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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)

VOLUNTARY ANNOUNCEMENT ON BUSINESS UPDATE

**ECHARTNOW LAUNCHED ECN YUANZHI DIGITAL HUMAN AI SOLUTION BASED ON THE
STRATEGIC COOPERATION WITH TENCENT CLOUD**

**ECHARTNOW BECAME THE FIRST LICENSED PARTNER OF TENCENT CLOUD AI DIGITAL
HUMAN IN THE HEALTHCARE INDUSTRY**

AND WAS GRANTED THE “TENCENT HEALTH” OUTSTANDING PARTNER OF THE YEAR AWARD

This announcement is made by Huayi Tencent Entertainment Company Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with the updates on the development of the business of the Group.

Echartnow launched ECN Yuanzhi Digital Human AI Solution based on the strategic cooperation with Tencent Cloud

Reference is made to the announcement of the Company dated 30 May 2023 in relation to the entering into of a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) between Shaanxi Yizhinuo Information Technology Co., Ltd (“**Echartnow**”, formerly also known as “YZN”), a subsidiary of the Company, and Tencent Cloud Computing (Beijing) Co., Ltd (“**Tencent Cloud**”), a subsidiary of Tencent Holdings Limited (Stock Code: 700) (“**Tencent**”).

Since the signing of the Strategic Cooperation Agreement with Tencent Cloud in May 2023, notable progress has been made in the collaboration with Tencent Cloud in the healthcare sector, and we have seen outstanding delivery in both technology and brand cooperation. Leveraging on its strong technical and solution capabilities, and powered by Tencent Cloud's underlying technology, Echartnow empowers business scenarios and applies them to leading players in the healthcare industry, and has developed **ECN Yuanzhi Digital Human AI Solution** (“**ECN Yuanzhi Digital Human**”), a comprehensive new solution, based on the characteristics of the industry and differentiated needs of enterprises.

As a solution for building AI-generated content (AIGC) application scenarios, ECN Yuanzhi Digital Human is designed to address industry pain points, improve and optimize productivity of doctors, and to bring new opportunities for the production and application of high-quality medical education and science content by and for hospitals/doctors. With the collection of audio and video materials of doctors in just a few minutes, ECN Yuanzhi Digital Human is able to build an AI digital avatar and generate an AI digital avatar video rapidly, thus significantly enhancing the efficiency of popular science content production. With ECN Yuanzhi Digital Human, customers in the healthcare industry can create virtual images for doctors and quickly generate videos using technology and texts, thus help saving time for doctors. Since its launch, ECN Yuanzhi Digital Human has been highly acclaimed by customers in the healthcare industry. Pilot implementation in hospitals and pharmaceutical companies has commenced, and intentions for project procurement have been secured from some customers.

Echartnow became the first licensed partner of Tencent Cloud AI Digital Human in the healthcare industry

The board of directors of the Company is pleased to announce that Echartnow was recognized as the “Licensed Partner of Tencent Cloud AI Digital Human” at Tencent’s Global Digital Ecosystem Summit 2023, being one of the four high-quality partner companies selected by Tencent. Echartnow is also the first, and the only one currently, in the healthcare industry recognized as a licensed partner of Tencent Cloud AI Digital Human. Tencent Cloud will offer to Echartnow, as a leading player in healthcare industry, technical and service support, and the parties will work together to formulate industry technical specifications, service specifications as well as professional standards for AI digital human. Supported with Tencent’s Hunyuan proprietary foundation model and Model-as-a-Service (MaaS) offering, Echartnow will join hands with Tencent to explore the scenario application of proprietary foundation model in the healthcare industry and to develop next-generation medical digital solutions.

Echartnow was granted the “Tencent Health” Outstanding Partner of the Year Award

On the same day, Echartnow was also granted the “Tencent Health” Outstanding Partner of the Year Award. The parties will further expand business cooperation in the healthcare sector building on the synergy with Tencent’s ecosystem. “Tencent Health” and the Echartnow team have also established in-depth and robust cooperation in the joint project “Tencent Medipedia”. Based on the “TRUST” model of “Tencent Health” and as a next step, the parties expect to jointly build a trustworthy healthcare data middle platform, and provide two-way empowerment to industrial and commercial enterprises in the healthcare sector, as part of their efforts to promote the high-quality development of digitalization and intelligence in the healthcare industry.

About Echartnow

As a technology company aspires to pursue new healthcare value and service proposition, Echartnow has been devoted to enhancing healthcare offerings with cutting-edge AI technology. Strategically positioned as a partner for digital operation in the healthcare industry, Echartnow is committed to promoting the digital transformation of healthcare companies, providing digital operational solutions for enterprises across the entire development cycle through its online and offline synergistic development. Leveraging on various self-developed products such as the “Cistanche” digital operational system and the introduction of AI capabilities, it empowers doctors, patients, pharmacies, pharmaceutical companies and other ports to effectively connect with each other and carry out private domain operation in all scenarios. Based on the TOB strategy, Echartnow has been dedicated to building a healthcare service platform encompassing all scenarios, and a healthcare services ecosystem that covers the entire industry chain. It has established 9 operation centers in 27 provinces across China. As a partner for digital operation in healthcare industry, Echartnow adheres to the philosophy of “symbiosis, joint efforts, and win-win” with its partners to promote digitalization of the healthcare industry, with the aim of making healthcare “specialist” and healthcare service accessible to everyone.

About Tencent Cloud

Tencent Cloud is a cloud computing brand of Tencent. It provides world-class cloud computing, AI, big data and other technology products and services for enterprises, organizations, institutions and individual developers across countries and regions. Tencent Cloud relies on superior technological capabilities to create diverse industry solutions and build an open, mutually beneficial cloud ecosystem that promotes digital upgrades in various industries. Tencent Cloud covers administration, operators, healthcare, education, culture and tourism, energy, transportation and finance, pan-Internet, retail and other sectors, providing one-stop industry solutions covering cloud computing, services, data, operation and security.

As at the date of this announcement, Tencent, the parent company of Tencent Cloud, is indirectly interested in approximately 15.58% of the issued shares of the Company. Accordingly, Tencent Cloud is a connected person of the Company under Chapter 14A of the Listing Rules. Matters in relation to this announcement does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board

Huayi Tencent Entertainment Company Limited

YUEN Hoi Po

Executive Director and Chief Executive Officer

Hong Kong, 11 September 2023

As at the date of this announcement, the Board comprises:

Executive directors: Mr. CHENG Wu (Vice Chairman), Mr. YUEN Hoi Po (Chief Executive Officer)

Independent non-executive directors: Mr. YUEN Kin, Mr. CHU Yuguo, Ms. WANG Song Song, Ms. PAN Min