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MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 72)

- (1) RESIGNATION OF EXECUTIVE DIRECTOR, CHIEF EXECUTIVE OFFICER, MEMBER OF REMUNERATION COMMITTEE AND MEMBER OF ENVIRONMENTAL SOCIAL AND GOVERNANCE COMMITTEE; AND**
- (2) CHANGE OF CHIEF EXECUTIVE OFFICER; AND**
- (3) CHANGE OF MEMBER OF REMUNERATION COMMITTEE**

The Board hereby announces that, all with effect from 11 October 2017:

1. Mr. Wong has resigned as executive Director, CEO, member of Remuneration committee and member of ESG Committee; and
2. Mr. Shao was appointed as CEO;
3. Dr. Gao was appointed as member of the Remuneration Committee.

RESIGNATION OF EXECUTIVE DIRECTOR, CHIEF EXECUTIVE OFFICER, MEMBER OF REMUNERATION COMMITTEE AND MEMBER OF ENVIRONMENTAL SOCIAL AND GOVERNANCE COMMITTEE

The board (the “**Board**”) of directors (each a “**Director**” and collectively the “**Directors**”) of Modern Media Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that Mr. Wong Shing Fat (“**Mr. Wong**”) tendered his resignation from the positions of the executive Director, the chief executive officer (“**CEO**”) of the Company, member of the remuneration committee (“**Remuneration Committee**”) of the Board and member of the environmental social and governance committee (“**ESG Committee**”) of the Board with effect from 11 October 2017 (“**Resignation Date**”) as Mr. Wong wants to devote more time to pursue his own personal career.

There is no other information relating to the resignation of Mr. Wong as the executive Director, the CEO, member of the Remuneration Committee and member of the ESG Committee of the Board that needs to be brought to the attention of the shareholders (the

“**Shareholders**”) of the Company or any information that needs to be disclosed pursuant to requirements of Rules 13.51(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Mr. Wong has confirmed that he has no disagreement with the Board and there is no other matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

CHANGE OF CHIEF EXECUTIVE OFFICER

The Board further announces that Mr. Shao Zhong (“**Mr. Shao**”), current executive Director and chairman of the Board, was appointed as CEO with effect from the Resignation Date.

The biographical details of Mr. Shao is set out below:

Mr. SHAO Zhong (邵忠先生), aged 56, the founder of our Group. Mr. Shao was initially appointed as a Director in March 2007, and was subsequently designated as chairman of the Board and executive Director in July 2009. Mr. Shao was also the CEO from 1 September 2015 to 1 December 2016. Mr. Shao is responsible for the overall corporate strategies, policy-formulating and instilling corporate philosophy of our Group. Prior to founding our Group, Mr. Shao was formerly a PRC government official before 1989. Then, he also undertook senior positions in other publishing and media enterprises including a listed printing company in Hong Kong until 1999. Mr. Shao holds an EMBA degree from Tsinghua University of Beijing. His in-depth experience in the media and publication industries in the PRC earned him the nomination as one of Top 10 Media Leading Icon at China Media Forum in 2010.

As at the date of this announcement, Mr. Shao is a director of all subsidiaries of the Company, and/or, as the case may be, the legal representative of subsidiaries of the Company incorporated in the People’s Republic of China. As at the date of this announcement, Mr. Shao is interested in 281,992,000 Shares and is a controlling Shareholder.

Save as disclosed above, Mr. Shao (i) does not have any relationship with any directors, senior management, substantial Shareholders or controlling Shareholders; (ii) does not have and is not deemed to have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); (iii) has not held any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years; and (iv) does not hold any other positions in the Company and its subsidiaries as at the date of this announcement.

Mr. Shao has entered into a service contract with the Company for an initial term of three years with effect from 1 September 2009. The parties entered into a renewal agreement (i.e. the first renewal agreement), pursuant to which the above service contract has been agreed to be renewed for a further term of three years from 1 September 2012. On 1 September 2015, the parties further entered into another renewal agreement (i.e. the second renewal agreement), pursuant to which the above service contracts have been agreed to be renewed for a further term of three years from 1 September 2015 on the same terms and conditions. Pursuant to the said service contract, Mr. Shao is currently entitled to an aggregate

remuneration of approximately RMB2,230,000 per annum as an executive Director, which has been approved by the Board having considered his responsibilities and duties, the Company's remuneration policy and prevailing market conditions and standards. Under the service contract, Mr. Shao is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 10% of all the audited combined, or as the case may be, consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company.

As at the date of this announcement, no new service contract for his appointment as CEO has been entered into between Mr. Shao and the Company. No additional remuneration will be paid to Mr. Shao for his appointment as CEO.

There are no other matters or information relating to the appointment of Mr. Shao that needs to be brought to the attention of the Stock Exchange and Shareholders or to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

CHANGE OF MEMBER OF REMUNERATION COMMITTEE

The Board also announces that, Dr. Gao Hao (“**Dr. Gao**”), an independent non-executive Director, has been appointed as a member of the Remuneration Committee upon the resignation of Mr. Wong becomes effective.

DEVIATION FROM THE CORPORATE GOVERNANCE CODE

Code provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Being aware of the said deviation from code provision A.2.1, the Board believes that with the support of the management, vesting the roles of both chairman of the Board and CEO in Mr. Shao, the founder of the Group, can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. In addition, the Board is also supervised by 4 independent non-executive directors. The Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group as the Board assumes collective responsibility on the decision-making process of the Company's business strategies and operation. The Directors will meet regularly to consider major matters affecting the operations of the Group.

By Order of the Board
Modern Media Holdings Limited
Shao Zhong
Chairman

Hong Kong, 13 October 2017

As at the date of this announcement, the Board comprises the following members: (a) as executive directors, Mr. SHAO Zhong, Mr. MOK Chun Ho, Neil, Ms. YANG Ying, Mr. LI Jian and Mr. DEROCHE Alain; (b) as independent non-executive directors, Mr. JIANG Nanchun, Mr. WANG Shi and Mr. AU-YEUNG Kwong Wah and Dr. GAO Hao.