
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your securities in Mei Ah Entertainment Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank manager, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.



美亞娛樂資訊集團有限公司
MEI AH ENTERTAINMENT GROUP LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 391)

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF THE 2024 SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Mei Ah Entertainment Group Limited to be held at Conference Room, 5/F., Mei Ah Centre, 28 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong on 27th September 2024 at 4:30 p.m. is set out on pages 37 to 41 of this circular. Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

5th September 2024

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Appendix I — Explanatory statement	16
Appendix II — Details of Directors proposed for re-election	19
Appendix III — Summary of the principal terms of the 2024 Share Option Scheme	22
Notice of the Annual General Meeting	37

DEFINITIONS

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

“2014 Share Option Scheme”	means the share option scheme adopted by the Company by resolutions of Shareholders in general meeting on 1st September 2014
“2024 Share Option Scheme”	means the new share option scheme proposed to be adopted by the Company at the AGM
“Adoption Date”	means 27th September 2024, the date on which the 2024 Share Option Scheme is expected to be conditionally adopted by the Company by resolutions of the Shareholders in the AGM
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 4:30 p.m. on 27th September 2024 or any adjournment thereof (as the case may be), the notice of which is set out on pages 37 to 41 of this circular
“Board”	the board of Directors of the Company
“Bye-laws”	the bye-laws of the Company
“close associates”	has the meaning ascribed to it under the Listing Rules
“Companies Ordinance”	means the Companies Ordinance (Cap. 622) of the Laws of Hong Kong (as may be amended from time to time)
“Company”	Mei Ah Entertainment Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Eligible Participant(s)”	any of the Employee Participant(s), Related Entity Participant(s) and Service Provider(s)
“Employee Participant”	any Director (including executive Director, non-executive Director and independent non-executive Director) or any employee (whether full-time or part-time) of the Company or any Subsidiary (including any person who is granted Options as an inducement to enter into an employment contract with the Company or any Subsidiary) and “Employee Participants” shall be construed accordingly

DEFINITIONS

“Financial Period”	a year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) in relation to which the Company’s consolidated financial statements and accounts are made up
“General Mandates”	the Repurchase Mandate and the general mandate to issue shares to be sought at the AGM
“Grantee”	any Eligible Participant who accepts an Offer in accordance with the terms of the 2024 Share Option Scheme or (where the context so permits) a person entitled to exercise any Option in consequence of the death of the original Grantee
“Grant Date”	has the meaning ascribed thereto in paragraph 7(b) of Appendix III to this circular
“Group”	the Company and its subsidiaries
“HK\$” and “cent(s)”	Hong Kong dollars and cent(s) respectively
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Kuo Hsing”	Kuo Hsing Holdings Limited, a substantial shareholder of the Company, Kuo Hsing is incorporated in the British Virgin Islands with limited liability and beneficially controlled by Mr. Li Kuo Hsing, a director and the Chairman of the Company
“Latest Practicable Date”	29th August 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company comprising Mr. Guo Yan Jun (Chairman), Mr. Li Kuo Hsing, Mr. Li Tang Yuk, Dr. Lam Lee G. and Mr. Leung Tak Sing, Dominic
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice to the AGM
“Offer”	means an offer for the grant of such Option made in accordance with the terms of the 2024 Share Option Scheme;

DEFINITIONS

“Offer Letter”	means the letter for any grant of such Option in writing (or in such form as the Board may from time to time determine), made by the Company to an Eligible Participant
“Offer Period”	has the meaning ascribed to it in paragraph 7(b) of the Appendix III to this circular
“Option”	means an option to subscribe for Shares granted under the 2014 Share Option Scheme or to be granted under the 2024 Share Option Scheme
“Option Period”	means in respect of any particular Option, a period to be determined and notified by the Board to the Grantee during which the Option may be exercised and, in any event, shall not be more than ten (10) years commencing from the date of grant of such Option and expiring on the last day of such ten (10) year period, subject to the provisions for early termination in accordance with the terms of the 2024 Share Option Scheme
“Repurchase Mandate”	the proposed new general mandate, to be sought at the AGM, to authorise the Directors to repurchase Shares in the manner as set out in the notice of the AGM
“Refreshed Service Provider Sublimit”	has the meaning ascribed thereto in paragraph 5(e) of Appendix III to this circular
“Related Entity”	any holding company, fellow subsidiary or associated company of the Company and “Related Entities” shall be construed accordingly
“Related Entity Participant”	any director or employee (whether full time or part time) of a Related Entity and “Related Entity Participants” shall be construed accordingly
“Remuneration Committee”	the remuneration committee of the Company comprising Dr. Lam Lee G. (Chairman), Mr. Guo Yan Jun and Mr. Leung Tak Sing, Dominic
“Resolution(s)”	the Ordinary Resolution(s) and/or the Special Resolution(s)
“Scheme Mandate Limit”	has the meaning ascribed to it in paragraph 5(a) of the Appendix III to this circular
“Scheme Period”	means the period commencing on the Adoption Date and ending on the tenth (10) anniversary of the Adoption Date (both dates inclusive)

DEFINITIONS

“Senior Manager”	a senior manager as disclosed in the Company’s annual report as required under paragraph 12 of Appendix D2 to the Listing Rules
“Service Provider(s)”	any person (natural person or corporate entity) who provides services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, that is, person(s) who work(s) for the Company as (i) independent suppliers; and (ii) advisers or consultants, but excluding any placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity, and provided that the Board shall have absolute discretion to determine whether or not one falls within such category
“Service Provider Sublimit”	has the meaning ascribed thereto in paragraph 5(b) of Appendix III to this circular
“SFO”	The Securities and Futures Ordinance
“Share(s)”	share(s) of HK\$0.02 each in the capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Special Business”	business other than ordinary business to be transacted at the AGM
“Special Resolution(s)”	the proposed special resolution(s) as referred to in the notice to the AGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option and shall be stated in the Offer Letter for the grant of any Option;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company
“Takeover Code”	Hong Kong Code on Takeovers and Merger
“%”	per cent

LETTER FROM THE BOARD



美亞娛樂資訊集團有限公司

MEI AH ENTERTAINMENT GROUP LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 391)

Executive Directors:

Mr. Li Kuo Hsing (*Chairman*)

Mr. Li Tang Yuk (*Managing Director*)

Dr. Dong Ming

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-Executive Directors:

Dr. Lam Lee G.

Mr. Guo Yan Jun

Mr. Leung Tak Sing, Dominic

Mr. Ma Fung Kwok

Mr. Xu Lin

Principal place of business:

5/F., Mei Ah Centre

28 Chun Choi Street

Tseung Kwan O Industrial Estate

Kowloon

Hong Kong

5th September 2024

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF THE 2024 SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING

The purpose of this circular is to give you information on matters to be dealt with at the AGM. They are: (i) grant of the General Mandates to issue and repurchase Shares; (ii) re-election of Directors; (iii) adoption of the 2024 Share Option Scheme; and (iv) the notice of the AGM.

GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

The Directors have taken the opportunity afforded by the necessity to propose a resolution to grant a general mandate to the Directors to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company in issue (excluding treasury shares, if any) as at the date of the passing of the resolution (1,184,747,705 Shares based on 20% of number of Shares in issue as at the Latest Practicable Date). An ordinary resolution will also be proposed at the AGM to grant to the Directors a general mandate to repurchase Shares not exceeding 10% of

LETTER FROM THE BOARD

the aggregate nominal amount of the issued share capital of the Company in issue (excluding treasury shares, if any) as at the date of the passing of such resolution. The general mandate granted to the Directors to allot and issue Shares is also proposed to be extended by the total nominal amount of the Shares repurchased by the Company under the Repurchase Mandate.

The Directors believe that it is in the interests of the Company and its Shareholders as a whole if the General Mandates were granted at the Annual General Meeting. The need for an issue of Shares under the general mandate to issue Shares could provide flexibility for issuing new Shares.

The Company has no plan to issue or repurchase Shares under the General Mandate (if so approved by the Shareholders at the AGM) as at the Latest Practicable Date.

In accordance with the Listing Rules, the Company is required to send to its Shareholders an explanatory statement containing all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions to approve the granting of a mandate to the Directors to exercise the powers of the Company to repurchase its own Shares. Such explanatory statement is set out in the Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with the requirements under the Bye-laws, Mr. Li Tang Yuk, Dr. Lam Lee G. and Mr. Ma Fung Kwok will retire at the AGM and, being eligible, will offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

The Nomination Committee is primarily responsible for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board as additional directors or to fill casual vacancies. The Nomination Committee identifies candidates for directorship from various channels, including but not limited to internal promotion and referral by management. The Nomination Committee may also receive nomination of candidate(s) for election as Director(s) from Shareholder(s). After the candidate(s) is identified, the Nomination Committee will consider the biographical information of the candidate(s) and evaluate the candidate(s) based on certain criteria as set out in the nomination policy of the Company to determine whether such candidate is qualified for directorship and make recommendation to the Board accordingly.

For re-election of any existing member of the Board, the Nomination Committee shall also evaluate the candidate(s) based on certain criteria as set out in the nomination policy of the Company and make recommendations to the Board for its consideration and recommendation for the candidate(s) to stand for re-election at general meeting.

The following criteria are taken into consideration in evaluating and selecting candidate(s) for directorship(s):

- character and integrity.
- qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy.

LETTER FROM THE BOARD

- requirement for the Board to have independent non-executive directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- the board diversity policy of the Company.
- such other perspectives appropriate to the Company's business.

In reviewing the structure, size and composition of the Board and in proposing individuals for re-election as Directors at the Annual General Meeting, the Nomination Committee considered the Board diversity from a number of factors, including but not limited to gender, age, cultural and educational background, professional and industry experience, skills, knowledge and time commitments. All Board appointments will be based on merit, and candidates will be considered against criteria including character and integrity, skills and experience as may be necessary for the operation of the Board as a whole, with a view to maintaining a sound balance of the Board's composition.

With reference to resolution 2(a) (ii) for the re-election of Dr. Lam Lee G. as an independent non-executive director of the Company, Dr. Lam is serving as director for six other listed companies. During the period of his directorship with the Company, he has actively participated in the Board meetings held by the Company and therefore his time committed for his director's duties is not affected. The background, experience and qualifications of Dr. Lam contribute diversity of the Board and also indicate that he can manage his time to meet the needs. Accordingly the Board believes that Dr. Lam will continue to be able to devote sufficient time as an independent non-executive director of the Company.

With reference to resolutions 2(a)(ii) and (iii) for the re-election of Dr. Lam Lee G. and Mr. Ma Fung Kwok as independent non-executive directors of the Company, the Nomination Committee and the Board have reviewed the annual written confirmations of independence of Dr. Lam Lee G. and Mr. Ma Fung Kwok and assessed their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules. Dr. Lam has served on the Board as an independent non-executive director for more than nine years. Throughout the period, he has made valuable contribution to the Company by providing his balanced and objective views to the Board. He has not held any executive or management position in the Group and accordingly there is no evidence that the independence of Dr. Lam, especially in terms of exercising independent judgment, has been or will be in any way affected by his length of service to the Company. In addition, Dr. Lam Lee G. and Mr. Ma Fung Kwok do not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company. The Nomination Committee and the Board are also not aware of any circumstance that might influence Dr. Lam Lee G. and Mr. Ma Fung Kwok in exercising independent judgement and are satisfied that they have the required character, integrity, independence and experience to fulfill the role of independent non-executive Directors and accordingly Dr. Lam Lee G. and Mr. Ma Fung Kwok are considered independent. The Nomination Committee nominated Dr. Lam Lee G. and Mr. Ma Fung Kwok to the Board for it to propose to the Shareholders for re-election at the AGM. Accordingly, the Board proposed that they stand for re-election as independent non-executive Directors at the AGM.

Dr. Lam Lee G. and Mr. Ma Fung Kwok have extensive experience in various sectors and public service. The Board believes that the skills and experiences they acquired will be beneficial to the Board with diversity of their knowledge and bring valuable contribution to the Group.

LETTER FROM THE BOARD

Having regard to the experience, skills and expertise of the retiring Directors as well as the Board's diversity policy and the nomination policy adopted by the Company, the Nomination Committee recommended re-election of the aforesaid retiring Directors to the Board. Accordingly, the Board has proposed that each of the above retiring Directors, namely Mr. Li Tang Yuk, Dr. Lam Lee G. and Mr. Ma Fung Kwok, stands for re-election as Director by way of separate resolution at the AGM.

PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME

Introduction

The 2014 Share Option Scheme was adopted by the Company on 1st September 2014 and is valid and effective for a period of 10 years from the date of adoption, i.e. until 31st August 2024. Following the Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment published by the Stock Exchange in July 2022, Chapter 17 of the Listing Rules was amended and became effective from 1st January 2023. In light of the above and in view of the 2014 Share Option Scheme which is due to expire on 31st August 2024, the Company proposes to adopt the 2024 Share Option Scheme.

Since the adoption of the 2014 Share Option Scheme, on 29th September 2014, the Company has granted a total of 72,800,000 Options to eligible participants at an exercise price of HK\$0.7 per Share. As at the Latest Practicable Date, there was no outstanding Options granted but not yet exercised or lapsed or cancelled under the 2014 Share Option Scheme and the Board has no intention of granting any further Option under the 2014 Share Option Scheme. Details of the Options are set out below.

Name or category of participants	Number of options			Balance as at the Latest Practicable Date
	Granted	Exercised	Forfeited/lapsed	
Directors				
Mr. Li Kuo Hsing	6,500,000	–	(6,500,000)	–
Mr. Li Tang Yuk	6,500,000	(1,940,000)	(4,560,000)	–
Dr. Dong Ming	6,500,000	–	(6,500,000)	–
Dr. Lam Lee G.	1,500,000	–	(1,500,000)	–
Mr. Guo Yan Jun	1,500,000	–	(1,500,000)	–
Former directors	11,000,000	(400,000)	(10,600,000)	–
Employees of				
– the Group	26,960,000	(7,484,000)	(19,476,000)	–
– An associated company	6,940,000	(2,070,000)	(4,870,000)	–
Other participants	5,400,000	(390,000)	(5,010,000)	–
	<u>72,800,000</u>	<u>(12,284,000)</u>	<u>(60,516,000)</u>	<u>–</u>

LETTER FROM THE BOARD

Adoption of the 2024 Share Option Scheme

To enable the Company to continue to grant Options to the Eligible Participants, the Board proposes to recommend to the Shareholders at the AGM to approve and adopt the 2024 Share Option Scheme. After the adoption of the 2024 Share Option Scheme and prior to any grant of Options to the Eligible Participants, the Company will apply to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the new Shares to be issued upon exercise of the Options to be granted.

A summary of the principal terms of the 2024 Share Option Scheme is set out in Appendix III to this circular.

Purpose of the 2024 Share Option Scheme

The purpose of the 2024 Share Option Scheme is set out in the section headed “1. Purpose” in Appendix III.

Conditions

The conditions for the adoption of the 2024 Share Option Scheme are set out in the section headed “2. Conditions” in Appendix III.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of the Options that may be granted under the 2024 Share Option Scheme.

Eligible Participants

The 2024 Share Option Scheme enables the Company to grant Options to the Eligible Participants including the Employee Participants, the Related Entity Participants and the Service Providers.

The Directors (including the independent non-executive Directors) are of the view that the adoption of the 2024 Share Option Scheme aligns with the market practice of providing incentives to the Employee Participants to work towards enhancing the enterprise value and achieving the long-term objectives for the benefit of the Group as a whole.

As the Related Entity Participants and Service Providers have contributed to the long-term growth of the Company’s businesses, the Board is of the view that it would be in the Company’s interests to also have the flexibility to grant Options to the Related Entity Participants and Service Providers in recognition of their contributions to the Company. The Directors (including the independent non-executive Directors) also consider that it is beneficial to include the Related Entity Participants and Service Providers since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of Options to these non-employee participants will align their interests with the Group’s interests, incentivising them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run.

LETTER FROM THE BOARD

The Board will determine the Employee Participants' eligibility in its sole discretion by considering all relevant factors as appropriate (details as set out in paragraph 3(a) of Appendix III) and take into account criteria based on the nature of the contributions made by Service Providers and Related Entity Participants before granting Option(s) to them.

The Directors (including the independent non-executive Directors) consider that, the inclusion of each of the Related Entity Participants and proposed categories of Service Providers are in line with the Company's business needs and the industry norm, and the criteria for the election of Eligible Participants and the terms of the Offer align with the purpose of the 2024 Share Option Scheme, based on the following reasons:

- (a) Although Related Entity Participants may not be directly appointed or employed by members of the Group, they are nonetheless valuable assets to the Group given their close corporate and collaborative relationships with the Group, as well as involvement in joint work projects in close connection with the Group's business. In particular, for those Related Entities in which the Group has significant interests, their growth and development would contribute to the financial performance of the Group, thereby allowing the Group to share and benefit from the positive results of these companies. As such, the Company recognizes the importance of their past or future contributions and wishes to incentivise them by including them as Eligible Participants and granting Options to them accordingly based on their performance, which may in turn further strengthen the collaboration and ties with the Group. It is therefore in the interests of the Company and the Shareholders, and is in line with the objectives of the 2024 Share Option Scheme to include the Related Entity Participants in recognition of their contributions to the Company, even though they may not be directly working as an employee or officer of the Group.

- (b) The Group collaborates with independent suppliers including copyright owners of films, film directors, artistes, advisers or consultants or other parties who/which support in the Group's principal business activities in which the Group operates from time to time on continuing or discrete projects. In particular, the Group requires substantial support from copyright owners of films and production companies to ensure continuous and efficient production and distribution of high-quality films. This category of Service Providers possesses industry-specific resources, knowledge and expertise with extensive understanding and experience of the market. They assist the Group in formulating appropriate business and product strategies and plans, carrying out the production, launch and promotion of films and enhancing its overall competitiveness, the actual or potential degree or scope of cooperation with the Group which is or likely to be beneficial to the operation of the Group's ordinary and usual course of business. It is believed that a sustainable and collaborative working relationship with these Service Providers is vital for the smooth and efficient business operation and the long-term development of the Group.

LETTER FROM THE BOARD

- (c) Taking into account that (i) there have been changes in the market practice; (ii) it is not always easy to find and engage experienced and resourceful qualified Service Providers; (iii) lengthy period of time may be required to carry out and complete a single film project; and (iv) change of Service Provider(s) during the course of project may have detrimental impact to the business, the Board considers that it is appropriate to have the flexibility in granting Options instead of cash reward or other settlement to the Service Providers since the grant of Options will offer incentives that are more long-lasting and promising than one-off payments and allow the Group to more efficiently allocate its financial resources by retaining more cash. Having their contributions recognised and their interests aligned with the Group's interests, the Service Providers will be better motivated to maintain a long term stable cooperation relationship with the Group and support the development of the Group in a sustainable manner.

Subscription Price

The Subscription Price shall be determined by the Board and notified to an Eligible Participant at the time the grant of the Option(s) is made to (and subject to acceptance by) the Eligible Participant and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Grant Date, which must be a business day (as defined in the 2024 Share Option Scheme); (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days (as defined in the 2024 Share Option Scheme) immediately preceding the Grant Date; and (c) the nominal value of the Shares. The Board considers that such basis will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

Scheme Mandate Limit and Service Provider Sublimit

The total number of Shares which may be issued in respect of all Options which may be granted under the 2024 Share Option Scheme (i.e. the Scheme Mandate Limit) is set out in the section headed "5. Maximum Number of Shares" in Appendix III.

As at the Latest Practicable Date, the number of issued Shares was 5,923,738,525 Shares. Assuming that there will be no change in the number of issued Shares between the Latest Practicable Date and the Adoption Date, (a) the total number of Shares which may be issued upon exercise of all Options to be granted under the 2024 Share Option Scheme together with all options which may be granted under any other share option scheme(s) for the time being of the Company would be 592,373,852 Shares, representing approximately 10% of the Shares in issue (excluding treasury shares, if any) as at the Adoption Date; and (b) within the Scheme Mandate Limit set out in paragraph (a), the total number of Shares that may be issued under the 2024 Share Option Scheme together with all options which may be granted under any other share option scheme(s) of the Company to the Service Providers would be no more than 177,712,155 Shares, representing no more than approximately 3% of the total number of Shares in issue (excluding treasury shares, if any) as at the Adoption Date.

LETTER FROM THE BOARD

The basis for determining the Service Provider Sublimit includes (a) the potential dilution effect arising from grants to the Service Providers; (b) the importance of striking a balance between achieving the purpose of the 2024 Share Option Scheme and protecting the Shareholders from the dilution effect from granting the Options to the Service Providers; (c) the valuable and commercially irreplaceable services provided and to be provided by the Service Providers; (d) the extent of use of Service Providers in the Group's businesses, the current payment and/or settlement arrangement with the Service Providers; (e) the business expansion and development needs of the Group, which may require further engagement of Service Providers; (f) the expected contributions to the development and growth of the Company attributable to the Service Providers; (g) there are no other share option scheme involving grant of options over new Shares; (h) the Service Providers have contributed to the long-term growth of the Company's business, and that the 2024 Share Option Scheme could provide incentives to the Service Providers which supply reliable and high quality services to the Group on a long-term basis; and (i) the Company expects that more Options will be granted to the Service Providers in the future due to changes in the market practice. Given the above, the Board considers that the Service Provider Sublimit is appropriate and reasonable and would not lead to an excessive dilution of shareholding of the existing Shareholders.

The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM.

Vesting Period

The Vesting Period of the Options is set out in the section headed "10. Vesting period" in Appendix III which shall not be shorter than 12 months from the date of acceptance of the Offer. The same section also sets out circumstances in which the Board may grant Options with a Vesting Period shorter than 12 months.

It is considered that by having the flexibility of having a shorter Vesting Period in accordance with the circumstances provided under the section headed "10. Vesting Period" in Appendix III, the Group will be in a better position to attract and retain such Eligible Participants to continue serving the Group whilst at the same time providing them with further incentives in achieving the goals of the Group, and thereby, to achieve the purpose of the 2024 Share Option Scheme. Hence, the Board and the Remuneration Committee are of the view that the shorter Vesting Period prescribed in the section headed "10. Vesting Period" in Appendix III is in line with the market practice and is appropriate and aligns with the purpose of the 2024 Share Option Scheme.

Performance Targets and Clawback Mechanism

Under the 2024 Share Option Scheme, the Board may, in its sole and absolute discretion, specify the performance targets in respect of each Offer that must be duly fulfilled by the Grantee before the Option may be vested to such Grantee under such Offer, such performance targets shall include, among other things, financial targets and management targets which shall be determined based on the (a) individual performance, (b) performance of the Group and/or (c) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee. The Board believes that this will provide the Board with more flexibility in setting out the terms and conditions of the Options under particular circumstances of each grant and facilitate the Board to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group.

LETTER FROM THE BOARD

The Directors consider that it is not practicable to expressly set out when Options may be granted without performance targets before assessing the individual circumstances of the Eligible Participants as and when they are granted Options. Options may be granted to Eligible Participants without performance targets, including but not limited to, where the Directors are of the view that additional performance target is not necessary in light of the actual circumstances of the particular Eligible Participant and such arrangement is aligned with the terms and purpose of the 2024 Share Option Scheme to increase the Eligible Participant's loyalty to the Group and incentivize the Eligible Participant to work towards enhancing the value for the benefit of the Group.

The Board also believes that it is not practicable or beneficial to expressly set out a generic set of performance targets in the 2024 Share Option Scheme, as each Eligible Participant will play different roles and contribute different ways and values to the Group. The Board considers it more beneficial to the Company to retain flexibility in setting out the terms and conditions of the Options under particular circumstances of each grant and as such, would facilitate the Board to offer suitable incentives to attract and retain quality professionals that are valuable to the development of the Group, which aligns with the purpose of the 2024 Share Option Scheme.

The provisions of the 2024 Share Option Scheme provides for an automatic lapse of Option as clawback mechanism where, as set out in paragraph 20(e) of Appendix III, the right to exercise an Option shall lapse automatically on the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment, directorship, appointment or engagement on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or contracts or agreements of the Grantee with the Company or the relevant Subsidiary or Related Entity for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment or office at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant Subsidiary or Related Entity.

Unless otherwise determined by the Board pursuant to the rules of the 2024 Share Option Scheme and stated in the relevant Offer and subject to the above clawback mechanism, there is neither any performance target which must be achieved before an Option can be exercised nor any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

As advised by the legal advisers to the Company as to Hong Kong laws, the Company understands that the adoption of the 2024 Share Option Scheme would not constitute an offer of shares or debentures to the public under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) ("**Companies (WUMP) Ordinance**") and therefore the prospectus requirements under the Companies (WUMP) Ordinance are not applicable to the adoption of the 2024 Share Option Scheme. The Company will continue to observe the requirements under the Companies (WUMP) Ordinance and

LETTER FROM THE BOARD

ensure any grant of Options under the 2024 Share Option Scheme does not constitute an offer of shares or debentures to the public under the Companies (WUMP) Ordinance or will qualify under the exemption thereof.

General

As at the Latest Practicable Date:

- (a) the Company has not engaged any trustee for administration of the 2024 Share Option Scheme. If the Company is to engage any trustee in the future, such trustee will not be a Director and no Director will have any direct or indirect interest in the trustee. Such trustee will also be independent of the Company and its connected persons in accordance with the Listing Rules. The trustee (if so appointed) holding unvested shares of the 2024 Share Option Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (b) the Company does not have any share option scheme or share award scheme other than the 2014 Share Option Scheme;
- (c) the Board has no present intention to grant Options to any Eligible Participants under the 2024 Share Option Scheme after its adoption;
- (d) the Board does not have any intention to grant any Option to the eligible participants under the 2014 Share Option Scheme up to its expiry on 31st August 2024;
- (e) the Company has no intention to use treasury shares, if any, for the 2024 Share Option Scheme; and
- (f) to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2024 Share Option Scheme and no Shareholder is required to abstain from voting on the resolution in relation thereto.

Documents on Display

A copy of the 2024 Share Option Scheme will be displayed on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.meiah.com.hk>) for a period of not less than 14 days before the date of the AGM, and will also be available for inspection at the AGM.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll, except where the chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly all resolutions to be proposed at the AGM shall be voted by poll.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 37 to 41 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person if you so wish.

RESPONSIBILITY STATEMENT

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 document 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 document misleading.

RECOMMENDATION

The Directors are of the opinion that the proposals for the General Mandates to issue and to repurchase the Shares; the re-election of the Directors and the adoption of the 2024 Share Option Scheme and the Service Provider Sublimit, are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of
Mei Ah Entertainment Group Limited
Li Kuo Hsing
Chairman

GENERAL MANDATES

This is an explanatory statement given to the Shareholders relating to a resolution authorising the Company to repurchase its own Shares proposed to be passed by the Shareholders by means of an ordinary resolution at the AGM.

This explanatory statement contains a summary of the information required pursuant to Rule 10.06(1) (b) of the Listing Rules which is set out as follows:

- as at the Latest Practicable Date, there were a total of 5,923,738,525 Shares in issue;
- assuming that no further Shares is issued or repurchased between the Latest Practicable Date and the date of AGM, there will be 5,923,738,525 Shares and exercise in full of the Repurchase Mandate would result in up to a maximum of 592,373,852 Shares (representing 10% of the issued share capital of the Company (excluding treasury shares, if any) at the date of passing the resolution) being repurchased by the Company during the relevant period referred to in ordinary resolution numbered 4 of the notice of the AGM;
- the Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Directors to purchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders;
- in repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-laws and the laws of Bermuda. Under Bermuda law, repurchases may only be effected out of the capital paid up on the purchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of securities made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account;
- the Directors consider the repurchase of Shares in full at any time during the proposed repurchase period may have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the Company's annual report for the year ended 31st March 2024, 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 the gearing position which in the opinion of the Directors are from time to time appropriate for the Company;
- none of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries;

- the Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda;
- the Company had not purchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the Latest Practicable Date;
- No connected persons, being the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or the associates of any of them, has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders;
- it is intended that any Shares which are repurchased by the Company will be cancelled; and
- neither this explanatory statement nor the proposed share repurchase has any unusual features.

GENERAL

If as a result of a share repurchase by the Company, a proportionate interest in the voting rights of the Company held by a Shareholder increases, such increase will be treated as an acquisition for the purpose of the Takeover Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code. If the Company were to repurchase Shares up to the permitted maximum of 10% of the issued share capital of the Company, such parties may together with any other parties acting in concert with them become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, Kuo Hsing Holdings Limited, Mr. Li Kuo Hsing and Ms. Li Pik Lin, spouse of Mr. Li Kuo Hsing, which are acting in concert, beneficially held 3,337,568,800 Shares in aggregate, representing approximately 56.34% of the issued share capital of the Company within the meaning of Part XV of the SFO. On the basis that no further Shares are issued or repurchased and in the event that the Repurchase Mandate is exercised in full, the shareholding of Kuo Hsing Holdings Limited, Mr. Li Kuo Hsing and Ms. Li Pik Lin in aggregate would be increased to approximately 62.60% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
August	0.188	0.161
September	0.170	0.126
October	0.180	0.145
November	0.200	0.156
December	0.179	0.150
2024		
January	0.175	0.116
February	0.144	0.120
March	0.161	0.115
April	0.163	0.118
May	0.129	0.088
June	0.120	0.105
July	0.140	0.105
August (up to the Latest Practicable Date)	0.154	0.111

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The following are details of Mr. Li Tang Yuk, Dr. Lam Lee G. and Mr. Ma Fung Kwok who will retire at the AGM and being eligible, offer themselves for re-election.

Mr. Li Tang Yuk, aged 39, joined the Group in 2008 and appointed as an executive director of the Company in May 2014. He has been appointed as the Chief Executive Officer of the Company with effect from 31st March 2020. He holds a Bachelor of Business Administration (Honours) from Chu Hai College of Higher Education. He is presently a member of the 12th Committee of Ningxia Hui Autonomous Region of the Chinese People's Political Consultative Conference. He is the eldest son of Mr. Li Kuo Hsing, the Chairman of the Company.

As at the Latest Practicable Date, Mr. Li Tang Yuk beneficially held 1,940,000 Shares of the Company, representing 55.99% of the issued share capital of the Company.

During the year ended 31st March 2024, the emolument received by Mr. Li Tang Yuk amounted to HK\$1,218,000. For the upcoming year, Mr. Li Tang Yuk is entitled to a proposed monthly emolument of HK\$104,500 and a discretionary bonus (if any) to be decided by the Board.

Dr. Lam Lee G., aged 65, was appointed as an independent non-executive director of the Company on 1st February 2007. Dr. Lam has extensive international experience in general management, strategy consulting, corporate governance, policy advocacy, direct investment, investment banking and asset management. He served as the Chairman of Hong Kong Cyberport, a member of the Chief Executive's Policy Unit Expert Group, the Committee on Innovation, Technology and Re-Industrialization and the Development Bureau Common Spatial Data Advisory Committee of the Hong Kong Special Administrative Region (HKSAR) Government, and Convenor of the Panel of Advisors on Building Management Disputes of the Home Affairs Department, the Sir Murray MacLehose Trust Fund Investment Advisory Committee, and a Part-time Member of the Central Policy Unit of the HKSAR Government. Dr. Lam is a member of the Green Technology and Finance Development Committee and the Governance Committee of the Hong Kong Growth Portfolio of the HKSAR Government. He is also a member of the Belt and Road and Greater Bay Area Committee of the Hong Kong Trade Development Council, Advisor to Our Hong Kong Foundation, Chair of the United Nations ESCAP Sustainable Business Network, and a member of the Board of Directors and Chairman of the Permanent Commission on Economic and Financial Issues of the World Union of Small and Medium Enterprises.

Dr. Lam is also an independent non-executive director of each of Hang Pin Living Technology Company Limited (Stock Code: 1682), RENHENG Enterprise Holdings Limited (Stock Code: 3628), and Sinohope Technology Holdings Limited (Stock Code: 1611); and a non-executive director of Mingfa Group (International) Company Limited (Stock Code: 846, he was re-designated from independent non-executive director on 23 April 2020), the shares of all of which are listed on the Stock Exchange. He is also an independent non-executive director of Asia-Pacific Strategic Investments Limited (Stock Code: 5RA), the shares of which are listed on the Singapore Exchange and an independent non-executive director of AustChina Holdings Limited (Stock Code: AUH), whose shares are listed on the Australian Securities Exchange.

In the past three years, Dr. Lam was an executive director of USPACE Technology Group Limited (Stock Code: 1725, FKA Hong Kong Aerospace Technology Group Limited, he was re-designated from non-executive director on 3rd January 2022) up to May 2024, a non-executive director of Sunwah Kingsway

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Capital Holdings Limited (Stock Code: 188) and China Hong Kong Power Smart Energy Group Limited (FKA China LNG Group Limited, Stock Code: 931) both up to February 2024, National Arts Group Holdings Limited (Stock Code: 8228) up to July 2022, and Tianda Pharmaceuticals Limited (Stock Code: 455) up to August 2021. He was also an independent non-executive director of Greenland Hong Kong Holdings Limited (Stock Code: 337) up to May 2024, Kidsland International Holdings Limited (Stock Code: 2122) up to April 2024, Huarong International Financial Holdings Limited (Stock Code: 993) and CSI Properties Limited (Stock Code: 497) both up to March 2024, Vongroup Limited (Stock Code: 318), MOS House Group Limited (Stock Code: 1653) and Elife Holdings Limited (Stock Code: 223) up to February 2024, Haitong Securities Company Limited (Stock Code: 6837, also listed on the Shanghai Stock Exchange Stock Code: 600837) up to October 2023, and Aurum Pacific (China) Group Limited (Stock Code: 8148) up to March 2021, the shares of all of which are listed on the Stock Exchange. He was a non-executive director of Jade Road Investments Limited (Stock Code: JADE, listed on the London Securities Exchange) up to 8th July 2024, an independent non-executive director of each of TMC Life Sciences Berhad (Stock Code: 0101, listed on the Bursa Malaysia) up to May 2023, Thomson Medical Group Limited (Stock Code: A50) and Alset International Limited (Stock Code: 40V, re-designated from non-executive director on 2nd July 2020), both up to November 2023, Beverly JCG Ltd. (Stock Code: VFP) up to April 2023, and Top Global Limited (Stock Code: BHO) up to August 2021 (the shares of all of which are listed on the Singapore Exchange), and Sunwah International Limited (Stock Code: SWH, listed on the Toronto Stock Exchange) up to June 2021.

During the year ended 31st March 2024, Dr. Lam Lee G. received director's fees of HK\$80,000. For the upcoming year, Dr. Lam is entitled to a proposed annual fee of HK\$80,000.

Mr. Ma Fung Kwok, aged 69, was appointed as an independent non-executive director of the Company with effect from 1st October 2021. Mr. Ma is a member of the Legislative Council of Hong Kong. Mr. Ma has extensive experience in the film industry and culture, and has been keen to participate in Hong Kong's cultural and artistic affairs. He is a former chairman of the Hong Kong Film Development Council and the Hong Kong Arts Development Council. In 2020 and 2004, Mr. Ma was awarded the Gold Bauhinia Star and the Silver Bauhinia Star by the Hong Kong SAR Government respectively in recognition of his outstanding performance in public and social services. Mr. Ma is currently a Hong Kong deputy to the National People's Congress of the People's Republic of China.

During the precious three years, Mr. Ma Fung Kwok was also an independent non-executive director of Zhaobangji Properties Holdings Limited up to 29th September 2021.

During the year ended 31st March 2024, Mr. Ma Fung Kwok received director's fees of HK\$80,000. For the upcoming year, Mr. Ma is entitled to a proposed annual fee of HK\$80,000.

Other than disclosed above, the Directors proposed for re-election do not have any relationship with other directors, senior management or substantial or controlling shareholders of the Company, have not hold any major positions and directorships in other listed public companies in the past three years and do not have any interest in Shares within the meaning of Part XV of the SFO. There is no service contract entered into between the Company and the Directors proposed for re-election and no other forms of bonus entitlements were received by the Directors proposed for re-election. The fees and emoluments of the Directors proposed for re-election were determined by the Board with reference to their time and effort,

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

duties and responsibility to the Group and the prevailing market conditions. The Directors proposed for re-election are subject to retirement by rotation in accordance with the Bye-laws of the Company and the requirements under the Listing Rules.

Other than those disclosed above, there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(a) to (x) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of the re-election of the Directors proposed for re-election.

The following is a summary of the principal terms of the 2024 Share Option Scheme:

1. PURPOSE

The purpose of the 2024 Share Option Scheme is to enable the Group to motivate the Eligible Participants to optimize their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the Eligible Participants whose contributions are or will be beneficial to the growth of the Group.

2. CONDITIONS

The 2024 Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve and adopt the 2024 Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, on the Stock Exchange any Shares which may fall to be allotted and issued pursuant to the exercise of Options that may be granted under the 2024 Share Option Scheme.

3. ELIGIBLE PARTICIPANTS

The eligibility of each of the Eligible Participants shall be determined by the Board from time to time and on a case-by-case basis. Generally:

- (a) with regard to Employee Participants, the Board will consider, among other things, (i) the performance; (ii) the time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standards; (iii) the length of employment or office with the Group; and (iv) the contributions or potential contributions to the prosperity, development and growth of the Group;
- (b) with regard to Related Entity Participants, the Board will consider, among other things, (i) the period of engagement or employment of the Related Entity Participant by the Group; (ii) their participation and contributions to the development of the Group; and (iii) the extent of benefits and synergies brought to the Group;
- (c) with regard to Service Providers, the Board will take into account the criteria of (a) the individual performance of the Service Providers; (b) the frequency of collaboration and the length of business relationship with the Group; (c) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (d) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; (e) the scale of business dealings and/or collaboration with the

Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Providers; and (f) the actual contribution or potential contribution towards the long-term development and success of the Group.

Further to the above criteria, set out below is the detailed basis of determining the eligibility of each category of the Service Providers:

Category of Service Providers	Contribution of the Service Providers	Criteria for determining eligibility under the 2024 Share Option Scheme
Independent suppliers	<p>Independent suppliers under this category are third-party suppliers including of copyright owners of films, film directors, artistes or other parties who/which support the production of films and other principal activities of the Group on a regular or recurring basis.</p> <p>The Group considers that it is important to maintain an ongoing collaborative relationship with the independent suppliers as the Group may from time to time require their contribution and services for the Group to carry out its business activities. It would also be beneficial to the collaboration between the Group and the Service Provider if the Company grants such Service Providers proprietary ownership in the Company, which encourages the Service Provider to have a vested shareholding interest in the Group and the Group's future development and maintain a stable supply chain.</p>	<p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of such Service Providers, including:</p> <ul style="list-style-type: none"> (a) the benefits and strategic value brought by the Service Providers to the Group's development and future prospects in terms of the profits and/ or income attributable to the Service Providers' collaboration with the Group; and (b) the business opportunities and external connections that the Service Providers have introduced or will potentially introduce to the Group.
Advisers or consultants	<p>Advisers and consultants under this category would be individuals and/or businesses which provide, on a regular or recurring basis, advisory services and consultancy services, to the Group on areas relating to the Group's principal business activities or the Group's business strategy, human resources and marketing activities.</p> <p>The Group may seek advisory services and consultancy services from consultants or advisers with the expertise, professional qualifications and industry experience, which can bring positive impacts or strategic benefits to the Group's business growth and development in light of the Group's business plan from time to time. Granting performance rewards in the form of Options to such Service Providers will motivate them to continuously devote resources towards the Group and serves to bind their interests with the Group's interests in the long term.</p>	<p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of such Service Providers, including:</p> <ul style="list-style-type: none"> (a) the expertise, professional qualifications and industry experience of the Service Providers; (b) the prevailing market fees chargeable by other services providers; (c) the Group's period of engagement of or collaboration with the Service Providers; and (d) the Service Providers' actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.

In assessing whether a Service Provider provides services to the Group on a continuing and recurring basis, the Board will take into account factors such as: (i) the duration and nature of products or services provided to the Group, and the recurrence and regularity of such products or services; (ii) the length of engagement of the Service Provider; (iii) the selection criteria against comparable metrics used to determine other Eligible Participants who have been granted Options under the 2024 Share Option Scheme; and (iv) the Group's objectives in engaging the Service Provider and how granting Options to the Service Provider would align with the purpose of the 2024 Share Option Scheme or benefit the Group and its Shareholders.

In assessing whether a Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board will take into account factors such as the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.

The qualified Service Providers shall directly contribute to the long-term growth of the Group's business by providing services that are of a continuing and recurring nature in the ordinary and usual course of the Group's business. In particular, they shall be closely connected to and crucial to the Group's operations.

4. SUBSCRIPTION PRICE

The Subscription Price shall be determined by the Board and notified to an Eligible Participant at the time the grant of the Option(s) (subject to any adjustments made pursuant paragraph 19 below) is made to (and subject to acceptance by) the Eligible Participant and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Grant Date, which must be a business day (as defined in the 2024 Share Option Scheme); (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days (as defined in the 2024 Share Option Scheme) immediately preceding the Grant Date; and (c) the nominal value of the Shares.

5. MAXIMUM NUMBER OF SHARES

- (a) The total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company must not, in aggregate, exceed ten per cent (10%) of the total number of Shares in issue (excluding treasury shares, if any) as at the Adoption Date (the "**Scheme Mandate Limit**") unless Shareholders' approval has been obtained pursuant to paragraphs 5(d) and (e) or (f) below. Options lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share option scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- (b) Subject to paragraph 5(c) below, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company to the Service Providers must not, in aggregate, exceed three per cent (3%) of the total number of Shares in issue (excluding treasury shares, if any) as at the Adoption Date (the "**Service**

Provider Sublimit”) unless Shareholders’ approval has been obtained pursuant to paragraphs 5(d) and (e) or (f) below. Options lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share option scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.

- (c) Notwithstanding any other provisions of the 2024 Share Option Scheme, the Service Provider Sublimit is subject to approval by the Shareholders in general meeting. If on the Adoption Date the adoption of the 2024 Share Option Scheme is approved by the Shareholders in general meeting but the Service Provider Sublimit is not so approved by the Shareholders, no Option shall be granted to any Service Provider and the Service Provider Sublimit shall be deemed to be nil Share, and the provisions of the 2024 Share Option Scheme shall be construed accordingly, unless and until a sublimit on the total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company to the Service Providers is subsequently approved by the Shareholders in general meeting, in which case the Service Provider Sublimit shall be deemed to be the sublimit so approved by the Shareholders with effect from the date of such approval, and the provisions of the 2024 Share Option Scheme shall be construed accordingly.
- (d) The Company may seek approval by the Shareholders in general meeting for “refreshing” the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from date of the Shareholders’ approval for the last refreshment (or the Adoption Date). Any “refreshment” within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under paragraphs 5(d)(i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- (e) The total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company under the Scheme Mandate Limit and the Service Provider Sublimit

as “refreshed” must not, in aggregate, exceed ten per cent (10%) and three per cent (3%) of the total number of Shares in issue (excluding treasury shares, if any) as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Scheme Mandate Limit**”) and the refreshed Service Provider Sublimit (the “**Refreshed Service Provider Sublimit**”) respectively. The Company must send a circular to the Shareholders containing the number of Options that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the “refreshment”.

- (f) The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit, the Service Provider Sublimit or the Refreshed Service Provider Sublimit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number, and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant must be fixed before the Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price under paragraph 4 above.
- (g) If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options to be granted under all of the schemes of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole Share.

6. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of Options is proposed to be made to an Eligible Participant which, if accepted and exercised in full, would result in the total number of Shares issued and which may fall to be issued upon the exercise of such Options proposed to be granted under the 2024 Share Option Scheme and all options granted under any other share option scheme(s) of the Company to such Eligible Participant (excluding any options lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share option scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over one per cent (1%) of the total number of Shares in issue (excluding treasury shares, if any) as at the date of such grant (the “**1% Individual Limit**”), such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. A circular must be sent by the Company to the Shareholders disclosing the identity of the Eligible Participant, the number, and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the

purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price under paragraph 4 above.

7. GRANT AND ACCEPTANCE OF OPTIONS

- (a) On and subject to the terms of the 2024 Share Option Scheme, the Board shall be entitled at any time and from time to time during the Scheme Period to grant to any Eligible Participant an Option to subscribe for such number of Shares (as may be permitted under the terms of the 2024 Share Option Scheme) as the Board may determine at the Subscription Price, subject to such terms and conditions (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participant in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the 2024 Share Option Scheme, and that no such grants shall be made except to such number of Eligible Participants and in such circumstances that the Company will not be required under the applicable securities laws and regulations to issue a prospectus or other offer document in respect thereof, and will not result in the breach by the Company or the Directors of any applicable securities laws and regulations or in any filing or other requirements arising.
- (b) An Offer shall be made to an Eligible Participant by letter (the date of which shall be deemed to be the date on which the grant of an Option (subject to acceptance by the Eligible Participant) is made (the "**Grant Date**")) in such form as the Board may from time to time determine specifying, inter alia, the number of Shares comprised in and the Option Period in respect of the relevant Option and the Subscription Price and the Vesting Period and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and bound by the provisions of the 2024 Share Option Scheme. The Offer shall be personal to the Eligible Participant concerned and shall not be transferable or assignable and shall remain open for acceptance by the Eligible Participant for a period as stated in the Offer Letter (the "**Offer Period**"), provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the 2024 Share Option Scheme has been terminated (if applicable).
- (c) An Option shall be deemed to have been accepted when the duplicate of the offer letter, comprising acceptance of the Option, duly signed and dated by the Eligible Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within the period referred to in paragraph 7(b) above. The said remittance shall in no circumstances be refundable.

- (d) The Board may not grant any Option to any Eligible Participant if the Grant Date in respect of that Option occurs:
 - (i) after any inside information has come to its knowledge of the Board and/or the Company until (and including) the trading day after such inside information has been announced; and
 - (ii) within the period commencing 30 days immediately before the earlier of: (A) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any Financial Period; and (B) the deadline for the Company to announce its results for any Financial Period, and ending on the date of such results announcement provided that the period within which no Option may be granted will cover any period of delay in the publication of the results announcement.

8. GRANT OF OPTIONS TO CONNECTED PERSONS

- (a) Where any Offer is proposed to be made to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, such grant must first be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Options).
- (b) Where any Offer is proposed to be made to an Eligible Participant who is a substantial shareholder or an independent non-executive Director, or any of their respective associates, which would result in the Shares issued and to be issued in respect of all options granted (excluding any Options lapsed in accordance with the terms of the 2024 Share Option Scheme) to such person under the 2024 Share Option Scheme and any other share option scheme(s) of the Company in the 12-month period up to and including the proposed Grant Date for such Options representing in aggregate over 0.1 per cent. (0.1%) of the number of Shares then in issue (excluding treasury shares, if any), such grant of Options must first be approved by the Shareholders in general meeting at which meeting the proposed Grantee and his associates and all the core connected persons of the Company shall abstain from voting on the relevant resolution, except that any such connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules.
- (c) Any proposed change in the terms of Options granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must first be approved by the Shareholders in general meeting in the manner as set out in Rule 17.04(4) of the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the 2024 Share Option Scheme). At the meeting of the Shareholders, the relevant Grantee, his/her associates and all the core connected persons of the Company shall abstain from voting on the relevant resolution, except that any such core connected person may vote against the relevant

resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules. Any vote taken at the meeting to approve the proposed change to the terms of such Options must be taken by poll.

- (d) The circular to be issued by the Company to the Shareholders pursuant to paragraphs 8(b) and 8(c) above shall contain the following information:
 - (i) the details of the number and terms (including the Subscription Price) of the Options to be granted to each selected Eligible Participant (which must be fixed before the Shareholders' meeting) and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the Subscription Price of such Options;
 - (ii) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options) to the independent Shareholders as to whether the terms of the grant of Options are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation as to voting;
 - (iii) the information required under Rule 17.02(2)(c) of the Listing Rules;
 - (iv) the information required under Rule 2.17 of the Listing Rules; and
 - (v) any other information as may be required under the Listing Rules from time to time.

9. EXERCISE AND TRANSFERABILITY OF OPTIONS

- (a) The period within which the Shares must be taken up under an Option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant Option.

Subject to the terms and conditions of the grant, an Option may be exercised in whole or in part by the Grantee (or, as the case may be, by his legal personal representative(s)) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given.

- (b) An Option shall be personal to the Grantee and shall not be transferrable or assignable and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option or purport to do any of the foregoing, unless a waiver is granted by the Stock Exchange. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

10. VESTING PERIOD

The Vesting Period in respect of any Option granted to any Eligible Participant shall not be shorter than twelve (12) months from the date of the acceptance of the Offer (the “**Vesting Period**”), provided that where the Eligible Participant who is: (a) an Employee Participant who is a Director or a Senior Manager, the Remuneration Committee may, or (b) an Employee Participant who is not a Director or a Senior Manager, the Board may, in its absolute discretion, determine a shorter Vesting Period under the following specific circumstances:

- (i) grants of “make-whole” Options to new joiners to replace options such Employee Participant forfeited when leaving his previous employer;
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event; and
- (iii) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

11. PERFORMANCE TARGETS AND CLAWBACK MECHANISM

Subject to all applicable laws, rules and regulations, the Board may, in its sole and absolute discretion, specify the performance targets in respect of each Offer that must be duly fulfilled by the Grantee before the Option may be vested to such Grantee under such Offer, such performance targets shall include, among other things, financial targets and management targets which shall be determined based on the (a) individual performance, (b) performance of the Group and/or (c) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee. The Option granted will lapse automatically in accordance with paragraph 20(g) below if the relevant Grantee fails to meet the performance targets. For the avoidance of doubt, an Option shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Offer.

Unless otherwise determined by the Board pursuant to paragraph 7(a) above and stated in the relevant Offer and subject to the clawback mechanism as set out in paragraph 20(e) below, there is neither any performance target which must be achieved before an Option can be exercised nor any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company’s financial statements or other circumstances.

12. RIGHTS ON CEASING EMPLOYMENT

In the event of the Grantee ceasing to be an Eligible Participant for any reason, other than his/her death, ill health, disability or insanity or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in paragraph 20(e) below, then the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent vested but not already exercised) until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of one month (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual day of employment, appointment or engagement with the

Company or the relevant Subsidiary or Related Entity, as the case may be, whether payment in lieu of notice is made or not (if applicable), in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s).

13. RIGHTS ON DEATH

In the event of the Grantee (being an individual) ceasing to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment or office specified in paragraph 20(e) below has occurred, the legal personal representative(s) of such Grantee shall be entitled until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of three months after the issue of the probate or the letter of administration of the Grantee, as the case may be, (or such longer period as the Board may determine) to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option.

14. RIGHTS ON ILL HEALTH, DISABILITY AND INSANITY

In the event of the Grantee (being an individual) ceasing to be an Eligible Participant by reason of ill health, disability or insanity and none of the events which would be a ground for termination of his employment or office specified in paragraph 20(e) below has occurred, such Grantee or the legal personal representative(s) of that Grantee shall be entitled until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of six (6) months (or such longer period as the Board may determine) from the date of cessation which date shall be the last actual day of employment, appointment or engagement with the Company or the relevant Subsidiary or Related Entity, as the case may be, whether payment in lieu of notice is made or not (if applicable), in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s) to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option.

15. RIGHTS ON TAKEOVER

If a general offer to acquire shares (whether by takeover offer, merger, privatisation proposal by scheme of arrangement between the Company and its members or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Grantee (or his legal personal representative(s)) shall be entitled to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option at any time until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of fourteen (14) days after the date on which the offer becomes or is declared unconditional, after which the Option shall lapse.

16. RIGHTS ON WINDING UP OF THE COMPANY

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as or as soon as practicable after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph 16 and thereupon, each Grantee (or his legal representative(s)) shall be entitled to exercise all or any of his Options (to the extent of vested but not already exercised Options) at any time not later than two (2) business days (as defined in the 2024 Share Option Scheme) prior to the record date for ascertaining entitlements to attend and vote at the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the record date in ascertaining entitlements to attend and vote at the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

17. RIGHTS ON COMPROMISE AND ARRANGEMENT

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and the Shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to the Shareholders or creditors to consider such scheme or arrangement, and thereupon any Grantee may forthwith and until the expiry of the period commencing with such date and ending with the earlier the date falling two (2) calendar months thereafter or the date on which such compromise or arrangement is sanctioned by the court be entitled to exercise his Option (to the extent vested but not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective. The Company may thereafter require such Grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his Option so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement. Subject thereto, all Options (whether vested or unvested) then outstanding shall lapse and determine on the date the proposed compromise or arrangement becomes effective.

18. RIGHTS ON WINDING UP OF A GRANTEE

If a Grantee (being a corporation):

- (a) commences winding up by whatever means, whether voluntarily or not; or
- (b) suffers a change in its constitution, management, directors, shareholding or beneficial ownership which in the opinion of the Board is material,

the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the Grantee or on the date of notification by the Company that the said change in constitution, management, directors, shareholding or beneficial ownership is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part

thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the Grantee's Option has lapsed by reason of material change in the constitution, management, directors, shareholding or beneficial ownership as aforesaid shall be final and conclusive.

19. EFFECTS OF ALTERATION TO CAPITAL

In the event of any capitalisation issue, rights issue, consolidation or sub-division of Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party) whilst an Option remains outstanding (i.e., in that it is granted and not yet exercised, but has not lapsed or been cancelled), corresponding adjustments (if any) shall be made in:

- (a) the number of Shares to which the 2024 Share Option Scheme or any Options relates (including the number of Shares in respect of which any further Options may be granted within the 1% Individual Limit and/or the Scheme Mandate Limit and/or the Service Provider Sublimit); and
- (b) the Subscription Price in relation to each outstanding Option.

provided that any such adjustments shall be made (i) such that the proportion of the issued share capital of the Company to which an Option entitles the Grantee to subscribe after such adjustment must be the same (rounded to the nearest whole Share) as that to which the Option entitled the Grantee to subscribe immediately before such adjustment; and (ii) on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such adjustment shall be made to the extent that the effect of such adjustment would be to enable any Share to be issued at less than its nominal value. In respect of any adjustment required by this paragraph 19, other than any made on a capitalisation issue, an independent financial adviser or the auditors for the time being of the Company must also confirm to the Board in writing that the adjustments satisfy the foregoing proviso.

20. LAPSE OF OPTIONS

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

- (a) the expiry of the Option Period;
- (b) the expiry of any of the other periods referred to in paragraphs 12, 13, 14, 15, 16, 17 or 18 above;
- (c) subject to paragraph 16 above, the earliest of the close of business on the second business day (as defined in the 2024 Share Option Scheme) prior to the record date for ascertaining entitlements to attend and vote at the general meeting referred to in paragraph 16 above or the date of the commencement of the winding-up of the Company;

- (d) save as otherwise provided in paragraph 15 above or by the court in relation to the scheme in question, upon the sanctioning pursuant to the Companies Act by the Supreme Court of Bermuda of a compromise or arrangement between the Company and its members or creditors for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (e) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment, directorship, appointment or engagement on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or contracts or agreements of the Grantee with the Company or the relevant Subsidiary or Related Entity for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his/her employment or office at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant Subsidiary or Related Entity. A resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity to the effect that the employment, directorship, appointment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 20(e) shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s);
- (f) the date on which the resignation of the Grantee is received by the Company or the relevant Subsidiary or Related Entity (as the case may be);
- (g) if an Option was granted subject to certain conditions, restrictions or limitations, the date on which the Board resolves that the Grantee has failed to satisfy or comply with such conditions, restrictions or limitations; or
- (h) the occurrence of such event or expiry of such period as may have been specifically provided for in the letter in respect of the grant of an Option, if any.

21. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment or, if that date falls on a business day (as defined in the 2024 Share Option Scheme) when the register of members of the Company is closed, the first business day (as defined in the 2024 Share Option Scheme) of the reopening of the register of members and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of

members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment, or, if later, before the date of registration of the allotment in the register of members of the Company.

22. CANCELLATION OF OPTIONS

Any Option granted but not exercised may not be cancelled except with the written consent of the relevant Grantee and the prior approval of the Board. Where the Company cancels Options and makes a new grant of Options to the same Grantee, such new grant of Options may only be made under the 2024 Share Option Scheme with available scheme mandate within the Scheme Mandate Limit and Service Provider Sublimit.

Options cancelled in accordance with the terms of the 2024 Share Option Scheme will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options lapsed in accordance with the terms of the 2024 Share Option Scheme will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

23. ALTERATION TO THE 2024 SHARE OPTION SCHEME

- (a) Subject to paragraphs 23(b) to 23(e) below, the Board may amend any of the provisions of the 2024 Share Option Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions imposed by the provisions of the 2024 Share Option Scheme, which are not restricted under Chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date).

Any alterations to the terms and conditions of the 2024 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by Shareholders in general meeting.

- (b) Subject to paragraph 23(c) below, any change to the terms of any Options granted to a Grantee shall be approved by the Directors, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) in accordance with the terms of the 2024 Share Option Scheme and Chapter 17 of the Listing Rules. The foregoing provisions of this paragraph 23(b) shall not apply where the alterations take effect automatically under the existing terms of the 2024 Share Option Scheme.
- (c) Any change to the authority of the Board or administrators to alter the terms of the 2024 Share Option Scheme must first be approved by the Shareholders in general meeting.
- (d) The terms of the 2024 Share Option Scheme and/or any Options amended pursuant to this paragraph 23 must comply with the applicable requirements under Chapter 17 of the Listing Rules. Any alterations to the terms and conditions of the 2024 Share Option Scheme which are of a material nature must be approved by the Shareholders in general meeting.

- (e) Where the terms of the 2024 Share Option Scheme are amended, the Company shall, immediately upon such changes taking effect, provide to all Eligible Participants all details relating to changes in the terms of the 2024 Share Option Scheme during the life of the 2024 Share Option Scheme.

24. LIFE AND TERMINATION OF THE 2024 SHARE OPTION SCHEME

The 2024 Share Option Scheme is valid and effective for a period (the “**Scheme Period**”) commencing on the date of adoption and ending on the tenth anniversary of the date of adoption (both dates inclusive). The Company by resolution passed at a general meeting of the Shareholders may at any time terminate the operation of the 2024 Share Option Scheme and in such event no further Options will be offered or granted but the provisions of the 2024 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme. All Options granted and accepted prior to such termination and not then exercised shall continue to be valid and (subject to vesting in accordance with the terms of the Offer) exercisable subject to and in accordance with the 2024 Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



美亞娛樂資訊集團有限公司

MEI AH ENTERTAINMENT GROUP LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 391)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Conference Room, 5/F., Mei Ah Centre, 28 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong, on 27th September 2024 at 4:30 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and of the auditors for the year ended 31st March 2024;
2. To:
 - (a) re-elect the following directors:
 - (i) Mr. Li Tang Yuk;
 - (ii) Dr. Lam Lee G.; and
 - (iii) Mr. Ma Fung Kwok
 - (b) authorise the Board of Directors to fix the Directors' remuneration and set a maximum number of Directors;
3. To re-appoint PricewaterhouseCoopers as auditors and authorise the Board of Directors to fix their remuneration;
4. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT

- (a) the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase its shares subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in (excluding treasury shares, if any) issue on the date of this Resolution the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held.”;

- 5. To consider as Special Business and, if though fit, pass the following resolution as an Ordinary Resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined in paragraph (b) below) of all the powers of the Company to issue, allot and deal in additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be allotted, issued or deal in during or after the end of the Relevant Period, in addition to any shares which may be issued on the exercise of the subscription rights under the warrants issued by the Company, be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (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 any recognised regulatory body or any stock exchange in any territory outside Hong Kong) or any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or 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 Bye-Laws of the Company, the total nominal amount of additional shares issued, allotted, deal in or agreed conditionally or unconditionally to be issued, allotted or deal in (whether pursuant to an option or otherwise) shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue (excluding treasury shares, if any) on the date of this Resolution and the said approval shall be limited accordingly; and

- (b) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held.”

- 6. To consider as Special Business and, if thought fit, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon Resolutions 4 and 5 being passed, the general mandate granted to the Directors of the Company pursuant to Resolution 5 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 4, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue (excluding treasury shares, if any) of the date on this Resolution.”

- 7. To consider as Special Business and, if thought fit, the following resolution as an Ordinary Resolution:
 - (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting approval for the listing of, and permission to deal in, the shares of HK\$0.02 each in the share capital of the Company (the “Share”) which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the new share option scheme of the Company (the “2024 Share Option Scheme”), a copy of which having been produced before the AGM marked “A” and initialled by the chairman of the meeting for the purpose of identification and a summary of the principal terms of which are set out in Appendix III to the circular of the Company dated 5th September 2024 to the shareholders of the Company of which this notice forms part), the 2024 Share Option Scheme and the Scheme Mandate Limit (as defined in the 2024 Share Option Scheme) (i.e. 10% of the total number of Shares in issue as at the date of passing this Resolution 7(a)) be and is hereby approved and adopted as the share option scheme of the Company with immediate effect after the close of the AGM;

 - (b) the Directors be and are hereby authorised to:
 - (i) administer the 2024 Share Option Scheme;

 - (ii) grant options to subscribe for Shares in accordance with the rules of the 2024 Share Option Scheme;

NOTICE OF ANNUAL GENERAL MEETING

- (iii) allot, issue and deal with such number of Shares as may be required to be issued from time to time pursuant to the exercise of options under the 2024 Share Option Scheme in each case, subject to the Scheme Mandate Limit and, as appropriate and applicable, the Service Provider Sublimit (as defined in the 2024 Share Option Scheme);
 - (iv) modify and/or amend the 2024 Share Option Scheme from time to time in accordance with the rules of the 2024 Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;
 - (v) make application at appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the 2024 Share Option Scheme; and
 - (vi) do all such acts and execute and deliver all such documents and make such arrangements that he or she shall, in his or her sole opinion and absolute discretion, consider necessary, desirable or expedient to implement or give effect to the 2024 Share Option Scheme.”
8. To consider as Special Business and, if thought fit, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon Resolution 7(a) being passed, the Service Provider Sublimit (as defined in the 2024 Share Option Scheme of the Company, a copy of which having been produced before the AGM marked “A” and initialled by the chairman of the meeting for the purpose of identification and a summary of the principal terms of which are set out in Appendix III to the circular of the Company dated 5th September 2024 to the shareholders of the Company) be and is hereby approved and adopted and the Directors be and are hereby authorised to do all such acts and execute and deliver all such documents and make such arrangements that he or she shall, in his or her sole opinion and absolute discretion, consider necessary, desirable or expedient to implement or give effect to the Service Provider Sublimit.”

By Order of the Board
Chan Lun Ho
Company Secretary

Hong Kong, 5th September 2024

Notes:

- (a) A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

NOTICE OF ANNUAL GENERAL MEETING

- (b) The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's Branch Registrar in Hong Kong, Tricor Tengis 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 Meeting.
- (c) To determine the entitlement to attend and vote at the AGM to be held on 27th September 2024, the register of members of the Company will be closed from 23rd September 2024 to 27th September 2024 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, unregistered holders of the Shares should ensure all share transfer documents accompanied by the relevant share certificates are lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 20th September 2024.
- (d) A circular setting out further information regarding Resolutions 2(a)(i) to (iii) and 4 to 8 above will be despatched to shareholders.
- (e) If tropical cyclone warning signal no. 8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 12:00 noon on 27th September 2024, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.