

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated December 30, 2022 (the “**Prospectus**”) of YH Entertainment Group (the “**Company**”).

This announcement is made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

This announcement is for information purposes only and does not constitute an invitation to induce an offer or an offer to sell, acquire, purchase or subscribe for any securities of the Company. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer to sell or solicitation to purchase or subscribe for securities in the United States. The Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws of the United States and may not be offered, sold, pledged or otherwise transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Company has not intended and does not intend to make any public offer of securities in the United States. The Offer Shares are being offered and sold solely outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.



乐华娱乐
YUE HUA
ENTERTAINMENT

YH Entertainment Group
乐华娱乐集团

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2306)

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus has been partially exercised by the Overall Coordinators and the Joint Global Coordinators for themselves and on behalf of the International Underwriters on Saturday, February 11, 2023 in respect of an aggregate of 1,821,000 Shares, representing approximately 1.52% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option.

Pursuant to the Stock Borrowing Agreement entered into between China Securities (International) Corporate Finance Company Limited and DING GUOHUA LIMITED, China Securities (International) Corporate Finance Company Limited has borrowed an aggregate of 1,821,000 Shares from DING GUOHUA LIMITED to cover over-allocations in the International Offering. The Over-allotment Shares will be used to facilitate the return to DING GUOHUA LIMITED all the borrowed Shares.

The Over-allotment Shares will be allotted and issued by the Company at HK\$4.08 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per Offer Share under the Global Offering.

APPROVAL FOR LISTING

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in the Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on Wednesday, February 15, 2023 (Hong Kong time).

SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The shareholding structure of the Company immediately before and immediately after completion of the partial exercise of the Over-allotment Option is as follows:

Shareholders	Immediately before completion of the partial exercise of the Over-allotment Option		Immediately after completion of the partial exercise of the Over-allotment Option	
	Number of issued Shares	Approximate % of the Company's issued share capital	Number of issued Shares	Approximate % of the Company's issued share capital
Connected Persons				
DING GUOHUA LIMITED	376,350,000	43.26%	376,350,000	43.16%
QINGDINGDANG LIMITED	24,825,000	2.85%	24,825,000	2.85%
CMC Sports Investment Limited	106,875,000	12.28%	106,875,000	12.26%
Interform Construction Supplies Limited	106,875,000	12.28%	106,875,000	12.26%
ARK Trust (Hong Kong) Limited	9,975,000	1.15%	9,975,000	1.14%
LIGHTSTONE TRUST (HONG KONG) LIMITED	27,525,000	3.16%	27,525,000	3.16%
Sub-total	<u>652,425,000</u>	<u>74.99%</u>	<u>652,425,000</u>	<u>74.83%</u>
Public Shareholders				
Cornerstone Investor	37,944,000	4.37%	37,944,000	4.35%
Other public Shareholders	<u>179,691,000</u>	<u>20.64%</u>	<u>181,512,000</u>	<u>20.82%</u>
Sub-total	<u>217,635,000</u>	<u>25.01%</u>	<u>219,456,000</u>	<u>25.17%</u>
Total	<u><u>870,060,000</u></u>	<u><u>100.00%</u></u>	<u><u>871,881,000</u></u>	<u><u>100.00%</u></u>

Notes: Any discrepancies in the table between the totals and sums of amounts listed therein are due to rounding.

USE OF PROCEEDS

The Company will receive additional net proceeds of approximately HK\$7.1 million (after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the partial exercise of the Over-allotment Option) for the 1,821,000 Shares to be issued and allotted following the partial exercise of the Over-allotment Option. The additional net proceeds will be used by the Company for the purposes and in the proportions as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

Pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the Company announces that the stabilization period in connection with the Global Offering ended on Saturday, February 11, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. The stabilizing actions undertaken by China Securities (International) Corporate Finance Company Limited, the Stabilizing Manager, or any person acting for it, during the stabilization period are set out below:

- (i) the over-allocation of an aggregate of 1,821,000 Shares under the International Offering, representing approximately 1.52% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) the borrowing of an aggregate of 1,821,000 Shares from DING GUOHUA LIMITED pursuant to the Stock Borrowing Agreement to cover the over-allocation under the International Offering; and
- (iii) the partial exercise of the Over-allotment Option by the Overall Coordinators and the Joint Global Coordinators on behalf of the International Underwriters on Saturday, February 11, 2023 in respect of an aggregate of 1,821,000 Shares, representing approximately 1.52% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at HK\$4.08 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per Offer Share under the Global Offering, to facilitate the return to DING GUOHUA LIMITED of all borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocation under the International Offering.

There had been no purchase or sale of any Shares on the market for the purpose of price stabilizing by the Stabilizing Manager during the stabilization period.

The portion of the Over-allotment Option which has not been exercised by the Overall Coordinators and the Joint Global Coordinators for themselves and on behalf of the International Underwriters lapsed on Saturday, February 11, 2023.

PUBLIC FLOAT

Immediately after the end of the stabilization period and the completion of the partial exercise of the Over-allotment Option, the Company will continue to comply with the public float requirements under Rules 8.08(1)(a) of the Listing Rules.

By order of the Board
YH Entertainment Group
Ms. DU Hua
*Executive Director, Chairlady of the Board and
Chief Executive Officer*

Hong Kong, February 12, 2023

As at the date of this announcement, the directors of the Company comprises Ms. DU Hua, Mr. SUN Yiding and Mr. SUN Le as the executive directors; Ms. YAO Lu, Mr. MENG Qingguang and Ms. ZHAO Wenjie as the non-executive directors; and Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling as the independent non-executive directors.