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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)

GRANT OF AWARDED SHARE

The Board announces that on 31 March 2023, the Company granted 15,000,000 Awarded Shares involving 15,000,000 new Shares, representing (i) approximately 0.11% of the total issued Shares as at the date of this announcement and (ii) approximately 0.11% of the total issued share capital of the Company as enlarged by such allotment and issue, to a Grantee under the Share Award Scheme, subject to the acceptance by the Grantee. The Board considers that the grant of the Awarded Shares to the Grantee will motivate his expected future contribution to the success and development of the Group.

The details of the Awarded Shares granted are as follows:

Date of grant:	31 March 2023
Purchase price of Awarded Shares:	Nil
Number of Awarded Shares granted:	15,000,000
Closing price per Share on the date of the grant:	HK\$0.14
Vesting period:	
first trading day after 31 March 2024	7,500,000 Awarded Shares
first trading day after 31 March 2025	3,750,000 Awarded Shares
first trading day after 31 March 2026	3,750,000 Awarded Shares

There is no performance target attached to the grant. In the event that prior to or on the date of vesting, the Grantee ceases to be an eligible participant for whatever reason or is deemed to cease to be an eligible participant under the circumstances specified in the Share Award Scheme, the unvested portion of the relevant Award made to such Grantee shall, unless otherwise determined by the Board in its absolute discretion, automatically lapse.

The grant of 15,000,000 Awarded Shares to the Grantee is subject to the Stock Exchange granting listing of and permission to deal in the New Shares to be allotted and issued. Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the New Shares to be allotted and issued.

The New Shares, when issued and allotted, shall rank *pari passu* among themselves and with the fully paid Shares in issue upon allotment of the New Shares, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment.

To the best knowledge of the Directors, as at the date of this announcement, the Grantee is not (i) a director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) a participant with Award granted and to be granted exceeding the 1% individual limit; or (iii) a related entity participant or a service provider (as defined under the Listing Rules).

NUMBER OF SHARES AVAILABLE FOR FUTURE GRANT

After the above grant of Award, 1,272,310,657 Awarded Shares will be available for future grant pursuant to the Share Award Scheme.

The Share Award Scheme was adopted before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangements provided for the existing share schemes of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Award”	a provisional award of Awarded Shares made in accordance with the Share Award Scheme
“Awarded Share(s)”	the Share(s) provisionally awarded to a Grantee pursuant to an Award
“Board”	the board of Directors
“Company”	Huayi Tencent Entertainment Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Grantee”	an employee of the Group who was granted Awarded Shares under the Share Award Scheme
“Group”	the Company and its subsidiaries from time to time
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“New Shares”	the 15,000,000 new Shares that will be allotted and issued to the Grantee and each a “New Share”
“Share Award Scheme”	the share award scheme of the Company adopted on 20 August 2021, as altered from time to time
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.02 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Huayi Tencent Entertainment Company Limited
YUEN Hoi Po
Executive Director and Chief Executive Officer

Hong Kong, 31 March 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: Dr. WONG Yau Kar David, GBS, JP, Mr. YUEN Kin, Mr. CHU Yuguo