
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in YH Entertainment Group, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



YH Entertainment Group **乐华娱乐集团**

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

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (“AGM”) of YH Entertainment Group to be held at Room 150, Building 119, No. 27 West Dawang Road, Chaoyang District, Beijing, PRC on Friday, June 16, 2023 at 2:00 p.m., at which, among other things, the above proposals will be considered, is set out on pages 18 to 22 of this circular. A form of proxy for use at the AGM is enclosed with this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for convening the AGM (i.e. not later than 2:00 p.m. on Wednesday, June 14, 2023) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

April 25, 2023

CONTENTS

	<i>Page</i>
Responsibility Statement	ii
Definitions	1
Letter from the Board	4
Appendix I — Explanatory Statement on Repurchase Mandate	9
Appendix II — Details of the Directors proposed to be re-elected at the AGM	12
Notice of Annual General Meeting	18

RESPONSIBILITY STATEMENT

This circular, for which the Directors (as defined herein) of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules (as defined herein) for the purpose of giving information with regard to the Company. The Directors (as defined herein), 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.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at Room 150, Building 119, No. 27 West Dawang Road, Chaoyang District, Beijing, PRC on Friday, June 16, 2023 at 2:00 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors of the Company
“Chairlady”	the chairlady of the Board
“China” or “PRC”	the People’s Republic of China, but for the purpose of this circular and except where the context requires otherwise, references herein to “China,” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Regions and Taiwan, China
“close associates”	has the meaning as defined under the Listing Rules
“Company” or “YH Entertainment”	YH Entertainment Group (乐华娱乐集团), a company incorporated in the Cayman Islands with limited liability on June 10, 2021 and the Shares of which are listed on the Stock Exchange on January 19, 2023
“Companies Act”	the Companies Act (as revised) of the Cayman Islands as amended from time to time
“Director(s)”	the director(s) of the Company
“Group”	our Company and our subsidiaries at the relevant time or, where the context so requires, in respect of the period before our Company became the holding company of present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares or securities convertible into Shares of up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	April 14, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Date”	the date, namely January 19, 2023, on which the Shares were listed on the Stock Exchange and from which dealings in the Shares were permitted to commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“RMB”	Renminbi Yuan, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares of US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended or supplemented from time to time
“US\$”	United States dollars, the lawful currency for the time being of the United States
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Ms. DU Hua (*Chairlady and Chief Executive Officer*)
Mr. SUN Yiding
Mr. SUN Le

Registered Office:

PO Box 309, Umland House
Grand Cayman, KY1-1104
Cayman Islands

Non-executive Directors:

Ms. YAO Lu
Mr. MENG Qingguang
Ms. ZHAO Wenjie

Principal place of business in

Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. FAN Hui
Mr. LU Tao
Mr. HUANG Jiuling

April 25, 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed to seek approval of the Shareholders at the AGM in respect of, among other matters, (i) the granting to the Directors the Issue Mandate and the Repurchase Mandate; (ii) the re-election of Directors; and (iii) to give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution numbered 4 will be proposed at the AGM to grant to the Directors the proposed Issue Mandate to exercise the powers of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of the passing of the resolution in relation to such general mandate.

As at the Latest Practicable Date, the Company had 871,881,000 Shares in issue. Subject to the passing of the ordinary resolution numbered 4 and on the basis that there is no change to the number of issued shares before the AGM, the Company will be allowed to issue a maximum of 174,376,200 Shares. In addition, subject to a separate approval of the ordinary resolution numbered 6, the number of Shares repurchased by the Company under ordinary resolution numbered 5 will also be added to the Issue Mandate as mentioned in the ordinary resolution numbered 4. The Directors wish to state that they have no immediate plans to issue any new Shares or to repurchase any Shares pursuant to such general mandate.

GENERAL MANDATES TO REPURCHASE SHARES

In addition, an ordinary resolution numbered 5 will be proposed at the AGM to approve the grant of general mandate to the Directors to exercise the powers of the Company to repurchase Shares, representing up to 10% of the total number of Shares in issue as at the date of the passing of the resolution in relation to such general mandate. Assuming that there is no change in the issued Shares from the Latest Practicable Date up to the date of the AGM, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the resolution of Repurchase Mandate will be 87,188,100 Shares. The Repurchase Mandate will end on the earlier 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 any applicable law of the Cayman Islands to be held; or (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

An explanatory statement required by the Listing Rules in connection with the proposed Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

RE-ELECTION OF DIRECTORS

In accordance with Article 26.3 of the Articles, the Directors may appoint any person to be a Director, either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after such Director's appointment and shall then be eligible for re-election at that meeting.

LETTER FROM THE BOARD

In accordance with Article 26.3 of the Articles, Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling shall retire at the AGM and, being eligible, offered themselves for re-election.

In accordance with Article 26.4 of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

In accordance with Article 26.4 of the Articles, Mr. SUN Yiding and Mr. SUN Le shall retire by rotation at the AGM and, being eligible, offered themselves for re-election.

Details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROCEDURE AND PROCESS FOR NOMINATION OF DIRECTORS

The Nomination Committee evaluates the balance of skills, knowledge, experience and diversity of perspectives on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Nomination Committee shall (where applicable and appropriate) consider candidates from a wide range of backgrounds, and assess whether the individual would be able to devote sufficient time to the Board (particularly if such individual is proposed to be an independent non-executive director who will be holding their seventh (or more) listed company directorship), the perspectives, skills and experience the proposed individual can bring to the Board, and how the proposed individual contributes to the diversity of the Board.

RECOMMENDATION OF THE NOMINATION COMMITTEE AND THE BOARD

The Nomination Committee has considered Mr. SUN Yiding, Mr. SUN Le, Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling's extensive experience respectively, their working profiles and other experience and factors as set out in their biographical details in Appendix II to this circular. The Nomination Committee is satisfied that Mr. SUN Yiding, Mr. SUN Le, Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling have the required character, integrity and experience to continuously fulfil their roles as executive Directors and independent non-executive Directors, respectively and effectively. The Board believed that their re-elections as Directors would be in the best interests of the Company and its Shareholders as a whole.

Furthermore, each of Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling, being an independent non-executive Director, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and none of them hold seventh (or more) listed company directorship.

LETTER FROM THE BOARD

The Nomination Committee assessed and reviewed the independence of all retiring independent non-executive Directors. The Nomination Committee and the Board are of the view that all retiring independent non-executive Directors have satisfied all the criteria for independence set out in Rule 3.13 of the Listing Rules.

The Nomination Committee has also reviewed and considered each retiring Director's respective experience, skills and knowledge, and recommended to the Board that the re-election of all retiring Directors be proposed for Shareholders' approval at the AGM.

The Board currently consists of 6 male Directors and 3 female Directors. The Board has considered the above factors, and the personal characteristics of Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling and believed that they can enhance the diversity of the Board.

Details of the above named Directors who are subject to re-election at the AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules. The biography of each retiring independent non-executive Director set out in Appendix II to this circular indicates how each individual contributes to the diversity of the Board and the perspectives, skills and experience each individual can bring to the Board.

ANNUAL GENERAL MEETING

Set out on pages 18 to 22 of this circular is a notice convening the AGM to consider and, if thought fit, to pass the resolutions as set out in the notice of AGM.

For the purpose of determining the identity of the Shareholders entitled to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, June 13, 2023 to Friday, June 16, 2023, (both days inclusive), during which period no transfer of Shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, June 12, 2023. Shareholders whose names appear on the register of members of the Company on June 16, 2023 are entitled to attend the AGM.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of holding the AGM (i.e. not later than 2:00 p.m. on Wednesday, June 14, 2023) or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

There is no Shareholder who has any material interest in the proposed resolutions, therefore none of the Shareholders is required to abstain from voting on such resolutions.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairperson of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the AGM will be taken by way of poll. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative, shall have one vote for every fully paid Share of which he/she is the holder. A Shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same way.

RECOMMENDATION

The Board considers that all the resolutions proposed for consideration and approval as set out in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

GENERAL

Your attention is also drawn to the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

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

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the number of total issued Shares was 871,881,000 Shares with a nominal value of US\$0.0001 each which have been fully paid. Subject to the passing of the resolution for repurchase of Shares and on the basis of that no further new Shares will be issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 87,188,100 Shares, representing 10% of the total number of issued Shares as at the date of passing the relevant resolution for granting the Repurchase Mandate. The Repurchase Mandate will be ended on the earlier 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 any applicable law of the Cayman Islands to be held; or (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

3. REASONS FOR REPURCHASES OF SHARES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASE OF SHARES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Articles and the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorized by its Articles and subject to the provisions of the Companies Act, out of capital. Any premium payable on a purchase over the par value of the Shares to be repurchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorized by the Articles and subject to the provisions of the Companies Act, out of capital.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for the year ended December 31, 2022 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous months since the Listing Date and up to the Latest Practicable Date were as follow:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2023		
January (from January 19, 2023 to January 31, 2023)	6.48	4.70
February	4.99	3.60
March	5.48	3.70
April (up to the Latest Practicable Date)	5.30	4.27

7. UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules, the Articles and the applicable laws, rules and regulations of Cayman Islands.

8. CORE CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made reasonable enquiries, any of their respective close associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders and the conditions (if any) which the Repurchase Mandate are fulfilled, to sell Shares to the Company under the Repurchase Mandate. No core connected person (as defined in the Listing Rules) has notified the Company that he/she/it has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders and the conditions (if any) which the Repurchase Mandate are fulfilled.

9. TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, Ms. Du Hua was interested in 401,175,000 Shares which comprised of (i) corporation controlled interest in 376,350,000 Shares; and (ii) a spouse's interest in 24,825,000 Shares. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the attributable interest of Ms. Du Hua would increase from approximately 46.01% to 51.13% of the total number of Shares in issue. Such increase would give rise to general offer obligation under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such extent that general offer obligation under the Takeovers Code would be triggered and will not effect repurchase to the extent that would result in the number of Shares held by the public falling below the prescribed minimum percentage of 25% as required under the Listing Rules.

10. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) from the Listing Date and up to the Latest Practicable Date.

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

1. Mr. SUN Yiding

Mr. SUN Yiding (孫一丁), aged 55, is our executive Director and President, primarily responsible for the operation and management of our Group. Mr. SUN Yiding joined the Group in May 2015. Mr. Sun was appointed as our Director on June 10, 2021, and re-designated as our executive Director on March 3, 2022.

Mr. SUN Yiding served as a director and chief executive officer of RISE Education Cayman Ltd, an educational services provider, whose shares are listed on the Nasdaq Global Market (ticker symbol: REDU), from October 2013 to January 2022 and October 2013 to January 2020, respectively. Mr. SUN Yiding served as the general manager in GYMBOGLOBAL (CHINA) TRADING CO., LTD (金寶貝(中國)商貿有限公司), from September 2011 to August 2013. Mr. SUN Yiding also consecutively served as general manager of Jinan Gome, deputy general manager of headquarter procurement center, general manager of headquarter operation center, vice president and general manager of northern China in Gome Electrical Appliances Co., Ltd (國美電器有限公司) and the executive director in Gome Retail Holdings Limited(國美零售控股有限公司) (formerly known as Gome Electrical Appliances Holding Limited (國美電器控股有限公司)), whose shares are listed on the Stock Exchange (stock code: 0493), from April 1999 to April 2011.

Mr. SUN Yiding received a bachelor's degree in engineering from East China University of Science and Technology (上海華東理工大學) (formerly known as East China Institute of Chemical Technology (華東化工學院)) in the PRC in July 1990 and a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in October 2013.

Mr. SUN Yiding is the spouse of Ms. DU Hua. Save as disclosed above, Mr. SUN Yiding does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. SUN Yiding held 401,175,000 Shares, representing approximately 46.01% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

Mr. SUN Yiding as an executive Director has signed a service contract with the Company for a term of three years, with effect from Listing Date, which may be terminated by not less than three months' notice in writing served by the executive Director or as otherwise set out in the service contract and is subject to the provisions of retirement and rotation of Directors under the Articles and the Listing Rules. Mr. Sun Yiding received emoluments of approximately RMB1.1 million for the year ended December 31, 2022.

2. Mr. SUN Le

Mr. SUN Le (孫樂) (with former name as Gao Xiang (高翔)), aged 42, is our executive Director and Vice President. Since joining our Group in November 2009, Mr. SUN Le has been primarily responsible for establishing and maintaining customer relationship and marketing positioning. Mr. SUN Le was appointed as our Director on June 10, 2021, and re-designated as our executive Director on March 3, 2022. Mr. SUN Le joined our Group in November 2009, and he also serves as the vice general manager of Tibet Yuehua and Tianjin Yuehua, being subsidiaries of the Company, from November 2009 to January 2022.

Mr. SUN Le received a diploma majoring in dance from Minzu University of China (中央民族大學) in the PRC in July 1998. Mr. SUN Le obtained the qualification as a performance agent issued by China Association of Performing Arts (中國演出行業協會) in the PRC in August 2017. Mr. SUN Le is the individual member of the 7th council of China Association of Performing Arts and the director of the first council of Artist Agent Alliance of China Association of Performing Arts.

Save as disclosed above, Mr. SUN Le does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. SUN Le held 3,225,000 Shares, representing approximately 0.37% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

Mr. SUN Le as an executive Director has signed a service contract with the Company for a term of three years, with effect from the Listing Date, which may be terminated by not less than three months' notice in writing served by the executive Director or as otherwise set out in the service contract and is subject to the provisions of retirement and rotation of directors under the Company's Articles and the Listing Rules. Mr. Sun Le received emoluments (including share-based payments) of approximately RMB10.4 million for the year ended December 31, 2022.

3. Mr. FAN Hui

Mr. FAN Hui (范輝), aged 45, has been our independent non-executive Director since January 19, 2023. He is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Mr. FAN Hui has been serving as an independent director of Aura International Education Technology Co., Ltd. (北京光環國際教育科技股份有限公司), a company listed on the National Equities Exchange And Quotations (the “NEEQ”) (stock code: 838504) since February 2022, Xuzhou Zm-besta Heavy Steel Structure Co., Ltd. (徐州中煤百甲重鋼科技股份有限公司), a company listed on the Beijing Stock Exchange (stock code: 835857) since September 2021, and Noble Family Wine and Liquor Co., Ltd. (名品世家酒業連鎖股份有限公司), a company listed on the NEEQ (stock code: 835961) since June 2020.

Mr. FAN Hui has been working as an executive director of Beijing Quanfang Huitong Investment Management Co., Ltd. (北京全方匯通投資管理有限公司) since July 2018 and a supervisor of and the chief risk officer of Econowledge Capital Co., Ltd. (易科縱橫投資管理(北京)有限公司) since December 2015. Prior to that, Mr. Fan consecutively served as a vice president and the director of the investment decision committee at Capital East Coast International (東海岸國際投資(北京)有限公司) from December 2012 to November 2015 and worked at JD Capital Co., Ltd. (昆吾九鼎投資管理有限公司) from May 2010 to November 2012. Mr. FAN Hui served as a senior manager at Deloitte Touche Tohmatsu Certified Public Accountants LLP Beijing Branch (德勤華永會計師事務所(特殊普通合夥)北京分所) from June 2005 to April 2010 and an auditor at Pan-China Certified Public Accounts LLP (天健會計師事務所(特殊普通合夥)) from January 2001 to May 2005.

Mr. FAN Hui received a bachelor’s degree in economics from Central University of Finance and Economics (中央財經大學) in the PRC in July 2000 and completed postgraduate courses in accounting at Beijing Technology and Business University (北京工商大學) in the PRC in October 2003. Mr. FAN Hui is a non-practicing member of the Beijing Institute of Certified Public Accountants.

Mr. FAN Hui possesses appropriate professional accounting or related financial management expertise required under Rule 3.10(2) of the Listing Rules and confirms that he has gained such expertise through his experiences.

Save as disclosed above, Mr. FAN Hui does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas. As at the Latest Practicable Date, Mr. FAN Hui did not have any interest in Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. FAN Hui for an initial term of one year with effect from the Listing Date which may be terminated by not less than three months’ notice in writing served by either our Company or independent non-executive Director, and is subject to the provisions of retirement and rotation of directors under the Company’s Articles and the Listing Rules. Under the letter of appointment, Mr. FAN Hui is entitled to a fixed director’s fee of RMB120,000 per annum.

4. Mr. LU Tao

Mr. LU Tao (呂濤), aged 57, has been our independent non-executive Director since January 19, 2023. He is primarily responsible for supervising and providing independent opinion and judgment to the Board. Mr. Lu had been an independent director of our Company's subsidiary, Yuehua Limited, from February 2021 to November 2021.

Mr. LU Tao consecutively worked at Beijing branch of Dongda Pinkong Industries Co., Ltd (東大品控實業有限公司北京分公司) from March 2017 to October 2017 and Dongda Pinzheng Holdings Co., Ltd. (東大品證控股有限公司), a catering company, from December 2016 to February 2017. Mr. Lu served as a regional sales and marketing director of Hebei Kangda Co., Ltd. (河北康達有限公司), a company principally engaged in pesticides manufacture business, from August 2012 to September 2014; member of sales department from December 2002 to March 2011 and associate sales director from April 2011 to June 2012 of Shanghai Johnson Ltd (上海莊臣有限公司); regional sales manager of Shanghai Pillsbury Frozen Foods Co., Ltd, Beijing Branch (上海品食樂冷凍食品有限公司北京分公司) from January 2000 to December 2001.

Mr. LU Tao received a bachelor's degree majoring in business economics from Anhui University of Finance and Economics (安徽財經大學) (formerly known as Anhui Commerce Institute (安徽財貿學院)) in the PRC in July 1987 and a master's degree in business administration from China Europe International Business School (中歐國際工商管理學院) in the PRC in July 2008.

Save as disclosed above, Mr. LU Tao does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas. As at the Latest Practicable Date, Mr. LU Tao did not have any interest in Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. LU Tao for an initial term of one year with effect from the Listing Date which may be terminated by not less than three months' notice in writing served by either our Company or independent non-executive Director, and is subject to the provisions of retirement and rotation of directors under the Company's Articles and the Listing Rules. Under the letter of appointment, Mr. LU Tao is entitled to a fixed director's fee of RMB120,000 per annum.

5. Mr. HUANG Jiuling

Mr. HUANG Jiuling (黃九嶺), aged 51, has been our independent non-executive Director since January 19, 2023. He is primarily responsible for providing independent opinion and judgment to the Board. Mr. HUANG Jiuling had been an independent director of our Company's subsidiary, Yuehua Limited, from February 2021 to November 2021.

Mr. HUANG Jiuling has been working at Chaoshang ASEAN Investment Fund Management Co., Ltd. (潮商東盟投資基金管理有限公司) since October 2020, responsible for the general management of the company. Mr. Huang consecutively served as the president of Beijing Banyan Investment Management Co., Ltd. (北京榕樹投資管理有限公司) from May 2009 to September 2020; president and vice president of Beijing Century Huarong Investment Management Co., Ltd. (北京世紀華融投資管理有限公司) from June 2004 to April 2009 and from July 2000 to May 2004, respectively.

Mr. HUANG Jiuling received a bachelor's degree in economics and a master's degree in business administration from Renmin University of China (中國人民大學) in the PRC in July 1994 and June 2001, respectively.

Save as disclosed above, Mr. Huang does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas. As at the Latest Practicable Date, Mr. HUANG Jiuling did not have any interest in Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. HUANG Jiuling for an initial term of one year with effect from the Listing Date which may be terminated by not less than three months' notice in writing served by either our Company or independent non-executive Director, and is subject to the provisions of retirement and rotation of directors under the Company's Articles and the Listing Rules. Under the letter of appointment, Mr. HUANG Jiuling is entitled to a fixed director's fee of RMB120,000 per annum.

GENERAL

- (i) The emoluments of the executive Directors and independent non-executive Directors are determined with reference to the Directors' duties and responsibilities, the individual director's overall performance, the Company's performance, as well as the prevailing market conditions.

- (ii) Save for the information set out in this section, there are no other matters that need to be brought to the attention of the Shareholders in respect of re-election of the retiring Directors and there is no other information relating to the above Directors that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



YH Entertainment Group **乐华娱乐集团**

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2306)

NOTICE OF 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of YH Entertainment Group (the “**Company**”) will be held at Room 150, Building 119, No. 27 West Dawang Road, Chaoyang District, Beijing, PRC on Friday, June 16, 2023 at 2:00 p.m. to transact the following businesses. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated April 25, 2023 (the “**Circular**”):

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries, the reports of the directors and auditor of the Company for the year ended December 31, 2022.
2.
 - (i) To re-elect Mr. SUN Yiding as an executive Director.
 - (ii) To re-elect Mr. SUN Le as an executive Director.
 - (iii) To re-elect Mr. FAN Hui as an independent non-executive Director.
 - (iv) To re-elect Mr. LU Tao as an independent non-executive Director.
 - (v) To re-elect Mr. HUANG Jiuling as an independent non-executive Director.
 - (vi) To authorize the Board to fix the remuneration of the Directors.
3. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorize the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

and to consider and, if thought fit, pass the following resolutions as ordinary resolution:

4. **“THAT:**

- (a) subject to paragraph (b) of this resolution, pursuant to the Listing Rules, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares of US\$0.0001 each in the share capital of the Company or securities convertible into Shares, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, rules and regulations, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; or (iii) any adjustment of rights to subscribe for Shares under options and warrants or a special authority granted by the shareholders of the Company; or (iv) the exercise of any subscription rights which may be granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of Shares of the Company after the date of passing this resolution), and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the date of 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 law of the Cayman Islands to be held; or

NOTICE OF ANNUAL GENERAL MEETING

(iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of Shares or offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company open for a period fixed by the Directors to the holders of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the directors of the Company 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 recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“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 the Shares on Stock Exchange or any other stock exchange on which Shares may be listed and recognized 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 Listing Rules or those of any other recognized 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 during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of Shares after the date of passing 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 of association of the Company or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares or securities convertible into Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the additional thereto of an amount representing the aggregate number of Shares purchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution (subject to adjustment in the case of any consolidation or subdivision of Shares of the Company after the date of passing this resolution).”

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

Hong Kong, April 25, 2023

Notes:

1. For the purpose of determining the identity of the shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, June 13, 2023 to Friday, June 16, 2023 (both days inclusive), during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, June 12, 2023. Shareholders whose names appear on the register of members of the Company on June 16, 2023 are entitled to attend the AGM.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or, if he is the holder of two or more Shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the annual general meeting and vote in person. In such event, his form of proxy will be deemed to have been revoked.
3. In the case of there are joint holders of any Share, any one of such joint holders 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 any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose, seniority being determined by the order in which names stand in the register of members in respect to the joint holding.

NOTICE OF ANNUAL GENERAL MEETING

4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the AGM (i.e. not later than 2:00 p.m. on Wednesday, June 14, 2023) or any adjournment thereof (as the case may be).
5. With respect to resolution numbered 2 of this notice, Mr. SUN Yiding, Mr. SUN Le, Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling shall retire from office of directorship and shall offer themselves for re-election in accordance with the Articles. Details of their information which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated April 25, 2023.

As at the date of this notice, the Board 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.