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

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

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**STARLIGHT CULTURE
ENTERTAINMENT**

STARLIGHT CULTURE ENTERTAINMENT GROUP LIMITED

星光文化娛樂集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1159)

**(1) PROPOSED GENERAL MANDATE
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the AGM of the Company to be held at Room 3, 12/F., No. 118 Connaught Road West, Hong Kong, on Wednesday, 23 June 2021 at 11:00 a.m. at which the above proposals will be considered is set out on pages 17 to 21 of this circular.

Whether or not you are able to attend the AGM, please complete and return the relevant form of proxy as instructed as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting to the branch share registrar of the Company, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or via the designated URL (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM and at any adjournment thereof if you so wish.

18 May 2021

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company for the year ended 31 December 2020 to be held on 23 June 2021
“Annual Report”	annual report of the Company in respect of the year ended 31 December 2020
“associate”	having the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than Saturday, Sunday and days on which a tropical cyclone warning no.8 or above or black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business
“Bye-laws”	the bye-laws of the Company
“Code”	the Code on Corporate Governance Practices, appendix 14 to the Listing Rules
“Company”	Starlight Culture Entertainment Group Limited, a company incorporated in Bermuda with limited liability and its Shares are listed on the Stock Exchange
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Conversion Share(s)”	the Share(s) which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Bonds
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	13 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to exercise all the powers of the Company to repurchase Shares in the manner as set out in the notice of the Annual General Meeting and in this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of issued Shares
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with the Shares in the manner as set out in the notice of the Annual General Meeting and in this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



**STARLIGHT CULTURE
ENTERTAINMENT**

STARLIGHT CULTURE ENTERTAINMENT GROUP LIMITED

星光文化娛樂集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1159)

Executive Directors:

Mr. Tang Liang
Mr. Chau Chit
Mr. Luo Lei
Mr. Sang Kangqiao
Mr. Gao Qun
Ms. Wu Xiaoli

Principal place of business

in Hong Kong:
Room 1203, 12/F
No. 118 Connaught Road West
Hong Kong

Independent Non-executive Directors:

Mr. Wong Wai Kwan
Mr. Michael Ngai Ming Tak
Mr. Jing Xufeng

18 May 2021

Dear Sir or Madam,

**(1) PROPOSED GENERAL MANDATE
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for the proposed (i) granting of the Share Issue Mandate, the Repurchase Mandate and the extension of the Share Issue Mandate, and (ii) re-election of the Directors who are due to retire. This circular contains the explanatory statement in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

B. PROPOSED GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the resolution approving the Repurchase Mandate.

An ordinary resolution will also be proposed at the Annual General Meeting to grant the Directors the Share Issue Mandate to allot, issue and deal with new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the resolution approving the Share Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 823,564,799 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolutions approving the Share Issue Mandate and the Repurchase Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 164,712,959 Shares and the maximum number of Shares which may be repurchased by the Company pursuant to the Repurchase Mandate will be 82,356,479 Shares.

If the Repurchase Mandate and the Share Issue Mandate to be granted are approved at the Annual General Meeting, an ordinary resolution will be proposed at the Annual General Meeting to authorise that any Shares repurchased under the Repurchase Mandate will be added to the total number of new Shares which may be allotted and issued under the Share Issue Mandate.

The Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate will, if granted, remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws to be held; or (iii) the date on which the authority given to the Directors by the resolution concerned is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

LETTER FROM THE BOARD

C. EXPLANATORY STATEMENT

An explanatory statement as required by the Listing Rules to provide all relevant information relating to the proposed Repurchase Mandate is set out in the Appendix to this circular. The information in the explanatory statement is provided to you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

D. PROPOSED RE-ELECTION OF DIRECTORS

The Board comprises 9 Directors, namely Mr. Tang Liang, Mr. Chau Chit, Mr. Luo Lei, Mr. Sang Kangqiao, Mr. Gao Qun, and Ms. Wu Xiaoli as executive Directors, and Mr. Wong Wai Kwan, Mr. Michael Ngai Ming Tak, and Mr. Jing Xufeng as independent non-executive Directors.

References are made to the announcement of the Company dated 18 September 2020 in respect of the appointment of Mr. Tang Liang as executive Director and to the announcement of the Company dated 12 May 2021 in respect of the appointment of Mr. Jing Xufeng as independent non-executive Director. In accordance with Bye-law 86(2), the Directors shall have the power from time to time and at any time to appoint any person as a Director as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the shareholders in the general meeting, and any Director so appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly, each of Mr. Tang Liang and Mr. Jing Xufeng will retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

Furthermore, in accordance with Bye-law 87(1), at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) who are not Directors in respect of whom the provisions of Bye-law 86(2) apply, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three year. Accordingly, three Directors, namely Mr. Wong Wai Kwan, Mr. Michael Ngai Ming Tak, and Mr. Chau Chit, will retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

LETTER FROM THE BOARD

Set out below are the biographical details of Directors who are subject to re-election.

(A) Mr. Tang Liang, an executive Director and Chairman of the Board

Mr. Tang Liang (“**Mr. Tang**”), aged 43, has been appointed as an executive director on 18 September 2020. Mr. Tang has been serving as (i) a director of Tencent Music Entertainment Group, a company listed on the New York Stock Exchange (stock symbol:TME), since April 2014, (ii) an independent non-executive Director of CMGE Technology Group Limited (中手遊科技集團有限公司), a company listed on The Stock Exchange of Hong Kong Limited (stock code: 00302), since September 2019, (iii) the chairman of China Investment Financial Holdings Fund Management Company Limited (中投中財基金管理有限公司) since April 2015, (iv) a director of CAS Health Industry (Beijing) Company Ltd. (中科健康產業(北京)有限公司) since December 2016, (v) the chairman of Hefei CICFH Industry Investment Management Company Limited (合肥中投中財產業投資管理有限公司) since December 2016, (vi) the chairman of Hefei China Film CICFH Investment Management Company Limited (合肥中影中投中財投資管理有限公司) since March 2017, and (vii) a director of Zhongke Zhiyun Technology Company Limited (中科智雲科技有限公司) since June 2018.

Mr. Tang graduated from Peking University in July 2000 with a bachelor’s degree in law. Mr. Tang received a master’s degree in litigation law from Peking University in July 2002, a master’s degree in law from Yale University in June 2003 and a master’s degree in science of law from Stanford University in June 2005.

Save as disclosed above, Mr. Tang has not held any other positions with any members of the Group and has not held any other directorships in any public listed companies in the last three years and does not have any other major appointment or professional qualifications.

Save as disclosed above, Mr. Tang does not have any relationships with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Tang is not interested in and does not hold any Shares or underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

LETTER FROM THE BOARD

Mr. Tang has entered into a service contract with the Company for a term of 3 years which will be automatically renewed for a further term of 1 year on each subsequent year, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws of the Company. Pursuant to the service agreement, Mr. Tang will not receive any remuneration during his tenure of office, but may be entitled to discretionary bonus in such amount and payable at such time as shall be determined by the Board in its absolute discretion for his directorship in the Company, which would be recommended by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities as well as his qualifications, experience and the prevailing market conditions.

Save as disclosed above, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders.

(B) Mr. Chau Chit, an executive Director and Deputy Chairman of the Board

Mr. Chau Chit (“**Mr. Chau**”), aged 56, was an Executive Director of the Company on 22 July 2013. Mr. Chau currently serves as the chairman of the Hong Kong Jiangyin Trade Association and the vice president of Federation of HK Jiangsu Community Organisations Limited. He holds a bachelor degree in chemistry from Zhejiang University and an EMBA degree (Executive Master of Business Administration) from Zhejiang University.

Mr. Chau was appointed as an executive director and as the Chairman of Vision Fame International Holding Limited (a company listed on the main board of the Stock Exchange in Hong Kong (stock code: 1315)) on 22 July 2015 and 23 September 2015 respectively. He was re-designated to Co-Chairman and appointed as the chief executive officer of Vision Fame International Holding Limited on 1 March 2017. Mr. Chau was re-designated as the Chairman of Vision Fame International Holding Limited and ceased to act as the Co-chairman of Vision Fame International Holding Limited on 7 September 2018.

Mr. Chau was appointed as an executive director and the chief executive officer of Sino Stride Technology (Holdings) Ltd (Stock Code: 8177). Mr. Chau was appointed an executive director, the managing director, the chairman of the executive committee and a member of the investment committee of HNA International Investment Holdings Limited (Stock Code: 521) in June 2006. Mr. Chau resigned his positions at HNA International Investment Holdings Limited with effect from 24 October 2013.

Save as disclosed above, Mr. Chau has not held any other positions with any members of the Group and has not held any other directorships in any public listed companies in the last three years and does not have any other major appointment or professional qualifications.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Chau does not have any relationships with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chau was the sole shareholder of Mega Start Limited, which held 49,693,600 Shares, and hence Mr. Chau was deemed to be interested in 49,693,600 Shares held by Mega Start Limited within the meaning of Part XV of the SFO.

Mr. Chau has entered into a service contract with the Company commencing on 22 July 2013, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. Mr. Chau is entitled to a monthly director's fee of HK\$250,000, which is determined by the Board based on the recommendation by the remuneration committee of the Company, with reference to his duties and responsibilities and the market rate for the position.

Save as disclosed above, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders.

(C) Mr. Wong Wai Kwan, an independent non-executive Director

Mr. Wong Wai Kwan (“**Mr. Wong**”), aged 53, was appointed as an independent non-executive Director on 31 May 2017. Mr. Wong obtained a bachelor's degree in accountancy from City University of Hong Kong in 1992 and a master's degree in business administration from Washington University in St. Louis, U.S.A. in 2009. He is a member of The Hong Kong Institute of Certified Public Accountants and a member of The Association of Chartered Certified Accountants. Currently, Mr. Wong is the Chief Financial Controller of Thinktank Learning Inc., and previously was the general manager of the financial audit department of Shanghai Fosun High Technology (Group) Co., Ltd., a wholly owned subsidiary of Fosun International Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 00656). Mr. Wong has extensive working experience in the audit and consulting areas, particularly in initial public offerings, risk management and mergers and acquisitions. Mr. Wong was an independent non-executive director of Shougang Concord Technology Holdings Limited (now known as HNA Holding Group Co. Limited), whose shares are listed on the Main Board of the Stock Exchange (stock code: 00521) and a member of each of the audit committee, the nomination committee and the remuneration committee of that company, for the period from June 2010 to October 2013.

Mr. Wong was previously appointed as an independent non-executive Director of the Company from September 2013 to November 2014 and served as a member of each of the audit committee, the nomination committee, the remuneration committee and the investment steering committee of the Company. He has been an independent non-executive director of Vision Fame International Holding Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 01315) since July 2015 and is a member of each of the audit committee and nomination committee of that company.

LETTER FROM THE BOARD

He has been a non-executive director of Vobile Group Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 03738) since 21 June 2017 and is a member of the audit committee of that company.

Save as disclosed above, Mr. Wong has not held any other positions with any members of the Group and has not held any other directorships in any public listed companies in the last three years and does not have any other major appointment or professional qualifications.

Save as disclosed above, Mr. Wong does not have any relationships with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wong is not interested in and does not hold any Shares or underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Wong has entered into a service contract with the Company for a term of 3 years, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws of the Company. Mr. Wong is entitled to an annual remuneration of HK\$240,000, which is determined by the Board with reference to his respective duties and responsibilities in the Group and the market rate for the position.

Save as disclosed above, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders.

(D) Mr. Michael Ngai Ming Tak, an independent non-executive Director

Mr. Michael Ngai Ming Tak (“Mr. Ngai”), aged 53, was appointed as an independent non-executive Director on 31 May 2017. Mr. Ngai obtained a master degree from University of Cambridge in 1991. He is the Chairman of The Red Group Investment Limited and was previously the Managing Director of UBS Investment Bank. He has a wealth of experience in the international financial sector. Mr. Ngai is also a member of the National Committee of the Chinese People’s Political Consultative Conference, a Standing Committee member of the Heilongjiang Provincial Committee of the People’s Political Consultative Conference, Fellow Commoner and Development Advisory Council Member of Clare Hall, University of Cambridge, Council Member and Chairman of the Institutional Advancement Committee of Lingnan University, member of the Barristers Disciplinary Tribunal Panel, and a member of the Administrative Appeals Board.

Save as disclosed above, Mr. Ngai has not held any other positions with any members of the Company and has not held any other directorships in any public listed companies in the last three years and does not have any other major appointment or professional qualifications.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Ngai does not have any relationships with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Ngai is not interested in and does not hold any Shares or underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Ngai has entered into a service contract with the Company for a term of 3 years, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws of the Company. Mr. Ngai is entitled to an annual remuneration of HK\$240,000, which is determined by the Board with reference to his respective duties and responsibilities in the Group and the market rate for the position.

Save as disclosed above, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders.

(E) Mr. Jing Xufeng, an independent non-executive Director

Mr. Jing Xufeng (“Mr. Jing”), aged 50, was appointed as an independent non-executive Director on 12 May 2021. Mr. Jing has more than 20 years of experience in the fields of news media, audiovisual, culture media and investment management. From July 1994 to May 2010, he served in Xinhua News Agency (新華社) as the reporter of Jiangsu Branch, director of television news centre* (電視新聞中心), director of news and information centre* (新聞信息中心), assistant to director of Xinhua News Agency Audio News Editorial Department* (新華社音像新聞編輯部) as well as person-in-charge and director of Xinhua News Agency Audio News Desk* (新華社音像中心). From October 2008 to October 2013, he served as the director of the China Audio-video and Digital Publishing Association (中國音像與數字出版協會). Subsequently, he held various management positions in different companies, including serving as the director of 360 Enterprise Security Technology (Beijing) Group Co., Ltd. (360 企業安全技術(北京)集團有限公司) from October 2017 to December 2018, the chairman of Tengyue Culture Media (Beijing) Group Co., Ltd. (騰閱文化傳媒(北京)集團有限公司) from September 2016 to December 2020, the executive director of the Beijing Jinhui Graham Investment Limited (北京金匯金投資集團有限公司) from April 2019 to December 2020, the chairman and manager of Tianjin Tengyue Tianxia Culture and Technology Co., Ltd* (天津騰閱天下文化科技有限公司) since June 2017, the vice chairman of Zhongan Huixin Investment Management Co., Ltd. (中安匯信投資管理有限公司) since July 2017, the director of Moer Xingling (Beijing) Network Technology Co., Ltd.* (摩爾星靈(北京)網絡科技有限公司) since September 2017, the director of Zhejiang Talent Television & Film Co., Ltd. (浙江唐德影視股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code 300426, since May 2019 and the independent director of CITIC Press Corporation (中信出版集團股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code 300788, since September 2016.

LETTER FROM THE BOARD

Mr. Jing graduated from Yangzhou University majoring in Chinese Language and Literature in June 1994.

Save as disclosed above, Mr. Jing has not held any other positions with any members of the Company and has not held any other directorships in any public listed companies in the last three years and does not have any other major appointment or professional qualifications.

Save as disclosed above, Mr. Jing does not have any relationships with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Jing is not interested in and does not hold any Shares or underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Jing has entered into a service contract with the Company for a term of 3 years, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws of the Company. Mr. Jing is entitled to an annual remuneration of HK\$240,000, which is determined by the Board with reference to his respective duties and responsibilities in the Group and the market rate for the position.

Save as disclosed above, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders.

The Board, with recommendation from the nomination committee of the Company, has reviewed the structure, size and composition of the Board under diversified perspectives. The Board has considered the educational qualifications, professional background and experiences of each of Mr. Tang Liang and Mr. Jing Xufeng, the newly appointed executive Director and independent non-executive Director respectively, and believe that they will create valuable visions and contribute to the diversity of the Board.

Each of Mr. Wong Wai Kwan, Mr. Michael Ngai Ming Tak, Mr. Jing Xufeng has provided the Company a confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Board affirms that they are independent.

LETTER FROM THE BOARD

E. GENERAL INFORMATION

The notice for the Annual General Meeting is set out on pages 17 to 21 of this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the branch share registrar of the Company, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon or via the designated URL (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company not less than 48 hours before the time appointed for holding the Annual General Meeting. The return of the proxy form will not preclude you from attending and voting in person if you so wish.

F. VOTING BY POLL

Under Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the ordinary resolutions proposed at the Annual General Meeting will also be taken by poll. A poll results announcement will be made by the Company after the Annual General Meeting in accordance with Rule 13.39(5) of the Listing Rules.

G. RECOMMENDATIONS

The Directors consider that the granting of the general mandates and the re-election of Directors, are in the interest of the Company. The Directors therefore recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

H. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,

By order of the board of Directors

Starlight Culture Entertainment Group Limited

Tang Liang

Chairman

This Appendix serves as an explanatory statement given to all the Shareholders, as required by the Listing Rules, to provide requisite information of the Repurchase Mandate.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares subject to certain restrictions, the more important of which are summarised below:

(a) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the relevant resolutions granting the Repurchase Mandate. The Company's authority is restricted to purchase in accordance with the Listing Rules. As at the Latest Practicable Date, there were in issue an aggregate of 823,564,799 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares would be issued or repurchased prior to the date of the Annual General Meeting, would accordingly result in up to 82,356,479 Shares being repurchased by the Company. The Shares repurchased by the Company shall, subject to applicable law, be automatically cancelled upon such repurchase.

(b) Reasons for repurchase

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase when appropriate and is beneficial to the Company. Such repurchases may, depending on the 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. As compared with the financial position of the Company as at 31 December 2020 (being the date of its latest audited accounts), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. In the circumstances, the Directors do not propose to exercise the Repurchase Mandate to such an extent that would have a material adverse impact on the working capital or gearing ratio of the Company.

(c) Funding of repurchases

Repurchase of the Shares will be funded out of funds legally available for such purpose in accordance with the Bye-laws of the Company and the applicable laws of Bermuda.

(d) Directors, their associates and connected persons

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is granted.

(e) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate in the proposed resolution in accordance with the Listing Rules and the applicable laws of Bermuda.

(f) Effect of the Takeovers Code

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

As at the Latest Practicable Date, based on disclosures made under Part XV of the SFO and information available to the Company, the following Shareholders are interested in more than 10% of the Shares in issue:

Name of Shareholder	Number of Shares held	Approximate percentage of the shareholding as at the Latest Practicable Date <i>(note 1)</i>	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Timcha Investment Limited <i>(note 2)</i>	220,013,514 (L)	26.71%	29.68%
江陰星輝文化傳播有限公司 <i>(note 2)</i>	220,013,514 (L)	26.71%	29.68%
江陰濱江科技創業投資有限公司 <i>(note 2)</i>	220,013,514 (L)	26.71%	29.68%
江陰科技新城投資管理有限公司 <i>(note 2)</i>	220,013,514 (L)	26.71%	29.68%

Notes:

(L) Denotes long position in the Shares.

- The percentages are calculated based on the total number of issued Shares of 823,564,799 Shares as at the Latest Practicable Date.
- The entire issued share capital of Timcha Investment Limited (“Formerly known as CICFH Innovation Investment Limited”) is wholly and beneficially owned by 江陰星輝文化傳播有限公司, which is owned as to 34.97% by 江陰濱江科技創業投資有限公司, which is wholly and beneficially owned by 江陰科技新城投資管理有限公司. By virtue of the Securities and Futures Ordinance, 江陰星輝文化傳播有限公司, 江陰濱江科技創業投資有限公司 and 江陰科技新城投資管理有限公司 are deemed to be interested in all the Shares in which Timcha Investment Limited is interested under the SFO.

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of a repurchasing company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences which the exercise in full of the Repurchase Mandate would have under the Takeover Code.

2. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

3. SHARE PRICES

During each of the previous 12 months, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
May	1.55	1.15
June	1.48	1.25
July	1.87	1.29
August	1.85	1.69
September	1.83	1.05
October	1.73	1.44
November	1.73	1.41
December	1.58	1.13
2021		
January	1.6	0.92
February	1.25	0.84
March	1.58	1.15
April	1.56	1.4
May (up to the Latest Practicable Date)	1.98	1.37

NOTICE OF ANNUAL GENERAL MEETING



**STARLIGHT CULTURE
ENTERTAINMENT**

STARLIGHT CULTURE ENTERTAINMENT GROUP LIMITED

星光文化娛樂集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1159)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Starlight Culture Entertainment Group Limited (the “Company”) for the financial year ended 31 December 2020 will be held at Room 3, 12/F., No. 118 Connaught Road West, Hong Kong, on Wednesday, 23 June 2021 at 11:00 a.m., to transact the following businesses:

ORDINARY RESOLUTIONS

1. to receive and consider the audited consolidated financial statements and the reports of the Directors and auditor for the year ended 31 December 2020;
2.
 - A. to re-elect Mr. Tang Liang as an executive director of the Company;
 - B. to re-elect Mr. Chau Chit as an executive director of the Company;
 - C. to re-elect Mr. Wong Wai Kwan as an independent non-executive director of the Company;
 - D. to re-elect Mr. Michael Ngai Ming Tak as an independent non-executive director of the Company;
 - E. to re-elect Mr. Jing Xufeng as an independent non-executive director of the Company;
 - F. to authorise the board of directors of the Company (the “Board”) to fix the remunerations of the directors of the Company (the “Directors”);
3. to re-appoint Ernst & Young as the auditor of the Company and authorise the board of Directors to fix its remuneration;

NOTICE OF ANNUAL GENERAL MEETING

4. to consider as special businesses and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof subject to such exclusion 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 applicable to the Company.”

B. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable rules, laws and requirements, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of the shares of the Company which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

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

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; and

(iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon resolutions 4A and 4B as set out above being passed, the authority of the directors of the Company pursuant to resolution 4A be and is hereby approved to extend to cover such amount representing the aggregate nominal amount of the shares in the capital of the Company repurchased pursuant to the authority granted pursuant to resolution 4B.”

By Order of the Board

Starlight Culture Entertainment Group Limited

Tang Liang

Chairman

Hong Kong, 18 May 2021

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business:

Room 1203, 12/F
No. 118 Connaught Road West
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.
3. In the case of joint holders of any shares in the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares shall be accepted to the exclusion of the votes of the other joint registered holders.
4. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the branch share registrar of the Company at Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or via the designated URL (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not less than 48 hours before the time for holding the meeting or any adjourned meeting.
5. The register of members of the Company will be closed from Friday, 18 June 2021 to Wednesday, 23 June 2021 (both days inclusive) to determine the entitlement to attend and vote at the above meeting. During such period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Thursday, 17 June 2021 for registration.
6. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.