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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in Huayi Tencent Entertainment Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**H.BROTHERS** | ENTERTAINMENT

**華誼騰訊娛樂**

**華誼騰訊娛樂有限公司**

**Huayi Tencent Entertainment Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 419)**

**(1) RE-ELECTION OF DIRECTORS**  
**(2) PROPOSED APPOINTMENT OF**  
**INDEPENDENT NON-EXECUTIVE DIRECTORS**  
**(3) GENERAL MANDATE TO**  
**ISSUE NEW SHARES AND REPURCHASE ITS OWN SHARES**  
**(4) NOTICE OF ANNUAL GENERAL MEETING**

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A notice of the AGM to be held at Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Tuesday, 20 June 2023 at 10:00 a.m. is set out on pages 14 to 17 of this circular. A form of proxy for use by the Shareholders at the AGM is enclosed. If you do not intend to attend the AGM in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

26 April 2023

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Tuesday, 20 June 2023 at 10:00 a.m., or any adjournment thereof (or as the case may be)
“AGM Notice”	the notice convening the AGM dated 26 April 2023 which is set out on pages 14 to 17 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	Huayi Tencent Entertainment Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new Shares of the Company not exceeding 20% of the number of the issued Shares of the Company as at the date of passing of the ordinary resolution in relation thereto
“Latest Practicable Date”	18 April 2023, 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”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase fully paid up Shares of the Company of up to 10% of the number of the issued Shares of the Company as at the date of passing of the ordinary resolution in relation thereto

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	the ordinary share(s) of HK\$0.02 each in the shares of the Company
“Shareholder(s)”	the holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

**H. BROTHERS** | ENTERTAINMENT

**華 誼 騰 訊 娛 樂**

**華 誼 騰 訊 娛 樂 有 限 公 司**

**Huayi Tencent Entertainment Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 419)**

*Directors:*

Mr. CHENG Wu<sup>1</sup> (*Vice Chairman*)  
Mr. YUEN Hoi Po<sup>1</sup> (*Chief Executive Officer*)  
Dr. WONG Yau Kar, David, GBS, JP<sup>2</sup>  
Mr. YUEN Kin<sup>2</sup>  
Mr. CHU Yuguo<sup>2</sup>

<sup>1</sup> *Executive Director*

<sup>2</sup> *Independent Non-executive Director*

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal place of business*

*in Hong Kong:*

Suite 908, 9/F  
Tower Two, Lippo Centre  
89 Queensway  
Hong Kong

26 April 2023

*To the Shareholders*

Dear Sir/Madam,

**(1) RE-ELECTION OF DIRECTORS**  
**(2) PROPOSED APPOINTMENT OF**  
**INDEPENDENT NON-EXECUTIVE DIRECTORS**  
**(3) GENERAL MANDATE TO**  
**ISSUE NEW SHARES AND REPURCHASE ITS OWN SHARES**  
**(4) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to give you the notice of AGM and provide you with information regarding certain ordinary resolutions to be proposed at the AGM and enable you to make decisions on whether to vote for or against those resolutions.

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## LETTER FROM THE BOARD

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At the AGM, ordinary resolutions, amongst others, will be proposed for the Company to approve the re-election of Directors, the appointment of Independent Non-executive Directors, the Issue Mandate, the Repurchase Mandate and extension of the Issue Mandate.

### (1) LENGTH OF TENURE OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Pursuant to Code Provision B.2.4(a) of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (“CG Code”), the length of tenure of long serving Independent Non-executive Directors of the Company is set out as follows:

Name	Date of Appointment	Length of the Tenure
Dr. WONG Yau Kar David, <i>GBS, JP</i>	18 June 2002	More than 20 years
Mr. YUEN Kin	23 September 2004	More than 18 years
Mr. CHU Yuguo	26 March 2012	More than 11 years

### (2) RE-ELECTION OF DIRECTORS

The Nomination Committee of the Company has made a recommendation to the Board that Mr. CHENG Wu and Mr. CHU Yuguo will retire at the AGM and, being eligible, offer themselves for re-election pursuant to article 87(1) of the Articles.

Mr. CHU Yuguo has been appointed as Independent Non-executive Director for more than 9 years as at the Latest Practicable Date. Pursuant to Code Provision B.2.3 of the CG Code, his further appointment should be subject to a separate resolution to be approved by the Shareholders.

As Mr. CHU (i) has fulfilled the independence criteria as set out in Rule 3.13 of the Listing Rules, and (ii) has not taken any management role in the Group nor in any relationships with any Director, senior management, substantial or controlling Shareholders of the Company, the Nomination Committee believes that there are not any circumstances which would interfere Mr. CHU to exercise his independent judgement and he can continue to demonstrate his ability to provide a balanced and independent view beneficial to the Company and Shareholders as a whole notwithstanding the length of his service.

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## LETTER FROM THE BOARD

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Biographies of the retiring directors offering for re-election at the AGM are as follows:

### **EXECUTIVE DIRECTOR**

**Mr. CHENG Wu**

*Director since 2018*

*Vice Chairman and executive Director*

Mr. CHENG Wu, aged 48, currently serves as Vice Chairman of the Board and Executive Director of the Company. He is a member of Executive Committee and Strategy Committee. Mr. CHENG graduated from Tsinghua University with a Bachelor of Science degree in Physics. He also gained an EMBA degrees from the Olin Business School at Washington University and the PBC School of Finance at Tsinghua University. Mr. CHENG is currently an executive director and chief executive officer of China Literature Limited (Stock Code: 772) which is a Hong Kong listed subsidiary of Tencent Holdings Limited (Stock Code: 700) (“Tencent”). Tencent is a substantial shareholder of the Company and a company listed on the Main Board of the Hong Kong Stock Exchange.

Mr. CHENG resigned as a non-executive director of Maoyan Entertainment (Stock Code: 1896), the shares of which are listed on The Stock Exchange of Hong Kong Limited, on 16 November 2022.

As at the Latest Practicable Date, Mr. CHENG does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Mr. CHENG has entered into a service contract with the Company for a term of 3 years and will be subject to retirement by rotation and re-election at the annual general meeting pursuant to the Articles of the Company. The remuneration payable to Mr. CHENG will be determined and approved by the Remuneration Committee of the Company with reference to his duties and responsibilities in the Company and the prevailing market conditions. No emolument has been proposed for Mr. CHENG.

Save as disclosed above, Mr. CHENG (i) has not held any other directorships in any public companies which are listed in Hong Kong or overseas in the last three years; (ii) does not hold other positions in the Company or any of its subsidiaries; (iii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iv) does not have any interest in the listed securities of the Company within the meaning of Part XV of SFO; and (v) there is no information relating to Mr. CHENG that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Mr. CHENG.

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## LETTER FROM THE BOARD

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### INDEPENDENT NON-EXECUTIVE DIRECTOR

**Mr. CHU Yuguo**

*Director since 2012*

*Independent Non-executive Director*

Mr. CHU Yuguo, aged 57, currently serves as Independent Non-executive Director of the Company. He is the Chairman of Nomination Committee as well as a member of Audit Committee and Corporate Governance Committee. Mr. CHU is a PhD fellowship of Peking University. He was a lecturer of the Department of Computer Science & Technology of Peking University, deputy head and head of office of admission of Peking University Office of Educational Administration, head of asset management office of Peking University, and the chairman and general manager of Peking University Science Park. He is the chairman of Beijing Jade Bird Education & Technology Development Co., Ltd.

As at the Latest Practicable Date, Mr. CHU has personal interest in 2,000,000 Shares under Part XV of the SFO.

Mr. CHU has entered into a service contract with the Company for a term of 3 years and will be subject to retirement by rotation and re-election at the annual general meeting pursuant to the Articles of the Company. The remuneration payable to Mr. CHU was recommended by the Remuneration Committee of the Company with reference to his duties and responsibilities in the Company and the prevailing market conditions and then determined and approved by the Board. Mr. CHU currently receives a basic salary of HK\$240,000 per annum.

Save as disclosed above, Mr. CHU (i) has not held any other directorships in any public companies which are listed in Hong Kong or overseas in the last three years; (ii) does not hold other positions in the Company or any of its subsidiaries; (iii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iv) does not have any interest in the listed securities of the Company within the meaning of Part XV of SFO; and (v) there is no information relating to Mr. CHU that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Mr. CHU.

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## LETTER FROM THE BOARD

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### (3) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Code Provision B.2.4(b) of the CG Code, if all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting with effect from the financial year commencing on or after 1 January 2023. As all the Independent Non-executive Directors of the Company have been appointed for more than nine years, the Company will appoint two additional Independent Non-executive Directors at the AGM. In consideration of the Nomination Committee's recommendation, Ms. WANG Song Song ("Ms. WANG") and Ms. PAN Min ("Ms. PAN") will be proposed at the AGM to be appointed as additional Independent Non-executive Directors with effect from the conclusion of the AGM. The nomination was made in accordance with the Nomination Policy and took into account the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the Board Diversity Policy of the Company.

The Company has received from each of Ms. WANG and Ms. PAN (i) a written confirmation of her willingness to be elected as Director and consent to the publication of her personal data; and (ii) a confirmation of independence pursuant to Rule 3.13 of the Listing Rules.

Biographies of the proposed Independent Non-executive Director offering for election at the AGM are as follows:

#### **Ms. WANG Song Song**

#### ***Independent Non-executive Director***

Ms. WANG Song Song, aged 54, holds a bachelor degree in Clinical Medicine Capital Institute of Medicine from Capital Medical University, and has worked in the pharmaceutical industry over 15 years. Ms. WANG has held various key leadership positions in the pharmaceutical multinational corporations, and has extensive experience in the fields of new drug development, regulatory submission, product launch and post-marketing medical support.

As at the Latest Practicable Date, Ms. WANG does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Ms. WANG will enter into a service contract with the Company for a term of 3 years and will be subject to retirement by rotation and re-election at the annual general meeting pursuant to the Articles of the Company. Ms. WANG will receive a basic salary of HK\$240,000 per annum which was recommended by the Remuneration Committee of the Company with reference to her duties and responsibilities in the Company and the prevailing market conditions and then determined and approved by the Board.

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## LETTER FROM THE BOARD

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Save as disclosed above, Ms. WANG (i) has not held any other directorships in any public companies which are listed in Hong Kong or overseas in the last three years; (ii) does not hold other positions in the Company or any of its subsidiaries; (iii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iv) does not have any interest in the listed securities of the Company within the meaning of Part XV of SFO; and (v) there is no information relating to Ms. WANG that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in relation to the election of Ms. WANG.

Upon the appointment of Ms. WANG as an Independent Non-executive Director becoming effective, Ms. WANG will serve as a member of each of the Nomination Committee and the Remuneration Committee of the Company.

### **Ms. PAN Min**

#### ***Independent Non-executive Director***

Ms. PAN Min, aged 52, received a doctorate in Accounting from Wuhan University in 2015. Ms. PAN is a Certified Practising Accountant in the PRC, and has over 30 years of professional accounting and auditing experience in accounting firms in the PRC, with business involving China, Hong Kong and Europe.

Ms. PAN is currently an independent director of Shanghai Hugong Electric (Group) Co., Ltd. (SSE Stock Code: 603131) and Shanghai Golden Union Commercial Management Co., Ltd. (SSE Stock Code: 603682), the shares of which are listed on the Shanghai Stock Exchange. She is also an independent director of Shandong Longji Machinery Co., Ltd. (SZSE Stock Code: 002363) and Harbin Gloria Pharmaceuticals Co., Ltd. (SZSE Stock Code: 002437), the companies listed on Shenzhen Stock Exchange.

Ms. PAN resigned as an independent director of Shanghai Shuixing Home Textile Co., Ltd. (SSE Stock Code: 603365) and Shanghai Jiaoda Onlly Co., Ltd. (SSE Stock Code: 600530), the companies listed on Shanghai Stock Exchange, in June 2021 and in June 2022 respectively.

As at the Latest Practicable Date, Ms. PAN does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Ms. PAN will enter into a service contract with the Company for a term of 3 years and will be subject to retirement by rotation and re-election at the annual general meeting pursuant to the Articles of the Company. Ms. PAN will receive a basic salary of HK\$240,000 per annum which was recommended by the Remuneration Committee of the Company with reference to her duties and responsibilities in the Company and the prevailing market conditions and then determined and approved by the Board.

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## LETTER FROM THE BOARD

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Save as disclosed above, Ms. PAN (i) has not held any other directorships in any public companies which are listed in Hong Kong or overseas in the last three years; (ii) does not hold other positions in the Company or any of its subsidiaries; (iii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iv) does not have any interest in the listed securities of the Company within the meaning of Part XV of SFO; and (v) there is no information relating to Ms. PAN that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in relation to the election of Ms. PAN.

Upon the appointment of Ms. PAN as an Independent Non-executive Director becoming effective, Ms. PAN will serve as a member of each of the Audit Committee and the Nomination Committee of the Company.

#### **(4) GENERAL MANDATE TO ISSUE SHARES**

It will be proposed at the AGM the ordinary resolutions nos. 4(A) and 4(C) in the AGM Notice for granting of the Issue Mandate to the Directors to allot, issue and deal with new Shares of the Company not exceeding 20% of the number of the issued Shares of the Company as at the date of passing of the ordinary resolution no. 4(A) in the AGM Notice and adding to such general mandate so granted to the Directors any Shares of the Company representing the number of Shares of the Company repurchased by the Company after the granting of the general mandate to repurchase Shares of the Company up to 10% of the number of the issued Shares of the Company as at the date of passing of the ordinary resolution no. 4(B) in the AGM Notice. Such general mandate to allot, issue and deal with new Shares of the Company shall be exercisable during the period from the passing of the ordinary resolutions nos. 4(A) and 4(C) in the AGM Notice 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 or the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in such ordinary resolutions is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

As at the Latest Practicable Date, the number of Shares of the Company was 13,585,338,609 Shares. Subject to passing of the ordinary resolution no. 4(A) in the AGM Notice and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company will be allowed to allot, issue and deal with a maximum of 2,717,067,721 Shares representing not more than 20% of the number of the issued Shares of the Company as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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### (5) GENERAL MANDATE TO REPURCHASE SHARES

It will also be proposed at the AGM the ordinary resolution no. 4(B) in the AGM Notice for granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares of the Company up to 10% of the number of the issued Shares of the Company as at the date of passing of the ordinary resolution no. 4(B) in the AGM Notice.

The following is an explanatory statement as required to be sent to the Shareholders under the Share Repurchase rules to provide requisite information to the Shareholders for consideration of the ordinary resolution no. 4(B) in the AGM Notice in respect of the Repurchase Mandate.

#### TOTAL NUMBER OF THE SHARES FOR SHARES REPURCHASE

As at the Latest Practicable Date, the number of the issued Shares of the Company was 13,585,338,609 Shares. Subject to the passing of the ordinary resolution no. 4(B) in the AGM Notice and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 1,358,533,860 Shares, representing not more than 10% of the number of the issued Shares of the Company, during the period from the passing of the ordinary resolution no. 4(B) in the AGM Notice 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 or the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in such ordinary resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

#### Reasons for Shares Repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might consider appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as a whole as such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share. Shareholders can be assured that the Directors would only make such repurchases in circumstances where they consider them to be in the best interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Funding of Repurchases

Repurchases must be made out of funds which are legally available for such purpose in accordance with the Articles of the Company, the Listing Rules and the applicable laws of the Cayman Islands and Hong Kong. It is envisaged that the funds required for any repurchases would be derived from the distributable profits of the Company.

The Directors consider that there might be a material adverse impact on the working capital or gearing level of the Company (as compared with the position disclosed in the audited accounts of the Company as contained in its annual report for the year ended 31 December 2022) in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchased period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level which in the opinion of the Directors are from time to time appropriate for the Company.

### Share Prices

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

	Price Per Share	
	Highest HK\$	Lowest HK\$
<b>2022</b>		
May	0.166	0.135
June	0.201	0.146
July	0.230	0.177
August	0.246	0.174
September	0.225	0.155
October	0.170	0.118
November	0.170	0.137
December	0.166	0.135
<b>2023</b>		
January	0.160	0.135
February	0.148	0.137
March	0.167	0.130
April (up to and including the Latest Practicable Date)	0.140	0.131

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## LETTER FROM THE BOARD

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### **Undertaking**

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 repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Articles of the Company and the applicable laws of the Cayman Islands.

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

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

### **Share Repurchases made by the Company**

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

## **(6) VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at the general meetings must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the meeting will demand a poll for every resolution put to the vote at the AGM.

## **(7) 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 Company. 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 respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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## LETTER FROM THE BOARD

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### (8) RECOMMENDATION

The Directors consider that all proposed resolutions for approving the re-election of Directors, the appointment of Independent Non-executive Directors, the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate as set out in the notice of AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of all proposed resolutions at the AGM.

Yours faithfully,

For and on behalf of

**Huayi Tencent Entertainment Company Limited**

**YUEN Hoi Po**

*Executive Director and Chief Executive Officer*

**H.BROTHERS** | ENTERTAINMENT

**華 誼 騰 訊 娛 樂**

華 誼 騰 訊 娛 樂 有 限 公 司

**Huayi Tencent Entertainment Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 419)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Huayi Tencent Entertainment Company Limited (the “Company”) will be held at Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Tuesday, 20 June 2023 at 10:00 a.m. for the following businesses:

1. To receive and consider the report of the directors of the Company (“Directors”), audited financial statements and auditor’s report for the year ended 31 December 2022.
2.
  - (a) To re-elect Mr. CHENG Wu as an Executive Director;
  - (b) To re-elect Mr. CHU Yuguo (who has served as an Independent Non-executive Director for more than 9 years) as an Independent Non-executive Director;
  - (c) To elect Ms. WANG Song Song as an Independent Non-executive Director;
  - (d) To elect Ms. PAN Min as an Independent Non-executive Director; and
  - (e) To authorise the board of directors to fix the remuneration of the Directors.
3. To re-appoint Messrs. PricewaterhouseCoopers as auditor of the Company and to authorise the Board to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without modification, the following resolutions as Ordinary Resolutions of the Company:

**ORDINARY RESOLUTIONS**

(A) “**THAT:**

- (a) subject to paragraph (b) of this Resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company (“Directors”) to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with additional ordinary shares of the Company (“Shares”) and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities

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## NOTICE OF ANNUAL GENERAL MEETING

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which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers during or after the Relevant Period (as hereinafter defined).

- (b) the aggregate number of Shares to be allotted, issued and dealt with pursuant to the general mandate granted herein, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of Shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantee as specified in such scheme or similar arrangement of Shares or rights to acquire the Shares; or (iii) an issue of Shares upon the exercise of subscription rights or conversion rights attaching to any warrants or convertible notes which may be issued by the Company or any of its subsidiaries; or (iv) an issue of Shares pursuant to any scrip dividend or similar arrangement providing for allotment of Shares in lieu of the whole or part of the dividend on Shares in accordance with the articles of association of the Company (“Articles”), shall not exceed 20% of the number of the issued Shares of the Company as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose 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 Articles and the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting; and

“**Rights Issue**” means an offer of Shares, options, warrants, bonds, debentures, notes or other securities giving the right to subscribe for or convertible into Shares, open for a period fixed by the Directors to the holders of Shares, or any class of shares or other securities of the Company, whose names appear on the register of members of the Company (and, where appropriate, to holders of such other class of shares or other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other class of shares or other securities of the Company) as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or

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## NOTICE OF ANNUAL GENERAL MEETING

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obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

(B) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase ordinary shares of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by The Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the number of the issued Shares 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 Articles of the Company and the applicable laws of the Cayman Islands to be held; or
  - (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** subject to the passing of Ordinary Resolutions nos.4(A) and 4(B) set out in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional ordinary shares of the Company (“Shares”) pursuant to the Ordinary Resolution no.4(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of the aggregate number of Shares of the Company repurchased by the

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Company under the authority granted pursuant to the Ordinary Resolution no.4(B) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares of the Company as at the date of passing of this Resolution.”

By Order of the Board  
**Huayi Tencent Entertainment Company Limited**  
**Raymond HAU**  
*Company Secretary*

Hong Kong, 26 April 2023

*Notes:*

1. The Register of Members of the Company will be temporarily closed from 15 June 2023 to 20 June 2023, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the attendance at the Company's annual general meeting to be held on Tuesday, 20 June 2023, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 14 June 2023.
2. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
3. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
4. Completion and return of the form of proxy will not preclude members from attending and voting at the aforesaid meeting and in such event, the form of proxy will be deemed to be revoked.

*As at the date hereof, the Board comprises executive directors: Mr. CHENG Wu (Vice Chairman), Mr. YUEN Hoi Po (CEO) and independent non-executive directors: Dr. WONG Yau Kar David, GBS, JP, Mr. YUEN Kin, Mr. CHU Yuguo.*