
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any 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 adviser.

If you have sold or transferred all your shares in **Meitu, Inc.**, you should at once hand this circular together with the enclosed proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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meitu

Meitu, Inc.

美图公司

(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as “美图之家”)

(Stock Code: 1357)

**PROPOSALS FOR
RE-ELECTION OF THE RETIRING DIRECTORS,
RE-APPOINTMENT OF THE COMPANY’S AUDITOR,
GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES,
CLOSURE OF REGISTER OF MEMBERS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Meitu, Inc. (the “**Company**”) to be held at Diamond I, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, June 3, 2019 at 11:30 a.m. (the “**AGM**”) is set out on pages 15 to 19 of this circular. The form of proxy for use at the AGM is also enclosed with this circular. The form of proxy is also published on the websites of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://corp.meitu.com>).

Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM, or any adjourned meeting, in person should you so wish.

April 29, 2019

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DEFINITIONS

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

“Acquisition”	the acquisition of 31% equity interest in Dreamscape Horizon Limited by Meitu Investment Ltd pursuant to the terms of the Share Purchase Agreement
“AGM”	the annual general meeting of the Company to be held at Diamond I, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, June 3, 2019 at 11:30 a.m.
“Articles of Association”	the amended and restated memorandum and articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Company” “our Company” “the Company”, or “Meitu”	Meitu, Inc. 美图公司, an exempted company with limited liability incorporated under the laws of the Cayman Islands on July 25, 2013 and carries on business in Hong Kong as “美圖之家” (in Chinese) as approved and registered with the Registrar of Companies in Hong Kong on October 28 and November 7, 2016, respectively and the Shares of which are listed on the Stock Exchange
“Consideration Shares”	991,357,000 new Shares which may be allotted and issued by the Company to Leyou to satisfy the consideration in accordance with the Share Purchase Agreement
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	April 22, 2019, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Leyou”	Leyou Technologies Holdings Limited (Stock Code: 1089), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Listing Date”	December 15, 2016, the date on which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Nomination Committee”	the nomination committee of the Company

DEFINITIONS

“Notice of AGM”	the notice dated April 29, 2019 convening the 2019 AGM as set out on pages 15 to 19 of this circular
“NYSE”	the New York Stock Exchange
“Remuneration Committee”	the remuneration committee of the Company
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares to a maximum of 20% of the total number of issued shares of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to buy back Shares up to a maximum of 10% of the total number of issued shares of the Company as at the date of passing the Share Buy-back Mandate
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or modified from time to time
“Share(s)”	ordinary share(s) of US\$0.00001 each in the share capital of the Company
“Share Purchase Agreement”	the share purchase agreement dated February 19, 2019 entered into among Dream Beyond Holdings Limited, Meitu Investment Ltd, the Company and Leyou in respect of the Acquisition
“Shareholder(s)”	registered holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs
“US\$”	United States dollars, the lawful currency of the United States
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



Meitu, Inc.

美图公司

(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as “美图之家”)
(Stock Code: 1357)

Executive Directors:

Mr. CAI Wensheng (*Chairman*)

Mr. WU Zeyuan (*Chief Executive Officer*)

Non-Executive Directors:

Dr. GUO Yihong

Dr. LEE Kai-Fu

Independent Non-Executive Directors:

Mr. ZHOU Hao

Mr. LAI Xiaoling

Mr. ZHANG Ming

Registered Office:

The offices of Conyers Trust Company
(Cayman) Limited

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Principal Place of Business in Hong Kong:

Room 8106B Level 81

International Commerce Centre

1 Austin Road West

Kowloon, Hong Kong

April 29, 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF THE RETIRING DIRECTORS,
RE-APPOINTMENT OF THE COMPANY’S AUDITOR,
GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES,
CLOSURE OF REGISTER OF MEMBERS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in connection with, the proposals to (i) re-elect the retiring Directors; (ii) re-appoint PricewaterhouseCoopers as auditor of the Company; (iii) grant to the Directors the Share Issue Mandate and the Share Buy-back Mandate; and (iv) give you the Notice of the AGM.

2. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, Mr. CAI Wensheng, Mr. WU Zeyuan, Dr. GUO Yihong, Dr. LEE Kai-Fu, Mr. ZHOU Hao, Mr. LAI Xiaoling and Mr. ZHANG Ming.

LETTER FROM THE BOARD

Pursuant to Article 83(3) of the Articles of Association, Mr. LAI Xiaoling and Mr. ZHANG Ming were appointed by the Board on January 1, 2019, shall retire from office at the AGM and being eligible, will offer themselves for re-election.

Pursuant to Article 84 of the Articles of Association, Mr. CAI Wensheng and Mr. WU Zeyuan will retire by rotation at the AGM and being eligible, will offer themselves for re-election.

The Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors based on the independence criteria as set out in rule 3.13 of the Listing Rules, including Mr. LAI Xiaoling and Mr. ZHANG Ming, remain independent. The Nomination Committee had considered the perspectives, skills, experience and diversity of the above retiring directors and nominated the above retiring Directors to the Board for it to propose to the Shareholders for re-election at the AGM.

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the above retiring Directors, namely Mr. CAI Wensheng, Mr. WU Zeyuan, Mr. LAI Xiaoling and Mr. ZHANG Ming stand for re-election as Directors at the AGM.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

3. RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS AS THE AUDITOR OF THE COMPANY

The Board proposes to re-appoint PricewaterhouseCoopers as auditor of the Company to hold office until the conclusion of the next annual general meeting. A resolution will also be proposed to authorize the Board to fix the auditor's remuneration. PricewaterhouseCoopers has indicated its willingness to be re-appointed as the Company's auditor for the said period.

4. SHARE ISSUE MANDATE

On June 5, 2018, an ordinary resolution was passed by the Shareholders to give a general mandate to the Directors to allot, issue and deal with Shares. Such general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM. An ordinary resolution item 5 will be proposed at the AGM to grant a general mandate to the Directors to allot, issue and otherwise deal with additional Shares up to a limit equal to 20% of the total number of issued Shares as at the date of passing the ordinary resolution.

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,206,375,944 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing this resolution, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate as at the date of passing the ordinary resolution item 5 approving the Share Issue Mandate will be 841,275,188 Shares, representing not more than 20% of the total number of issued shares of the Company as at the date of passing the resolutions.

In addition, a separate ordinary resolution item 7 will also be proposed to approve the extension of the Share Issue Mandate by adding to the total number of Shares which may be allotted and issued by the Directors pursuant to the Share Issue Mandate the number of Shares representing such number of Shares bought back under the Share Buy-back Mandate.

LETTER FROM THE BOARD

5. SHARE BUY-BACK MANDATE

On June 5, 2018, an ordinary resolution was passed by the Shareholders to give a general mandate to the Directors to exercise the powers of the Company to buy back its own Shares. Such general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew the Share Buy-back Mandate at the AGM. An ordinary resolution item 6 will be proposed at the AGM to grant the Share Buy-back Mandate to the Directors, which will allow them to cause the Company to buy back Shares of up to 10% of the total number of issued Shares as at the date of passing the ordinary resolution item 6.

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,206,375,944 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the ordinary resolution item 6, the maximum number of Shares which may be bought back pursuant to the Share Buy-back Mandate as at the date of passing the ordinary resolution item 6 will be 420,637,594 Shares, representing not more than 10% of the total number of issued shares of the Company as at the date of passing the resolution.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Share Buy-back Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to approve the Share Buy-back Mandate.

The Share Issue Mandate (including the extended Share Issue Mandate) and the Share Buy-back Mandate, if granted, shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Share Issue Mandate (including the extended Share Issue Mandate) and the Share Buy-back Mandate up to (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 laws of the Cayman Islands or the Articles of Association to be held; or (iii) the revocation or variation of the Share Issue Mandate (including the extended Share Issue Mandate) or the Share Buy-back Mandate (as the case may be) by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

The Directors have no present intention to exercise the Share Buy-back Mandate (if granted to the Directors at the AGM).

6. ANNUAL GENERAL MEETING

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Share Issue Mandate, the Share Buy-back Mandate, the extension of the Share Issue Mandate and the re-election of the retiring Directors is set out on pages 15 to 19 of this circular.

7. CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Wednesday, May 29, 2019 to Monday, June 3, 2019, both dates inclusive, during which period no transfer of share will be effected. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, May 28, 2019.

LETTER FROM THE BOARD

8. VOTING BY WAY OF POLL

All the resolutions at the AGM shall be taken by poll in accordance with Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, except where the chairman, in good faith, decides to allow a resolution that relates purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules.

Pursuant to Article 66(1) of the Articles of Association, subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of Shares, at any general meeting every Shareholder present in person (or in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote for each Share registered in his name in the Company's register of members. Where more than one proxy is appointed by a recognized clearing house (or its nominee(s)), each such proxy is under no obligation to cast all his/her votes in the same way.

An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9. ACTION TO BE TAKEN

The Notice of AGM is set out on pages 15 to 19 of this circular.

A proxy form for use at the AGM is enclosed herein. Such form of proxy is also published on the websites of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://corp.meitu.com>). Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM, or any adjourned meeting, should they so wish.

10. RECOMMENDATION

The Directors believe that the proposed resolutions mentioned in this circular, including the proposals to re-elect the retiring Directors, to re-appoint the Company's auditor, and to grant to the Directors the Share Issue Mandate and the Share Buy-back Mandate are in the interests of the Company as well as to its Shareholders. Accordingly, the Directors recommend that all the Shareholders should vote in favor of all the resolutions relating to the aforesaid matters at the AGM.

Yours faithfully
For and on behalf of the Board of
Meitu, Inc.
CAI Wensheng
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution item 6 in respect of the approval of the Share Buy-back Mandate.

1. EXERCISE OF THE SHARE BUY BACK MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,206,375,944 Shares.

Subject to the passing of ordinary resolution item 6, as set out in the Notice of AGM, in respect of the granting of the Share Buy-back Mandate, and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 4,206,375,944 Shares, the Directors will be authorized under the Share Buy-back Mandate to buy back up to 420,637,594 Shares (representing 10% of the total number of Shares in issue as at the date of the AGM) during the period up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Share Buy-back Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR BUY BACK OF SHARES

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

The Directors have no present intention to cause the Company to buy back any Shares and they would exercise the power to buy back only in circumstances where they consider that the buy-back would be in the interests of the Company and its Shareholders.

3. FUNDING OF BUY BACK

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the applicable laws of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share buy-back may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the buy back or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. IMPACT OF BUY BACK

The Directors consider that there might be a material adverse effect on the working capital requirements or gearing position of the Company in the event that the Share Buy-back Mandate is exercised in full at the prevailing market value. However, the Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing position.

5. SHARE PRICES

The table below is a summary of the highest and lowest traded prices in each of the previous twelve months prior to the Latest Practicable Date.

	Highest Traded Price	Lowest Traded Price
	<i>HK\$</i>	<i>HK\$</i>
2018		
April	9.18	8.00
May	8.86	7.53
June	8.55	6.17
July	6.82	6.00
August	6.15	3.91
September	6.45	4.19
October	5.48	3.88
November	4.58	2.96
December	3.40	1.94
2019		
January	2.86	2.13
February	3.40	2.57
March	4.56	3.17
April (<i>up to the Latest Practicable Date</i>)	4.05	3.26

6. UNDERTAKING BY DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy backs pursuant to the Share Buy-back Mandate and in accordance with the Listing Rules, the memorandum of association and articles of association of the Company, the laws of Hong Kong and the applicable laws of the Cayman Islands (being the jurisdiction in which the Company was incorporated).

7. INTENTION OF DIRECTORS AND CORE CONNECTED PERSONS TO SELL SHARES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention, in the event that the Share Buy-back Mandate is approved, to sell any Shares to the Company.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Share Buy-back Mandate is exercised.

8. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If, on the exercise of the power to buy back Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase in those Shareholders' interest, could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the following substantial Shareholders were interested in 10% or more of the number of issued Shares as recorded in the register required to be kept by the Company, pursuant to section 336 of the SFO:

Name of Shareholder	Number of Shares held	Percentage of number of Shares	Percentage of number of Shares (assuming the Share Buy-back Mandate is exercised in full)
CAI Wensheng	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Baolink Capital Ltd	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Longlink Limited	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Longlink Capital Ltd	1,694,546,670 ⁽¹⁾	40.29%	44.76%
WU Zeyuan	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Easy Prestige Limited	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Xinhong Capital Limited	1,694,546,670 ⁽¹⁾	40.29%	44.76%
Lion Trust (Singapore) Limited	1,398,366,670 ⁽¹⁾	33.24%	36.94%
Leyou Technologies Holdings Limited	991,357,000 ⁽²⁾	23.57%	26.19%
Port New Limited	991,357,000 ⁽²⁾	23.57%	26.19%
Yuk Kwok Cheung Charles	991,357,000 ⁽²⁾	23.57%	26.19%
CHEN Jiarong	501,800,180	11.93%	13.26%

Note:

- (1) Pursuant to the concert party agreement entered into by, among others, Mr. Cai Wensheng and Mr. Wu Zeyuan (including, where applicable any entities directly or indirectly controlled by them that directly holds the Shares) on 17 August 2016, the entire interest of Xinhong Capital Limited is held by Easy Prestige Limited, which is in turn held by Lion Trust (Singapore) Limited as the trustee for the benefit of Mr. Wu Zeyuan. The entire interest of Baolink Capital Ltd is held by Mr. Cai Wensheng and the entire interest of Longlink Capital Ltd is held by Longlink Limited, which is in turn held by Lion Trust (Singapore) Limited as the trustee for the benefit of Mr. Cai Wensheng.

- (2) At the extraordinary general meeting of the Company held on April 18, 2019, the Shareholders did not approve the Acquisition and the granting of a specific mandate to the Directors to allot and issue the Consideration Shares to Leyou in accordance with the terms and conditions of the Share Purchase Agreement. Therefore, as at the Latest Practicable Date, as one of the conditions precedent under the Share Purchase Agreement has not been fulfilled, the Share Purchase Agreement and Acquisition contemplated thereunder shall lapse on July 1, 2019 and be of no further effect.

In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the interests of the substantial Shareholders in the Company will be increased to approximately the percentages as set out in the table above. The Directors believe that such increases may give rise to an obligation on the part of the concert parties, namely Mr. CAI Wensheng, Mr. WU Zeyuan, Easy Prestige Limited, Xinhong Capital Limited, Baolink Capital Ltd, Longlink Limited and Longlink Capital Ltd, and the deemed concert parties under the Takeovers Code, namely Mr. YUK Kwok Cheung Charles, Port New Limited and Leyou Technologies Holdings Limited, to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors have no present intention to buy back the Shares to the extent that will trigger the obligations under the Takeovers Code for the concert parties and deemed concert parties to make a mandatory offer.

The Listing Rules prohibit a company from making any buy back on the Hong Kong Stock Exchange if the result of such buy back would be that less than 25% (or such other prescribed minimum percentage as determined by the Hong Kong Stock Exchange) of the Company's issued share capital would be publicly held. The Directors do not intend to buy back Shares to the extent that, after the consummation of any such buy back, less than 25% (or such other prescribed minimum percentage as determined by the Hong Kong Stock Exchange) of the Company's issued share capital would be publicly held.

9. BUY BACK OF SHARES MADE BY THE COMPANY

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM:

1. Mr. CAI Wensheng

Mr. CAI Wensheng (蔡文胜), aged 49, is a founder, executive Director and the Chairman of the Group, and is the chairman of the Nomination Committee since the Listing Date. Mr. Cai also serves as a director of Meitu Holdings Ltd and Meipai Ltd. Mr. Cai is responsible for the overall strategic planning and business direction of the Group. Mr. Cai completed his junior high education from Shi Guang High School in Shishi city (石獅市石光中學), Fujian Province, China in July 1984. Mr. Cai is an entrepreneur and renowned investor in the Internet and technology industry in China. In August 2004, Mr. Cai established 265.com Inc. (北京二六五科技有限公司), a company that provides site navigation services. He was the chairman of 265.com Inc. from August 2004 to 2008, responsible for the company's overall strategic development. 265.com Inc. was sold to Google in 2007. Since then, Mr. Cai has become an influential figure in the Internet start-up community in China. Mr. Cai has invested in various technology start-ups in the PRC, including Baofeng Group Co., Ltd. (暴風集團股份有限公司) (Shenzhen Stock Exchange Stock Code: 300431), 58.com Inc., (NYSE: WUBA) and Feiyu Technology International Company Ltd. (Hong Kong Stock Exchange Stock Code: 1022). Mr. Cai is also the founder and chairman of Longling Capital Co., Ltd. From January 2009 to October 2013, Mr. Cai was the chairman of 4399 Network Co., Ltd. (四三九九網絡股份有限公司), a software enterprise that provides Internet gaming applications and information services, and was responsible for the company's overall strategic development plan. He was also appointed as a part-time professor at the School of Management, Xiamen University in September 2015.

From May 2011 to November 2015, Mr. Cai served as a director of 58.com Inc. Mr. Cai currently holds directorships in Xiamen Fei Bo Network Technology Co., Ltd. (廈門飛博共創網絡科技股份有限公司) (National Equities Exchange and Quotations Stock Code: 834617) between June 2015 and October 2016, and TTG Fintech Limited (Australian Securities Exchange Ticker: TUP) between September 2012 and August 2017.

Save as disclosed above, Mr. Cai has not held any directorship in the last three years in other public companies in the securities of which are listed on any securities market in Hong Kong or overseas and does not have any other relationships with any Directors, senior management, substantial Shareholders, or controlling Shareholders and does not hold any other position with the Company or other members of the Group.

Mr. Cai entered into a service contract with the Company for an initial term of three years from with effect from the Listing Date until the third annual general meeting of the Company since the Listing Date (whichever is sooner), subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the service contract, he is entitled to receive an annual director's fee of HK\$240,000 in his capacity as an executive Director. Mr. Cai Wensheng has also entered into a service contract with Meitu Technology (Singapore) Pte. Ltd. ("Meitu Singapore") for an initial term of one year with effect from January 1, 2019, subject to renewal and the re-election as and when required under the constitution of Meitu Singapore. Pursuant to the service contract with Meitu Singapore, he is entitled to receive an annual salary of S\$120,000.

As at the Latest Practicable Date, Mr. Cai is interested in 1,694,546,670 Shares of the Company within the meaning of Part XV of the SFO which represents approximately 40.29% of the total issued share capital of the Company. Save as disclosed above, Mr. Cai does not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cai has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

2. MR. WU ZEYUAN

Mr. WU Zeyuan (吳澤源) (also known as Mr. WU Xinhong (吳欣鴻)), aged 38, is a founder, executive Director and the Chief Executive Officer of our Group. Mr. Wu is responsible for the overall management of the Company. Mr. Wu is also a director of Meitu Investment Ltd, Meitu (China) Limited, Meipai Global Limited, Xiamen Meitu Mobile Technology Co., Ltd. (廈門美圖移動科技有限公司), Xiamen Meitu Networks Technology Co., Ltd. (廈門美圖網科技有限公司) and Xiamen Home Meitu Technology Co., Ltd. (廈門美圖之家科技有限公司). Mr. Wu has been involved in the Internet industry in China since 2000. Mr. WU received his high school diploma from Quanzhou No. 1 High School (泉州第一中學) in the PRC in July 2001. From September 2000 onwards, Mr. Wu was involved in running domain-name registration businesses. Mr. Wu began developing and researching photo-editing software in 2008. Mr. WU has created and launched one popular product after another, from 520.com to Martian Translator (火星文輸入法), a software program for converting ordinary language into netspeak consisting of unconventional Chinese characters.

Mr. Wu has been a director of Quanzhou Haoyi Computer Networks Company (泉州好易計算機網絡有限公司), a limited liability company established in the PRC on August 14, 2001, since its establishment until the company's voluntary deregistration in October 2017.

Save as disclosed above, Mr. Wu has not held any directorship in the last three years in other public companies in the securities of which are listed on any securities market in Hong Kong or overseas and does not have any other relationships with any Directors, senior management, substantial Shareholders, or controlling Shareholders and does not hold any other position with the Company or other members of the Group.

Mr. Wu entered into a service contract with the Company for an initial term of three years from with effect from the Listing Date until the third annual general meeting of the Company since the Listing Date (whichever is sooner), subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the service contract, he is entitled to receive an annual director's fee of HK\$360,000 in his capacity as an executive Director. Mr. Wu also entered into an employment contract with Xiamen Meitu Networks Technology Co., Ltd. (廈門美圖網科技有限公司) pursuant to which he is entitled to receive an annual salary of RMB360,000.

As at the Latest Practicable Date, Mr. Wu is interested in 1,694,546,670 Shares of the Company within the meaning of Part XV of the SFO which represents approximately 40.29% of the total issued share capital of the Company. Save as disclosed above, Mr. Wu does not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wu has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

3. MR. LAI XIAOLING

Mr. LAI Xiaoling (賴曉凌), aged 43, has been appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee on January 1, 2019. Mr. Lai has over 14 years of experience in investment and business management. Since January 2018, Mr. Lai has been a partner of Beijing Shunwei Capital Investment and Consulting Company Limited (北京順為資本投資諮詢有限公司), primarily responsible for investment strategy, team formation and

management and portfolio management; from June 2013 to December 2017, he was a partner of Innovation Work (Beijing) Investment Management and Consulting Company Limited (創新方舟(北京)投資管理諮詢有限公司), primarily responsible for investment strategy, personnel recruitment and training and portfolio management; from June 2012 to April 2013, he worked as the Investment Director for Chengwei Investment Advisory (Shanghai) Company Limited (成為投資諮詢(上海)有限公司); from October 2007 to February 2012, he worked as the Investment Manager and Vice President for Morningside TMT (Shanghai) Limited (晨創啟興(上海)投資管理諮詢有限公司), primarily responsible for deal sourcing, execution and portfolio management.

Mr. Lai obtained a bachelor's degree in engineering physics from Tsinghua University (清華大學) in July 1999, and a master's degree in business administration from The Chinese University of Hong Kong (香港中文大學) in December 2007.

Mr. Lai has also been an independent non-executive director of Feiyu Technology International Company Ltd. (Hong Kong Stock Exchange Stock Code: 1022) since November 2014.

Save as disclosed above, Mr. Lai has not held any directorship in the last three years in other public companies in the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Lai has given his written annual independence to the Company and the Nomination Committee had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. He does not have any other relationships with any Directors, senior management, substantial Shareholders, or controlling Shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. Lai in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. Lai is beneficial to the Board with diversity of his investment and portfolio management experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

Mr. Lai entered into an appointment letter with the Company with effect from January 1, 2019 until the third annual general meeting of the Company since January 1, 2019. Pursuant to the appointment letter, he is entitled to a director's fee of HK\$360,000 per annum, which is reviewed by the Board and the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

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

Save as disclosed above, Mr. Lai has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

4. MR. ZHANG MING

Mr. ZHANG Ming (張明) (also known as: Mr. WEN Chu (文廚)), aged 41, has been appointed as an independent non-executive Director of our Company, a member of the Remuneration Committee and a member of the Nomination Committee on January 1, 2019. Mr. Zhang is the founder, chairman and chief executive officer of Great Wall Club, a platform to provide professional services to entrepreneurs, developers and investors to strengthen their connection with other mobile Internet industry leaders and grow their businesses worldwide. He is also a prominent cross-border angel investor and the founder of GASA University, a university dedicated to becoming an elite educational program for successful entrepreneurs who seek to enhance their scientific logic and scientific literacy.

Mr. Zhang founded Clickcom in 2003, and was the chief executive officer at Clickcom from March 2003 to December 2004. Clickcom was acquired by a Nasdaq-listed company in 2004. He also founded Moabc in 2005 and was the chief executive officer at Moabc from March 2005 to October 2007, during which he led Moabc to become a leading mobile community with over 10 million users.

Mr. Zhang is the author of ‘*Bu Dong*’ — a journal of his journey of building businesses around the world as an entrepreneur. His investment portfolio includes XPeng Motors, Lychee.FM, and Bijixia.

Mr. Zhang received a diploma in Chinese literature from Jiangsu Changzhou Normal College in July 1998.

Save as disclosed above, Mr. Zhang has not held any directorship in the last three years in other public companies in the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Zhang has given his written annual independence to the Company and the Nomination Committee had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. He does not have any other relationships with any Directors, senior management, substantial Shareholders, or controlling Shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. Zhang in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an Independent Non-executive Director and he will be able to maintain an independent view of the Group’s affairs. The Board considers him to be independent.

The Board is of the view that Mr. Zhang is beneficial to the Board with diversity of his professional and entrepreneurial experience in the mobile internet sector that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

Mr. Zhang entered into an appointment letter with the Company with effect from January 1, 2019 until the third annual general meeting of the Company since January 1, 2019. Pursuant to the appointment letter, he is entitled to a director’s fee of HK\$360,000 per annum, which is reviewed by the Board and the Remuneration Committee and determined by the Board with reference to market rates, his performance, qualifications and experience.

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

Save as disclosed above, Mr. Zhang has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Direct.

NOTICE OF ANNUAL GENERAL MEETING



Meitu, Inc.

美图公司

(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as “美图之家”)

(Stock Code: 1357)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Meitu, Inc. (the “Company”) will be held at Diamond I, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, June 3, 2019 at 11:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company, the reports of the directors and the independent auditor’s report for the year ended December 31, 2018.
2. To re-elect the following retiring directors of the Company:
 - (a) Mr. CAI Wensheng as executive director of the Company;
 - (b) Mr. WU Zeyuan as executive director of the Company;
 - (c) Mr. LAI Xiaoling as an independent non-executive director of the Company; and
 - (d) Mr. ZHANG Ming as an independent non-executive director of the Company.
3. To authorize the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint PricewaterhouseCoopers as the Company’s auditor and to authorize the board of directors of the Company to fix the auditor’s remuneration.

SPECIAL BUSINESS

Share Issue Mandate

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

“THAT:

- (a) subject to paragraph (c) below, a general and unconditional mandate be and is hereby given to the directors of the Company during the Relevant Period (as defined in paragraph (d) below) to exercise all the powers of the Company to allot, issue and deal with additional shares of US\$0.00001 each in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make offers, agreements and/or grant options (including but not limited to warrants, bonds and debentures convertible into shares of the Company) that would or might require the exercise of such powers;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the mandate in paragraph (a) above shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company to make or grant offers, agreements and/or options during the Relevant Period (as defined in paragraph (d) below) that would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below);
 - (ii) the exercise of any subscription or conversion rights attaching to any warrants that may be allotted and issued by the Company or any securities that are convertible into shares of the Company from time to time;
 - (iii) the grant or exercise of any options that may be granted under any share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers, consultants and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company;
 - (iv) any scrip dividend or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company;
 - (v) the vesting of share awards granted or to be granted pursuant to the share award scheme of the Company; and
 - (vi) a specific authority granted by the shareholders of the Company in general meeting,shall not exceed 20% of the total number of issued shares of the Company as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the shares of the Company into a smaller or larger number of shares of the Company respectively after the passing of this resolution) and the said mandate shall be limited accordingly.
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until 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 to be held by the articles of association of the Company and any applicable laws; 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.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares of the Company (subject to such exclusions or other arrangements as the directors of the Company 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 jurisdiction applicable to the Company, any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

Share Buy-back Mandate

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

“THAT:

- (a) a general unconditional mandate be and is hereby given to the directors of the Company during the Relevant Period (as defined in paragraph (b) below) to exercise all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the **“Hong Kong Stock Exchange”**) or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Hong Kong Stock Exchange for this purpose, provided that the total number of shares of the Company which may be purchased pursuant to this mandate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the shares of the Company into a smaller or larger number of shares of the Company respectively after the passing of this resolution) and the said mandate shall be limited accordingly; and
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company on behalf of the Company during the Relevant Period (as defined in paragraph (b) below) to procure the Company to purchase its shares at a price determined by the directors of the Company;
- (c) for the purposes of this resolution:

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

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

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT conditional upon the passing of resolutions set out in items 5 and 6 of the notice convening this meeting (the **“Notice”**), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in the resolution set out in item 6 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the shares of the Company into a smaller or larger number of shares of the Company respectively after the passing of this resolution).”

By order of the Board
Meitu, Inc.
CAI Wensheng
Chairman

Hong Kong, April 29, 2019

NOTICE OF ANNUAL GENERAL MEETING

Principal place of business in Hong Kong:

Room 8106B Level 81
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Registered Office:

The offices of Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Notes:

- (1) All resolutions at the AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Company’s articles of association, except where the Chairman, in good faith, decides to allow a resolution that relates purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, on a poll, vote in his/her/its stead. A proxy need not be a shareholder 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.
- (3) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, must be delivered at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or the any adjournment therefor (as the case may be). The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the AGM (or any adjourned meeting thereof) if they so wish.
- (4) Where there are joint holders of any share any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
- (5) The transfer books and register of members of the Company will be closed from Wednesday, May 29, 2019 to Monday, June 3, 2019, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, May 28, 2019.
- (6) A circular containing further details concerning items 5 to 7 set out in the above notice will be sent to all shareholders of the Company together with this notice.

As at the date of this notice, the executive Directors are Mr. CAI Wensheng and Mr. WU Zeyuan (also known as Mr. WU Xinhong); the non-executive Directors are Dr. GUO Yihong and Dr. LEE Kai-Fu; the independent non-executive Directors are Mr. ZHOU Hao, Mr. LAI Xiaoling and Mr. ZHANG Ming (also known as Mr. WEN Chu).