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CHANGYOU ALLIANCE GROUP LIMITED

暢由聯盟集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Changyou Alliance Group Limited (the “**Company**”) will be held at Room 1908-1916, 19th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 25 June 2021 at 11:00 a.m. for considering and, if thought fit, passing the following resolutions (with or without modifications):

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2020;
2. To re-elect the following Directors:
 - (a) Mrs. Guo Yan as a non-executive Director; and
 - (b) Mr. Wong Chi Keung as an independent non-executive Director;
3. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
4. To re-appoint KPMG as auditors of the Company and to authorise the Board to fix their remuneration;
5. **THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and the Directors be and are hereby authorised to, during the Relevant Period, make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

- (c) the total number of shares of the Company allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); (ii) the exercise of options granted under the share option scheme of the Company or similar arrangement adopted by the Company from time to time; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the number of shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 articles of association of the Company or any applicable laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (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 regulatory body or any stock exchange in, any territory outside Hong Kong);

6. **THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to purchase issued shares in the share capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and the Directors be and are hereby authorised to, on behalf of the Company, during the Relevant Period procure the Company to purchase its shares at a price determined by the Directors;

(c) the total number of shares of the Company which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 articles of association of the Company or any applicable laws to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting; and

7. **THAT** conditional upon the passing of resolutions nos. 5 and 6 above, the general mandate to the Directors pursuant to resolution no. 5 be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company purchased by the Company under the authority granted pursuant to resolution no. 6, provided that such amount shall not exceed 10% of the number of shares of the Company in issue as at the date of the passing of this resolution.

Yours faithfully
By order of the Board
Changyou Alliance Group Limited
Mr. Cheng Jerome
Chairman

Hong Kong, 21 April 2021

Notes:

- (1) A member entitled to attend and vote at the AGM may appoint one or, if he holds two or more shares of the Company, more proxies to attend and vote instead of him. A proxy need not be a member of the Company. Shareholders are encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM, as an alternative to attending the AGM in person.
- (2) Where there are joint holders of any share of the Company, any one of such joint holder 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 the AGM, the vote of the senior 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 of the Company in respect of the joint holding, the first named being the senior.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's Hong Kong branch share registrar, 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 the holding of the AGM (i.e. not later than Wednesday, 23 June 2021 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Tuesday, 22 June 2021 to Friday, 25 June 2021 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 21 June 2021.
- (5) Please refer to the section headed "Precautionary Measures for the Annual General Meeting" of the circular of the Company dated 21 April 2021 for precautionary measures implemented by the Company in order to safeguard the health and safety of the shareholders of the Company and all the attendees at the AGM and to prevent the spread of COVID-19, including: (i) compulsory body temperature checks; (ii) compulsory wearing[#] of surgical face masks for every attendee; (iii) appropriate social distancing and seating arrangements in line with the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong); and (iv) no refreshment or drinks will be served at the AGM. Any person who does not comply with the precautionary measures or is subject to any Hong Kong government prescribed quarantine may be denied entry into the AGM venue.

Subject to the development of the COVID-19 pandemic and any directive(s) that may be further issued by the Hong Kong government, the Company may implement further changes and precautionary measures and may issue further announcement(s) on such measures as and when appropriate.

[#] *A reference to a person wearing a mask is a reference to the person wearing a mask over and covering the person's nose and mouth, with the mask touching the person's nose, chin and cheeks.*

As at the date of this notice, the executive Directors are Mr. Cheng Jerome and Mr. Yuan Weitao; the non-executive Director is Mrs. Guo Yan; and the independent non-executive Directors are Mr. Wong Chi Keung, Mr. Liu Jialin and Mr. Chan Chi Keung Alan.