issued share capital of the Company and the number of Shares held by the public would fall below 25% of the total issued share capital of the Company then in issue.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. BUY-BACK OF SHARES MADE BY THE COMPANY

No buy-back of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

Details of the Proposed Amendments to the Memorandum and Articles of Association are set out as follows:

Cover Page

THE COMPANIES ACT (AS REVISED) LAW (2013 REVISION)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

~~FOURTH~~ FIFTH AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

IMAX CHINA HOLDING, INC.

(~~e~~conditionally adopted by special resolution passed on 7 June 2023
~~21 September 2015 and effective on 8 October 2015~~)

Memorandum of Association

Title THE COMPANIES ACT (AS REVISED) LAW (2013 REVISION)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

~~FOURTH~~ FIFTH AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION

OF

IMAX CHINA HOLDING, INC.

(~~e~~conditionally adopted by special resolution passed on 7 June 2023
~~21 September 2015 and effective on 8 October 2015~~)

- 4 Except as prohibited or limited by the Companies Act Law (2013 Revision), the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Act Law (2013 Revision) and shall have and be capable of from time to time and ...
- 6 The share capital of the Company is US\$62,562.50 divided into 625,625,000 shares of a nominal or par value of US\$0.0001 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Act

~~Law (2013 Revision)~~ and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.

- 7 If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act ~~Law (2013 Revision)~~ and, subject to the provisions of the Companies Act ~~Law (2013 Revision)~~ and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

Articles of Association

Title THE COMPANIES ACT (AS REVISED) ~~LAW (2013 REVISION)~~
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

~~FOURTH~~ FIFTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION

OF

IMAX CHINA HOLDING, INC.

(~~conditionally~~ adopted by special resolution passed on 7 June 2023
~~21 September 2015 and effective on 8 October 2015~~)

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1 The regulations contained in Table A in the First Schedule to the Companies ~~Law~~
Act shall not apply to the Company.

2.2 ...

“Communication Facilities” shall mean video, video-conferencing, internet or online conferencing applications, telephone or teleconferencing and/or any other video-communications, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other.

“Companies ~~Law~~ Act” shall mean the Companies Act (As Revised) ~~Law (2013 Revision)~~, Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.

...

“dividend” shall include bonus dividends and distributions permitted by the Companies ~~Law~~ Act to be categorised as dividends.

...

“electronic” shall have the meaning given to it in the Electronic Transactions ~~Law~~ Act.

...

“Electronic Transactions ~~Law~~ Act” shall mean the Electronic Transactions Act (As Revised) ~~Law (2003 Revision)~~ of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.

...

“members” or
“shareholders” shall mean the persons who are duly registered as the holders from time to time of shares in the register including persons who are jointly so registered.

...

“special resolution” shall have the same meaning as ascribed thereto in the Companies Act and ~~Law~~ and shall include a unanimous written resolution of all members: for this purpose, the requisite majority shall be not less than three-fourths of the ~~votes~~ voting rights held by ~~of~~ such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, and includes a special resolution passed pursuant to Article 13.10.

...

“Virtual Meeting” shall mean any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairman of the meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities.

- 2.3 Subject as aforesaid, any words defined in the Companies ~~Law~~ Act shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles.
- 2.6 Sections 8 and 19 of the Electronic Transactions ~~Law~~ Act shall not apply.
- 2.7 Subject to Article 3.4, the provisions of special resolutions and ordinary resolutions shall apply mutatis mutandis to any resolutions passed by the holders of any class of shares.
- 3.2 Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine. Subject to the Companies ~~Law~~ Act and to any special rights conferred on any members or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer.
- 3.4 If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Companies ~~Law~~ Act be varied or abrogated with the consent in writing of the holders of ~~not less than~~ at least three-fourths in nominal value of the issued shares of that class or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the shares of that class present and voting in person or by proxy ~~sanction of a special resolution passed at a separate general meeting of such the holders of shares of that class.~~ To every such separate general meeting all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be two persons ~~a person or persons~~ together

holding (or ~~representing~~, in the case of a shareholder being a corporation, by ~~proxy or its~~ duly authorised representative) or representing by proxy at the date of the relevant meeting holding at least not less than one-third in nominal value of the issued shares of that class.

- 3.6 Subject to the Companies ~~Law~~ Act, or any other law or so far as not prohibited by any law or the Listing Rules and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire ~~any of its~~ own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a resolution of the members, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.
- 3.9 Subject to the provisions of the Companies ~~Law~~ Act and the Memorandum, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as determined by a special resolution.
- 3.10 ~~Where the Company purchases or redeems any of its shares, purchases or redemption not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.~~
- 3.11 10 The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.

- 3.12 11 The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Board shall specify the certificate(s) thereof, if any, for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.
- 3.13 12 Subject to the provisions of the Companies ~~Law~~ Act, the Memorandum and these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Board shall determine.
- 3.14 13 The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies ~~Law~~ Act shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the shares are issued.
- 3.15 14 Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 4.1 The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit a principal register of the members and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the Companies ~~Law~~ Act.
- 4.4 Notwithstanding anything contained in this Article 4, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies ~~Law~~ Act.

- 4.5 For so long as any shares are listed on the Exchange, title to such listed shares may be evidenced and transferred in accordance with the Listing Rules that are or shall be applicable to such listed shares. The register of members maintained by the Company in respect of such listed shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the Companies ~~Law~~ Act in a form otherwise than legible (provided it is capable of being reproduced in a legible form) if such recording otherwise complies with the Listing Rules that are or shall be applicable to such listed shares.
- 4.11 Every person whose name is entered as a member in the register shall be entitled to receive, within any relevant time limit as prescribed in the Companies ~~Law~~ Act or as the Exchange may from time to time determine, whichever is shorter, and subject to payment of any fees which may be payable pursuant to Article 7.8, after allotment or lodgement of transfer, or within such other period as the conditions of issue shall provide, one certificate for all his shares of each class or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming an Exchange board lot, such numbers of certificates for shares in Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register.
- 10.1 (b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the Companies ~~Law~~ Act; and
- 10.1 (c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the Companies ~~Law~~ Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.
- 10.2 The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorised and subject to any conditions prescribed by the Companies ~~Law~~ Act.

- 11.5 The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Law Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Law Act in regard to the registration of mortgages and charges therein specified and otherwise.
- 12.1 The Company shall in each financial year hold a general meeting as its annual general meeting within six months after the end of the Company's each financial year in addition to any other meeting in that year other than the year of the Company's adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.
- 12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. ~~General meetings shall also be convened on the written requisition of any two~~ One or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, ~~provided that such requisitionists held holding,~~ as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights, on a one vote per share basis, in the share capital paid up capital of the Company may also make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting ~~which carries the right of voting at general meetings of the Company.~~ Such requisition shall be made in writing to the Board or the Secretary and deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the total voting rights, on a one vote per share basis, paid up capital of all the shareholders of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in

which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

12.3A The Directors may make Communication Facilities available for a specific general meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meetings by means of such Communication Facilities. Without limiting the generality of the foregoing, the Directors may determine that any general meeting may be held as a Virtual Meeting.

12.4 An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. The notice of any general meeting at which Communication Facilities will be utilised (including any Virtual Meeting) shall disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

13.3A The Chairman of any general meeting shall be entitled to attend and participate at any such general meeting by means of Communication Facilities, and to act as the chairman of such general meeting, in which event the following provisions shall apply:

(a) The Chairman of the meeting shall be deemed to be present at the meeting; and

(b) If the Communication Facilities are interrupted or fail for any reason to enable the Chairman of the meeting to hear and be heard by all other persons participating in the meeting, then the other Directors present at the meeting shall choose another Director present to act as chairman of the meeting for

the remainder of the meeting; provided that (i) if no other Director is present at the meeting, or (ii) all the Directors present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.

14.2 A. Shareholders shall have the right to: (a) speak at general meetings of the Company; and (b) vote at a general meeting except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

B. Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

14.8 Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a member. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

14.15 If a recognised clearing house (or its nominee(s)) is a member it may appoint proxies or authorise such person or persons as it thinks fit to act as its representative(s), who enjoy rights equivalent to the rights of other shareholders, at any general meeting of any class of members of the Company or at any general meeting of the Company (including but not limited to creditors meetings) any class of members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence to substantiate that it is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member holding the number and class of shares specified in such authorisation, including, ~~where a show of hands is allowed,~~ the right to speak and vote individually on a show of hands (where a show of hands is allowed) or on a poll, notwithstanding any contrary provision contained in these Articles.

- 16.2 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following first~~ annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.
- 16.3 The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies ~~Law~~ Act, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the ~~next following first annual~~ general meeting of the Company after his appointment and shall then be eligible for re-election.
- 16.5 The Company shall keep at its office a register of directors and officers containing their names and addresses and any other particulars required by the Companies ~~Law~~ Act and shall send to the Registrar of Companies of the Cayman Islands a copy of such register and shall from time to time notify to the Registrar of Companies of the Cayman Islands any change that takes place in relation to such Directors as required by the Companies ~~Law~~ Act.
- 16.6 The ~~Company~~ shareholder may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his ~~period~~ term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.
- 18.1 Subject to any exercise by the Board of the powers conferred by Articles 19.1 to 19.3, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies ~~Law~~ Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies ~~Law~~ Act and these Articles and to any regulation from time to time

made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

- 18.3 Except as would be permitted by the Companies Ordinance if the Company were a company incorporated in Hong Kong, and except as permitted under the Companies ~~Law~~ Act, the Company shall not directly or indirectly: ...
- 21.1 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Companies ~~Law~~ Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.
- 21.2 A provision of the Companies ~~Law~~ Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.
- 23.1 The Company in general meeting may upon the recommendation of the Board by ordinary resolution resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares, debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in proportion aforesaid or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the Companies ~~Law~~ Act.

- 24.1 Subject to the Companies ~~Law~~ Act and these Articles, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.
- 24.12 The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies ~~Law~~ Act. The Company shall at all times comply with the provisions of the Companies ~~Law~~ Act in relation to the share premium account.
- 24.19 The Board, with the sanction of the members in general meeting, may direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the Companies ~~Law~~ Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.
- 27 The Board shall make the requisite annual returns and any other requisite filings in accordance with the Companies ~~Law~~ Act.
- 28.1 The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Companies ~~Law~~ Act.
- 28.2 The books of account shall be kept at the Company's principal place of business in Hong Kong or, subject to the provisions of the Companies ~~Law~~ Act, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

- 28.3 The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Companies Law Act or any other relevant law or regulation or as authorised by the Board or by the Company in general meeting.
- 28.6 To the extent permitted by and subject to due compliance with these Articles, the Companies Law Act and all applicable rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 28.5 shall be deemed satisfied in relation to any member or any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the Companies Law Act, a summary financial statement derived from the Company's annual accounts, together with the Directors' report and the Auditors' report on such accounts, which shall be in the form and containing the information required by these Articles, the Companies Law Act and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the Director's report and the Auditor's report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company sends to him, in addition to the summary financial statement, a complete printed copy of the Company's annual accounts, together with the Directors' report and the Auditor's report thereon.
- 29.2 The Company shall at every annual general meeting by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed by ordinary resolution, provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board by ordinary resolution. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. Subject to compliance with the Listing Rules, the Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board. An Auditor appointed by the Board under this Article shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by members at such remuneration to be determined by the members under this Article.

- 32.1 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the Company and any other sanction required by the Companies Law Act divide among the members in specie or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of one kind or shall consist of properties of different kinds) and may for such purpose set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority or sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like authority or sanction and subject to the Companies Law Act, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.
- 34 ~~The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it~~ Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31 December in each year and, following the year of incorporation, shall begin on 1 January in each year.
- 35 Subject to the Companies Law Act, the Company may at any time and from time to time by special resolution alter or amend the Memorandum and these Articles in whole or in part.
- 36 The Company shall, subject to the provisions of the Companies Law Act and with the approval of a special resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
- 37 The Company shall, with the approval of a special resolution, have the power to merge or consolidate with one or more constituent companies (as defined in the Companies Law Act), upon such terms as the Directors may determine.

NOTICE OF ANNUAL GENERAL MEETING



IMAX CHINA HOLDING, INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1970)

Notice is hereby given that the Annual General Meeting of IMAX China Holding, Inc. (the “**Company**”) will be held at Meeting Room 4, Shanghai Marriott Hotel City Centre, 555 Xi Zang (Middle) Road, Huangpu District, Shanghai, China on 7 June 2023 at 7:00 a.m. (Hong Kong time) for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2022.
2. To declare a final dividend of US\$0.015 per Share (equivalent to HK\$0.117 per Share) for the year ended 31 December 2022.
3.
 - (a) To re-elect Mr. Jiande Chen as an Executive Director of the Company.
 - (b) To re-elect Mr. Jim Athanasopoulos as an Executive Director of the Company.
 - (c) To re-elect Ms. Yue-Sai Kan as an Independent Non-executive Director of the Company.
 - (d) To re-elect Mr. Robert Lister as a Non-executive Director of the Company.
 - (e) To authorize the board of directors to fix the respective directors’ remuneration.
4. To re-appoint PricewaterhouseCoopers as auditors and to authorize the board of directors to fix their remuneration.
5. 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, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back its shares on The Stock Exchange of Hong Kong Limited in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes 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 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; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”
6. 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, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options which might require the exercise of such powers, in each case during the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the mandate in paragraph (a) above shall authorize the directors to, during the Relevant Period, make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the exercise or vesting of options or awards under a share scheme of the Company which complies with the Listing Rules; and
- (iii) 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 total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; 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:

- (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 of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“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 recognized regulatory body or any stock exchange).”

- 7. 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 5 and 6 of the notice convening this meeting (the **“Notice”**), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or

NOTICE OF ANNUAL GENERAL MEETING

agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

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

“THAT:

- (a) the proposed amendments to the terms of the share option scheme of the Company (the **“Share Option Scheme”**) adopted on 21 September 2015 as set out in the circular of the Company dated 16 May 2023 and reflected in the amended Rules of the Post-IPO Share Option Scheme, a copy of which is available for inspection as detailed in the circular and produced to this meeting marked “A” and for the purpose of identification initialed by the chairman of this meeting, be and are hereby approved; and
- (b) the Directors be and are hereby authorised to grant options thereunder and to allot, issue and otherwise deal with any shares of the Company in connection with the Share Option Scheme and to do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the Share Option Scheme.”

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

“THAT:

- (a) the proposed amendments to the terms of the restricted share unit scheme of the Company (the **“RSU Scheme”**) adopted on 21 September 2015 as set out in the circular of the Company dated 16 May 2023 and reflected in the amended Rules of the Post-IPO Restricted Share Unit Scheme, a copy of which is available for inspection as detailed in the circular and produced to this meeting marked “B” and for the purpose of identification initialed by the chairman of this meeting, be and are hereby approved; and
- (b) the Directors be and are hereby authorised to grant awards thereunder and to allot, issue, procure the transfer of and otherwise deal with any shares of the Company in connection with the RSU Scheme and to do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the RSU Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** the maximum number of new shares of the Company that may be allotted and issued by the Company in respect of the options under the Share Option Scheme, the restricted share units under the RSU Scheme and other share awards and/or options over new shares of the Company under another share scheme of the Company and which is governed by Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited shall be 33,959,314, subject to adjustment for change of the Company’s issued share capital up to the date of the passing of this resolution, be and is hereby approved.”

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

SPECIAL RESOLUTION

“**THAT** the proposed amendments to the existing fourth amended and restated memorandum and articles of association of the Company set out in Appendix III to the circular of the Company dated 16 May 2023 (the “**Proposed Amendments**”) be and are hereby approved, and the fifth amended and restated memorandum and articles of association of the Company reflecting the Proposed Amendments (the “**New Memorandum and Articles of Association**”) (a copy of which has been produced to this meeting and marked “C” and initialed by the chairman of this meeting for the purpose of identification) be and are hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing fourth amended and restated memorandum and articles of association of the Company with immediate effect after the close of this meeting and that any director or company secretary of the Company be and is hereby authorized to do all things necessary to implement the adoption of the New Memorandum and Articles of Association.”

By Order of the Board
IMAX China Holding, Inc.
Yifan (Yvonne) He
Joint Company Secretary

Hong Kong, 16 May 2023

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the articles of association of the Company. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder 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. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the 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 of attorney or authority, must be deposited at the Company’s Hong Kong share registrar, 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 time appointed for the holding of the meeting (i.e. not later than 7:00 a.m. on 5 June 2023 (Hong Kong time)) or the adjourned meeting (as the case may be). 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 instrument appointing a proxy shall be deemed to be revoked.
4. For determining shareholders’ eligibility to attend and vote at the above meeting and entitlement to the final dividend, the register of members of the Company will be closed as set out below:

- (i) for determining shareholders’ eligibility to attend and vote at the above meeting:

Latest time to lodge transfer documents for registration with the Company’s Hong Kong share registrar	At 4:30 p.m. on 1 June 2023
Closure of register of members	2 June 2023 to 7 June 2023 (both dates inclusive)
Record Date	7 June 2023

- (ii) for determining shareholders’ entitlement to the final dividend:

Latest time to lodge transfer documents for registration with the Company’s Hong Kong share registrar	At 4:30 p.m. on 12 June 2023
Closure of register of members	13 June 2023 to 15 June 2023 (both dates inclusive)
Record Date	15 June 2023

During the above closure periods, no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting and to qualify for the final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than the applicable latest time aforementioned.

5. A circular containing further details concerning the resolutions set out in item 3, 5, 6, 7, 8, 9, 10 and 11 set out in the above notice will be sent to all shareholders of the Company.
6. References to time and dates in this notice are to Hong Kong time and dates.