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

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

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STAR CM Holdings Limited

星空華文控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6698)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
PROPOSED APPOINTMENT OF NEW DIRECTOR;
PROPOSED GRANTING GENERAL MANDATES TO
ISSUE SHARES AND TO REPURCHASE SHARES;
PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of STAR CM Holdings Limited to be held at 23/F, Canxing Building, No. 158 Longqi Road, Shanghai, China on Thursday, June 20, 2024 at 11:00 a.m. is set out on pages 17 to 22 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.starcmgroup.com).

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 11:00 a.m. on June 18, 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting (or any adjournment thereof) if they so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

April 29, 2024

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 23/F, Canxing Building, No. 158 Longqi Road, Shanghai, China on Thursday, June 20, 2024 at 11:00 a.m., or any adjournment thereof and notice of which is set out on pages 17 to 22 of this circular
“Articles of Association”	the amended and restated memorandum and articles of association of our Company adopted on December 9, 2022 with effect from December 29, 2022 and as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Canxing Culture”	Shanghai CanXing Culture & Media Co., Ltd. (上海燦星文化傳媒股份有限公司)
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	STAR CM Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands on March 29, 2021
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with (including any sale or transfer of treasury shares out of treasury) Shares not exceeding 20% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	April 22, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time
“Nomination Committee”	the nomination committee of the Board
“PRC” or “China”	the People’s Republic of China, except where the context requires otherwise, excluding Hong Kong, Macau and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the total number of the issued Shares (excluding any treasury shares) as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary share(s) of nominal value of US\$0.000001 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“treasury shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024, as amended and supplemented from time to time

DEFINITIONS

“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



STAR CM Holdings Limited

星空華文控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6698)

Executive Directors:

Mr. Tian Ming (*Chairman of the Board and
Chief Executive Officer*)

Mr. Jin Lei

Mr. Xu Xiangdong

Mr. Lu Wei

Ms. Wang Yan

Non-executive Director:

Mr. Lee Wei Choy

Independent Non-executive Directors:

Mr. Li Liangrong

Mr. Chen Rehao

Mr. Sheng Wenhao

Registered Office:

PO Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Head office in PRC:

23/F, Canxing Building

No. 158 Longqi Road

Shanghai

PRC

*Principal Place of Business
in Hong Kong:*

5/F, Manulife Place

348 Kwun Tong Road

Kowloon

Hong Kong

April 29, 2024

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
PROPOSED APPOINTMENT OF NEW DIRECTOR;
PROPOSED GRANTING OF GENERAL MANDATES TO
ISSUE SHARES AND TO REPURCHASE SHARES;
PROPOSED RE-APPOINTMENT OF AUDITOR;
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting to be held on Thursday, June 20, 2024 and the following proposals to be put forward at the Annual General Meeting: (a) the re-election of the retiring Directors; (b) the grant of the Issue Mandate to issue Shares to the Directors and the Repurchase Mandate to repurchase Shares; (c) the re-appointment of auditor; and (d) giving the Shareholders notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND PROPOSED APPOINTMENT OF NEW DIRECTOR

The Board currently comprises nine Directors, of which Mr. Tian Ming, Mr. Jin Lei, Mr. Xu Xiangdong, Mr. Lu Wei and Ms. Wang Yan are executive Directors; Mr. Lee Wei Choy is a non-executive Director; and Mr. Li Liangrong, Mr. Chen Rehao and Mr. Sheng Wenhao are independent non-executive Directors.

Pursuant to Article 16.19 of the Articles of Association, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he/she retires and shall be eligible for re-election thereafter. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Accordingly, Mr. Xu Xiangdong, Mr. Sheng Wenhao and Mr. Lee Wei Choy will retire from office at the Annual General Meeting. Each of Mr. Xu Xiangdong and Mr. Sheng Wenhao, (the “**Retiring Directors**”) being eligible, and will offer themselves for re-election. Mr. Lee Wei Choy will not offer himself for re-election as he would like to devote more time to his other business commitment. Mr. Lee Wei Choy confirms that he does not have any disagreement with the Board and there is nothing to be brought to the attention of the Shareholders in relation to his proposed retirement.

The Nomination Committee is of the view that the Retiring Directors have extensive experience in the fields and professions that are relevant to the Company’s business. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board. Accordingly, the Nomination Committee has recommended to the Board on re-election of the Retiring Directors.

The Board, upon the recommendation of the Nomination Committee, proposed Mr. Xu Xiangdong and Mr. Sheng Wenhao, to stand for re-election as Directors at the Annual General Meeting.

Reference is made to the announcement of the Company dated March 28, 2024 in relation to, among other things, the proposed appointment of Director.

In consideration of the recommendation of the Nomination Committee of the Company, Ms. Shen Ning was proposed as a candidate for executive Director.

Upon the approval of the appointment of Ms. Shen Ning as executive Director at the Annual General Meeting, the Company will enter into a service contract for an initial term of three years commencing from the date of the Annual General Meeting which approves her appointment, subject to retirement by rotation and re-election in accordance with the articles

LETTER FROM THE BOARD

of association of the Company. Ms. Shen Ning will be entitled to a Director's fee of RMB755,000 per annum and discretionary bonus as determined by the Board. Ms. Shen Ning's remuneration will be subject to annual review by the Remuneration Committee of the Company with reference to, among others, her duties, qualifications, performance and level of responsibilities, the Group's performance for the financial year concerned and the prevailing market conditions.

In reviewing the structure, size and composition of the Board, in proposing individuals for re-election as Directors at the Annual General Meeting and proposing appointment of new director, the Nomination Committee and the Board have considered the potential contribution each relevant Director can bring to the Board in terms of qualification, skills, experience, independence and diversity in accordance with the director nomination policy of the Company, taking into account the relevant Director's biographical information and background, and considering various factors including but not limited to gender, ethnicity, language, cultural and educational background, industry experience and professional experience as set out in the board diversity policy of the Company.

For the proposal of re-election of Mr. Sheng Wenhao, the Board and the Nomination Committee have reviewed and assessed his confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and formed the view that he remains independent.

Details of Mr. Xu Xiangdong and Mr. Sheng Wenhao, who are subject to re-election at the Annual General Meeting, and Ms. Shen Ning, who is subject to the appointment at the Annual General Meeting, are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

The Company hereby proposes, as ordinary resolution at the Annual General Meeting, the consideration and approval of the above proposed re-election and the appointment.

3. PROPOSED GRANTING OF ISSUE MANDATE TO ISSUE SHARES

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares (including any sale or transfer of treasury shares out of treasury), approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate to issue Shares. At the Annual General Meeting, an ordinary resolution numbered 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares (including any sale or transfer of treasury shares out of treasury) not exceeding 20% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, 398,538,168 Shares have been issued and fully paid. Subject to the passing of the ordinary resolution numbered 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue (including any sale or transfer of treasury shares out of treasury) a maximum of 79,707,633 Shares pursuant to the Issue Mandate.

LETTER FROM THE BOARD

In addition, subject to a separate approval of the ordinary resolution numbered 4(C), the number of Shares purchased by the Company under ordinary resolution numbered 4(B) will also be added to extend the Issue Mandate as mentioned in ordinary resolution numbered 4(A) provided that such additional value shall represent up to 10% of the number of issued Shares (excluding any treasury shares) as at the date of passing the resolutions in relation to the Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares (including any sale or transfer of treasury shares out of treasury) pursuant to the Issue Mandate.

4. PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the resolution in relation to the Repurchase Mandate.

As at the Latest Practicable Date, 398,538,168 Shares have been issued and fully paid. Subject to the passing of the ordinary resolution numbered 4(B) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to exercise the power to repurchase a maximum of 39,853,816 Shares pursuant to the Repurchase Mandate.

Under the existing Listing Rules, the Company is required to cancel any Shares purchased by the Company as soon as reasonably practicable following such purchase. The Board notes that with effect from June 11, 2024, the Listing Rules will be amended to remove the requirement to cancel repurchased shares and to adopt a framework to govern the resale of treasury shares. In view of the changes to the Listing Rules, if the Company purchases any Shares pursuant to the Share Repurchase Mandate, the Company will either (i) cancel the Shares repurchased and/or (ii) hold such Shares in treasury, subject to market conditions and the Company's capital management needs at the relevant time any repurchases of Shares are made. If the Company holds any Shares in treasury, any sale or transfer of Shares in treasury will be subject to the ordinary resolution numbered 4(A) of the notice of Annual General Meeting and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

5. PROPOSED RE-APPOINTMENT OF AUDITOR

Following the recommendation of the Audit Committee, the Board proposed to re-appoint Ernst & Young as the auditor of the Company with a term expiring upon the next annual general meeting of the Company; and the Board proposed it be authorized to fix the remuneration of the auditor. An ordinary resolution in respect of the re-appointment of the auditor of the Company will be proposed at the Annual General Meeting for consideration and approval by the Shareholders.

6. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 17 to 22 of this circular is the notice of the Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider and approve the re-election of retiring Directors, the granting of the General Mandate to issue Shares and the Repurchase Mandate to repurchase Shares and the re-appointment of auditor.

7. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.starcmgroup.com). Whether or not you intend to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time fixed for holding the Annual General Meeting (i.e. not later than 11:00 a.m. on June 18, 2024) or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude Shareholders from attending and voting in person at the Annual General Meeting (or any adjournment thereof) if they so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

8. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and article 13.5 of the Articles of Association, any resolution put to the vote of the meeting shall be decided on a poll save that the chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands. Accordingly, each of the resolutions set out in the Notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid credited as fully paid Share of which he/she is the holder. A Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

LETTER FROM THE BOARD

9. CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, June 17, 2024 to Thursday, June 20, 2024, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged for registration with the Hong Kong share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, June 14, 2024.

10. 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.

11. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed for re-election) and Appendix II (Explanatory Statement) to this circular.

12. RECOMMENDATION

The Directors consider that the proposed resolutions for the re-election of Retiring Directors and the appointment of Director, the proposed granting of the Issue Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the proposed re-appointment of auditor are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

For and on behalf of the Board

STAR CM Holdings Limited

Mr. Tian Ming

Chairman, Executive Director and Chief Executive Officer

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

Mr. Xu Xiangdong (徐向東), aged 60, is an executive Director of the Company. Mr. Xu joined our Group as a deputy general manager of Canxing Culture in June 2011. Prior to joining the Group, from October 2009 to June 2011, he served as a deputy director of Dragon Television. From December 2005 to October 2009, Mr. Xu served successively as a deputy director and producer of variety programs department at Shanghai Media Group (上海文廣新聞傳媒集團) and deputy director of Dragon Television (東方衛視). Before that, he served as a scenarist and producer of Shanghai Dragon Television (上海東方電視台) from January 1996 to December 2005. Mr. Xu obtained a bachelor's degree in literature from Shanghai University (上海大學) in the PRC in July 1985.

Save as disclosed above, as at the Latest Practicable Date, Mr. Xu had not held any directorship in any other public listed companies in the last three years or any other positions with the Company or other members of the Group.

Save as disclosed above, at the Latest Practicable Date, Mr. Xu did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholder of the Company.

As at the Latest Practicable Date, Mr. Xu was deemed interested in 316,206,377 Shares, representing approximately 79.34% of the issued Shares within the meaning of Part XV of the SFO.

Mr. Xu has entered into a service contract with the Company for a term of 3 years commencing from December 29, 2022, which will be terminated by not less than three months' prior notice in writing. Mr. Xu's emoluments will be reviewed annually by the Remuneration Committee, and with reference to various factors such as duties, qualifications, performance and level of responsibilities of Mr. Xu, the Group's performance for the financial year concerned and the prevailing market conditions. In addition, Mr. Xu is entitled to a year-end bonus of a sum to be determined by the Board at its absolute discretion. For the year ended December 31, 2023, the total emoluments paid to Mr. Xu amounted to approximately RMB1,037,000.

Save as disclosed above, the Board is not aware of any other matter in relation to Mr. Xu's re-election that need to be brought to the attention of the Shareholders and any other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Mr. Sheng Wenhao (盛文灝), aged 56, is the independent non-executive Director of the Company. Mr. Sheng has been the chairman of the board and the general manager of Theland New Cloud (Shanghai) Digimart Limited (紐仕蘭新雲(上海)電子商務有限公司), a company engaged in the import of dairy products, and a director of Pengdu Agriculture & Animal Husbandry Co., Ltd. (鵬都農牧股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 002505), from June 2015 to May 2020. He also served as the vice president of Shanghai Jiaoda Onlly Co., Ltd. (上海交大昂立股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600530) until February 2015. Mr. Sheng obtained an executive master's degree in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in March 2001.

Save as disclosed above, as at the Latest Practicable Date, Mr. Sheng had not held any directorship in any other public listed companies in the last three years or any other positions with the Company or other members of the Group.

Save as disclosed above, at the Latest Practicable Date, Mr. Sheng did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholder of the Company.

As at the Latest Practicable Date, Mr. Sheng did not have any interest in any Shares within the meaning of Part XV of the SFO.

Mr. Sheng has signed an appointment letter with the Company for a term of 3 years commencing from December 29, 2022, which may be terminated by not less than three months' prior notice in writing. Mr. Sheng's emoluments are approximately RMB71,000 per annum and will be reviewed annually by the Remuneration Committee, and with reference to the prevailing market conditions, his qualifications, duties and responsibilities with the Group's business.

Save as disclosed above, the Board is not aware of any other matter in relation to Mr. Sheng's re-election that need to be brought to the attention of the Shareholders and any other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Ms. Shen Ning (沈寧), aged 46, joined the Group in 2011 and is currently the chairwoman of Mengxiang Qiangyin Culture Broadcast (Shanghai) Company Ltd. which is the artist brokerage and derivative business sector of the Group. She is mainly responsible for offline business development and team management. Before joining the Group, Ms. Shen served as the deputy director of the department of variety show of Shanghai Oriental Television (上海東方電視台). Ms. Shen received a bachelor's degree in Broadcasting and Television Playwright-directing (Art Directing) (文藝編導學士學位) from the Communication University of China (中國傳媒大學) (formerly known as the Beijing Broadcasting College (北京廣播學院)) in July 1999.

Save as disclosed above, as at the Latest Practicable Date, Ms. Shen had not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company or other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, Ms. Shen does not have any relationship with other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Ms. Shen did not have any interest in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters relating to Ms. Shen's appointment that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of issued Shares was 398,538,168 Shares of nominal value of US\$0.000001 each which have been fully paid. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 39,853,816 Shares which represent 10% of the issued Shares (excluding any treasury shares) during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the Articles of Association; or (iii) it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting.

2. REASONS FOR AND FUNDING OF SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Company to repurchase the Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Directors may not repurchase the Shares 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. Subject to the foregoing, the Directors may make repurchases with profits of the Company or out of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Companies Law, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. There could be a material adverse impact on the working capital or gearing position of our Company (as compared with the position disclosed in the audited consolidated financial statements of the Company as at December 31, 2023) if the Repurchase Mandate were to be carried out in full at any time during the share repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing position of the Company which in the opinion of the Directors, are from time to time appropriate for the Company.

3. GENERAL

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands. In addition, the Company has confirmed that neither the Explanatory Statement nor the proposed share repurchase has any unusual features.

As stated in “4. Proposed Granting of General Mandate to Repurchase Shares” in the Letter from the Board, if the Company purchases any Shares pursuant to the Share Repurchase Mandate, the Company will either (i) cancel the Shares repurchased and/or (ii) hold such Shares in treasury, subject to market conditions and the Company’s capital management needs at the relevant time any repurchases of Shares are made.

To the extent that any treasury shares are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company’s own name as treasury shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

4. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition 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, the substantial Shareholders (as defined in the Listing Rules), together with their parties acting in concert (within the meaning of the Takeovers Code) and their respective close associates, were beneficially interested in 316,206,377 Shares representing approximately 79.34% of the total number of issued Shares. In the event that the Directors exercise the Repurchase Mandate in

full in accordance with the terms of the ordinary resolution to be proposed at the annual general meeting, the interests of the substantial Shareholders, together with their parties acting in concert and their respective close associates, in the Company would be increased to approximately 88.16% of the total number of issued Shares, which will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares would be in public hands. The Company has applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules. Therefore, the public float of the Company may fall below 25% of the total issued share capital of the Company (the “**Public Float Waiver**”). For details of the Public Float Waiver, please refer to the section headed “Waivers from Strict Compliance with the Listing Rules – Waiver in respect of the Public Float Requirement” in the prospectus of the Company dated December 15, 2022.

The Directors confirm that the Repurchase Mandate will not be exercised to an extent where the total number of issued Shares in public hands will be reduced to below the minimum percentage as prescribed by the Public Float Waiver.

5. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company during the 6 months immediately preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the past 12 months preceding and up to and including the Latest Practicable Date were as follows:

Month	Highest prices <i>HK\$</i>	Lowest prices <i>HK\$</i>
2023		
April	117.50	97.00
May	125.80	80.95
June	132.00	94.20
July	129.50	98.25
August	128.00	23.35
September	33.20	24.00
October	26.90	20.15
November	30.40	22.10
December	27.25	11.50
2024		
January	11.90	6.57
February	8.43	5.71
March	8.47	6.36
April (up to the Latest Practicable Date)	7.57	3.73

7. CONFIRMATION

The Company confirms that this explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

NOTICE OF ANNUAL GENERAL MEETING



STAR CM Holdings Limited

星空華文控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6698)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of STAR CM Holdings Limited (the “**Company**”) will be held at 23/F, Canxing Building, No. 158 Longqi Road, Shanghai, China on Thursday, June 20, 2024 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company for the year ended December 31, 2023 and the reports of the directors and independent auditor thereon.
2. (a) To re-elect the following retiring directors of the Company (the “**Directors**”):
 - (1) Mr. Xu Xiangdong as executive Director; and
 - (2) Mr. Sheng Wenhao as independent non-executive Director.
- (b) To appoint Ms. Shen Ning as executive Director.
- (c) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix their remuneration for the year ending December 31, 2024.
4. To consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:
 - (A) “**That:**
 - (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to allot, issue and/or otherwise deal with additional shares of the Company (including any sale or transfer of treasury shares (which shall have the meaning ascribed to it under the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “**Stock Exchange**”) coming into effect on June 11, 2024) out

NOTICE OF ANNUAL GENERAL MEETING

of treasury) or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined hereinafter) to make or grant offers, agreements, options and awards, which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as defined hereinafter) pursuant to paragraph (i) above, otherwise than pursuant to paragraph (i) of this resolution, otherwise than pursuant to:
 - (1) any Rights Issue (as defined hereinafter);
 - (2) any issue of shares under any share scheme of the Company (if applicable) or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for shares or rights to acquire shares;
 - (3) any scrip dividend or similar arrangement providing for the allotment and issue of shares of the Company 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; or
 - (4) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of:
 - (a) 20% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) (if the Board is so authorised by resolution numbered 4(C)) the aggregate number of shares of the Company repurchased by the Company subsequent to the passing of resolution numbered 4(B) (up to a maximum equivalent to 10% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing resolution numbered 4(B)), and the approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:
- (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:–
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the memorandum and articles of association of the Company; or
 - (3) it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting; and
- (b) “**Rights Issue**” means an offer of shares of the Company or an issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares of the Company (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, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

Any reference to an allotment, issue, grant, offer or disposal of shares shall include the sale or transfer of treasury shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for shares of the Company) to the extent permitted by, and subject to the provisions of, the Listing Rules and applicable laws and regulations.

NOTICE OF ANNUAL GENERAL MEETING

(B) “That:

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to repurchase shares of the Company on the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and which is recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Listing Rules, be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of the shares to be repurchased pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the memorandum and articles of association of the Company; or
- (c) it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in this notice being passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and/or otherwise deal with new shares of the Company (including any sale or transfer of treasury shares out of treasury) and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the resolution numbered 4(A) set out in this notice be and is hereby extended by the addition to the number of the issued shares of the Company which may be allotted or agreed conditional or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the issued shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 4(B) set out in this notice, provided that such extended amount shall represent up to 10% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing of this resolution.”

By Order of the Board
STAR CM Holdings Limited
Mr. Tian Ming

Chairman, Executive Director and Chief Executive Officer

Hong Kong, April 29, 2024

Registered Office:

PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Head office in PRC:

23/F, Canxing Building
No. 158 Longqi Road
Shanghai
PRC

Principal Place of Business in Hong Kong:

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

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. The proxy does not need to be a shareholder of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
3. In order to be valid, the completed form of proxy, must be deposited at the Hong Kong share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong), at least 48 hours before the time appointed for holding the above meeting (i.e. not later than 11:00 a.m. on June 18, 2024) or any adjournment thereof (as the case may be). The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
4. The register of members of the Company will be closed from Monday, June 17, 2024 to Thursday, June 20, 2024, both days inclusive, in order to determine the eligibility of shareholders to attend the above meeting, during which period no share transfers will be registered. To be eligible to attend the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Hong Kong share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, June 14, 2024.
5. In respect of resolution numbered 2 above, Mr. Xu Xiangdong and Mr. Sheng Wenhao will retire and be eligible to stand for re-election at the Annual General Meeting and Ms. Shen Ning will be appointed as executive Director at the Annual General Meeting. Details of the above retiring Directors standing for re-election and the new director to be appointed are set out in Appendix I to the circular dated April 25, 2024 containing this notice.
6. Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.