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If you have sold or transferred all your shares in Poly Culture Group Corporation Limited (保利文化集團股份有限公司), you should at once hand this circular to the purchaser or transferee or to the bank or stockbroker or other licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3636)

ANNUAL REPORT FOR THE YEAR 2022
REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2022
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2022
FINANCIAL REPORT FOR THE YEAR 2022
DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2022
ENGAGEMENT OF AUDITORS FOR THE YEAR 2023
FINANCIAL BUDGET FOR THE YEAR 2023
FINANCING LOANS FOR THE YEAR 2023
PROVISION OF LOANS FOR SUBSIDIARIES FOR THE YEAR 2023
PROVISION OF GUARANTEES FOR SUBSIDIARIES FOR THE YEAR 2023
GRANTING A GENERAL MANDATE TO THE BOARD OF DIRECTORS TO
ISSUE DOMESTIC PRIVATE CORPORATE BONDS
GRANTING A GENERAL MANDATE TO THE BOARD OF DIRECTORS TO
ISSUE DOMESTIC DEBT FINANCING INSTRUMENT
AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING

The Annual General Meeting will be held at 2:30 p.m. on Tuesday, 13 June 2023 at the Meeting Room, 29/F, New Poly Plaza, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC.

A proxy form (the “**Proxy Form**”) and reply slip (the “**Reply Slip**”) for use at the Annual General Meeting are enclosed with this circular and are also published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://polyculture.com.cn>). Holders of H Shares who intend to appoint a proxy to attend the Annual General Meeting are requested to complete and return the enclosed Proxy Form according to the instructions printed thereon not less than 24 hours before the time fixed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the Proxy Form will not preclude you from attending the Annual General Meeting and voting in person if you so wish. Holders of H Shares who intend to attend the Annual General Meeting in person or by proxy should complete and return the enclosed Reply Slip according to the instructions printed thereon on or before Wednesday, 24 May 2023.

28 April 2023

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
Introduction	3
I. Annual Report for the Year 2022	4
II. Report of the Board of Directors for the Year 2022	4
III. Report of the Board of Supervisors for the Year 2022	4
IV. Financial Report for the Year 2022	4
V. Dividend Distribution Plan for the Year 2022	4
VI. Engagement of Auditors for the Year 2023	5
VII. Financial Budget for the Year 2023	5
VIII. Financing Loans for the Year 2023	5
IX. Provision of Loans for Subsidiaries for the Year 2023	6
X. Provision of Guarantees for Subsidiaries for the Year 2023	7
XI. Granting A General Mandate to the Board of Directors to Issue Domestic Private Corporate Bonds	8
XII. Granting A General Mandate to the Board of Directors to Issue Domestic Debt Financing Instrument	11
Annual General Meeting	14
Attendance of and Voting at the Annual General Meeting	15
Recommendations	15
NOTICE OF THE 2022 ANNUAL GENERAL MEETING	16

DEFINITIONS

Unless the context otherwise requires, the following expressions in this circular shall have the following meanings:

“2022 Annual General Meeting” or “Annual General Meeting”	the 2022 annual general meeting of the Company to be held at 2:30 p.m. on Tuesday, 13 June 2023 at the Meeting Room, 29/F, New Poly Plaza, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC
“Articles of Association”	the articles of association of the Company (as amended, supplemented or otherwise modified from time to time)
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“Company”	Poly Culture Group Corporation Limited (保利文化集團股份有限公司), a joint stock limited company incorporated in the PRC on 14 December 2010, the H Shares of which are listed on the Stock Exchange with the stock code of 03636
“Company Law”	the Company Law of the People’s Republic of China
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) contained in the share capital of the Company, with a par value of RMB1.00 each, which are listed on the Stock Exchange and traded in HK\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

LETTER FROM THE BOARD



(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3636)

Executive Directors:

Mr. Wang Bo (*Chairman*)
Mr. Jiang Yingchun (*Vice Chairman*)
Mr. Guo Wenpeng
Mr. Xu Bei

Registered Office:

District A, 20/F
1 North Street of Chaoyangmen
Dongcheng District
Beijing, the PRC
Post Code: 100010

Non-executive Directors:

Ms. Zhang Hong
Mr. Fu Chengrui

Principal Place of Business in Hong Kong:

31/F, Tower 2, Times Square
1 Matheson Street
Causeway Bay, Hong Kong

Independent non-executive Directors:

Ms. Li Xiaohui
Mr. Sun Hua
Mr. Fung Edwin

28 April 2023

To the Shareholders

Dear Sir or Madam,

ANNUAL REPORT FOR THE YEAR 2022
REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2022
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2022
FINANCIAL REPORT FOR THE YEAR 2022
DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2022
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AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to give you the notice of the Annual General Meeting and to provide all information reasonably necessary to enable you to make an informed decision on whether to vote for or against the following resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

At the Annual General Meeting, ordinary resolutions will be proposed to consider and approve: (i) Annual Report for the Year 2022; (ii) Report of the Board of Directors for the Year 2022; (iii) Report of the Board of Supervisors for the Year 2022; (iv) Financial Report for the Year 2022; (v) Dividend Distribution Plan for the Year 2022; (vi) Engagement of Auditors for the Year 2023; (vii) Financial Budget for the Year 2023; (viii) Financing Loans for the Year 2023; (ix) Provision of Loans for Subsidiaries for the Year 2023; and (x) Provision of Guarantees for Subsidiaries for the Year 2023, and special resolutions will be proposed to consider and approve: (xi) Granting A General Mandate to the Board of Directors to Issue Domestic Private Corporate Bonds, and (xii) Granting A General Mandate to the Board of Directors to Issue Domestic Debt Financing Instrument.

I. ANNUAL REPORT FOR THE YEAR 2022

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the Company's annual report for the year 2022. Please refer to the annual report for the year ended 31 December 2022 of the Company (the "2022 Annual Report of the Company") published on the websites of the Stock Exchange and the Company on 20 April 2023.

II. REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2022

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the report of the Board of Directors for the year 2022. Please refer to the report of the Board of Directors in the 2022 Annual Report of the Company.

III. REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2022

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the report of the Board of Supervisors for the year 2022. Please refer to the report of the Board of Supervisors in the 2022 Annual Report of the Company.

IV. FINANCIAL REPORT FOR THE YEAR 2022

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the financial report for the year 2022. The audited financial statements prepared in compliance with the International Financial Reporting Standards and the auditor's report of the Company for the year 2022 have been set out in the 2022 Annual Report of the Company.

V. DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2022

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the dividend distribution plan for the year 2022.

According to the Company Law and the Articles of Association, and based on the audit results of KPMG, the Company recorded a net profit of RMB-282 million in 2022, including net profit attributable to the parent of RMB-290 million and undistributed profit for the year of RMB-290 million. As at 31 December 2022, the accumulated distributable profit attributable to the Shareholders amounted to RMB1,048 million. However, affected by the COVID-19 pandemic, the Company recorded operating loss in 2022,

LETTER FROM THE BOARD

taking into account the subsequent capital arrangements and in order to ensure the Company's normal operation and on the premise of the implementation of the strategic development, the Board decided not to distribute the profits in respect of the year ended 31 December 2022.

VI. ENGAGEMENT OF AUDITORS FOR THE YEAR 2023

An ordinary resolution will be put forward at the 2022 Annual General Meeting for the approval of the engagement of auditors for the year 2023.

To maintain the continuity of the Company's audit work, the Board proposed to engage KPMG as the auditor of the Company (including its subsidiaries) for the annual report of H Shares for the year 2023 and conducted the audit on the financial statements of the Company in accordance with the International Accounting Standards (the "IAS"), with a term ending at the conclusion of the 2023 annual general meeting; and engaged Baker Tilly China Certified Public Accountants as the auditor for final accounts of the Company (including its subsidiaries) for the year 2023 and conducted the audit on the financial statements of the Company in accordance with the Chinese Accounting Standards, with a term ending at the conclusion of the 2023 annual general meeting. The total expenses (including but not limited to travel expenses, accommodation fees, communication fees and other miscellaneous expenses) for the 2023 domestic and international annual audits, the review of the interim report and other services agreed in the contract shall not exceed RMB4.29 million.

VII. FINANCIAL BUDGET FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the financial budget for the year 2023.

Estimated cost of the Company for the year 2023 is RMB3,196 million (including operating cost, cost of sales and administrative expense), of which the estimated operating cost for the year 2023 is RMB2,022 million, the estimated cost of sales is RMB537 million, and the estimated administrative expense is RMB637 million.

Estimated investment budget of the Company for the year 2023 is RMB258 million in total, of which RMB130 million will be budgeted for investment on equity interest, RMB54 million will be budgeted for investment on fixed assets, and RMB74 million will be budgeted for content production.

The above budget amounts are only estimated based on the Company's business plans. The actual expenditures incurred for specific business should be charged based on actual price and market conditions.

VIII. FINANCING LOANS FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the financing loans for the year 2023.

The Board proposes the Company's financing loans for the year 2023 based on the actual business needs of 2023 of the Company and the related matters for consideration and approval at the 2022 Annual General Meeting as follows:

LETTER FROM THE BOARD

1. Total banking facilities to be obtained for the year 2023 of up to RMB9.0 billion and HK\$1.0 billion

To ensure the repayment of various interest-bearing debts when they fall due, the Company intends to obtain banking facilities of up to RMB9.0 billion and up to HK\$1.0 billion for the year 2023.

2. Authorization

Subject to approval of the above-mentioned banking facilities proposed at the 2022 Annual General Meeting, to authorize the chairman and/or the general manager of the Company to approve the matters in relation to the above banking facilities and loans within the limits of banking facilities and loans specified in the resolution, determine and coordinate the specific amount of loans to be utilized, and execute all relevant necessary documents with relevant financial institutions.

The resolution will be terminated upon the conclusion of the 2023 annual general meeting.

IX. PROVISION OF LOANS FOR SUBSIDIARIES FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the provision of loans for subsidiaries for the year 2023. All the subsidiaries which are proposed to be provided with loans by the Company under this resolution shall not constitute connected persons of the Company under Chapter 14A of the Listing Rules.

According to the actual business needs of each subsidiary for the year 2023, the Board proposes to the 2022 Annual General Meeting to approve the provision of loans for subsidiaries for the year 2023 and the related matters as follows:

1. The Company intends to provide additional loans for its subsidiaries in aggregate of up to RMB1.0 billion or equivalent amount in foreign currencies for the year 2023

To ensure the smooth implementation of the subsidiaries' business plans and the smooth succession of such interest-bearing debts, and to control the cost of capital and improve the utilization efficiency of the Company's capital, the Company intends to provide additional loans for its subsidiaries in aggregate of up to RMB1.0 billion or equivalent amount in foreign currencies for the year 2023 on top of the loan balance as of the end of 2022.

2. Authorization

To authorize the Board and/or its authorized person(s) to coordinate and approve specific matters in relation to the loan arrangements and uses of the subsidiaries.

The resolution will be terminated upon the conclusion of the 2023 annual general meeting.

LETTER FROM THE BOARD

X. PROVISION OF GUARANTEES FOR SUBSIDIARIES FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2022 Annual General Meeting to approve the provision of guarantees for subsidiaries for the year 2023. All the subsidiaries which are proposed to be guaranteed by the Company under this resolution shall not constitute connected persons of the Company under Chapter 14A of the Listing Rules.

The balance of guarantee provided by the Company for its subsidiaries within the approved limit was RMB374 million and HK\$250 million as of 31 December 2022. According to the actual business needs of each subsidiary for the year 2023, the Board proposes to the 2022 Annual General Meeting to approve the Company's provision of guarantees for subsidiaries for the year 2023 and the related matters as follows:

1. The Company intends to provide guarantee for its subsidiaries in aggregate of up to RMB900 million and HK\$400 million for the year 2023

As the Company is often required to provide guarantees for its subsidiaries when they apply for banking facilities and loans from financial institutions including banks, it intends to provide guarantees for its subsidiaries in aggregate of up to RMB900 million and HK\$400 million for the year 2023 (including the balance of guarantee of RMB374 million and HK\$250 million provided for its subsidiaries as of the end of 2022). Details of which are set out below:

- (1) Providing guarantee of up to RMB150 million to its subsidiary Beijing Poly Art Center Co., Ltd., in one lump or in aggregate;
- (2) Providing guarantee of up to RMB100 million to its subsidiary Beijing Poly International Auction Co., Ltd., in one lump or in aggregate;
- (3) Providing guarantee of up to HK\$400 million to its subsidiary Poly Auction Hong Kong Co., Ltd., in one lump or in aggregate;
- (4) Providing guarantee of up to RMB500 million to its subsidiary Poly Film Investment Co., Ltd., in one lump or in aggregate;
- (5) Providing guarantee of up to RMB100 million to its subsidiary Beijing Poly Theatre Management Corporation Limited, in one lump or in aggregate; and
- (6) Providing guarantee of up to RMB50 million to its subsidiary Beijing Poly Contemporary Art Co., Ltd., in one lump or in aggregate.

2. Authorization

Subject to the approval of the above-mentioned guarantees proposed at the 2022 Annual General Meeting, to authorize the chairman and/or the general manager of the Company to approve all matters relating to above-mentioned guarantees within the guarantee limit determined in the resolution, and execute all necessary documents relating to guarantees with relevant financial institutions.

LETTER FROM THE BOARD

The resolution will be terminated upon the conclusion of the 2023 annual general meeting.

XI. GRANTING A GENERAL MANDATE TO THE BOARD OF DIRECTORS TO ISSUE DOMESTIC PRIVATE CORPORATE BONDS

A special resolution will be proposed at the 2022 Annual General Meeting to approve the granting of a general mandate to the Board of Directors to issue private corporate bonds.

In order to further expand the Company's financing channel, guarantee the continuation of the liabilities with interest, reduce the Company's financing costs, the Board of Directors proposes to grant a general mandate to the Board of Directors to issue domestic private corporate bonds at the general meeting, details are as follows:

1. Issue Plan for the Private Corporate Bonds

The Company is proposed to register and issue domestic private corporate bonds of not more than RMB1.5 billion, and the specific arrangements are as follows:

(1) Issuer

The Company.

(2) Type, Size and Term of Issuance

The Company is proposed to apply to the stock exchange for the non-public issuance of private corporate bonds of not more than RMB1.5 billion (inclusive) on a one-off or multi-tranche basis. The Board or such persons as authorized by the Board shall be granted the authority to determine the specific issuance method, term structure and the size of the issuance with different terms and types as proposed at the general meeting according to the capital needs of the Company and market conditions at the time of issuance.

(3) Interest Rate

The private corporate bonds are fixed-rate bonds, and its coupon rate will be determined by the Company and the lead underwriters based on the market conditions according to the results of the recorded documents.

(4) Guarantee Type

It is not proposed to provide guarantee.

(5) Issuance Targets

It is proposed to issue to professional investors in a non-public way (other than those who are prohibited from participation in accordance with the laws and regulations of the PRC).

LETTER FROM THE BOARD

(6) Use of the Raised Proceeds

The proceeds to be raised from the issuance, after deducting cost of issuance, will be used to make repayment of liabilities with interest and replenish the working capital. The Board and such persons as authorized by the Board shall be granted the authority to determine the specific use and amount proportion according to the actual needs of the Company as proposed at the general meeting.

2. Authorization

To ensure effective coordination of the registration and issuance of private corporate bonds and specific matters in the issuance processes, the Company proposes to the general meeting to authorize the Board of Directors and allow the Board of Directors to delegate the authorized persons to deal with all matters in relation to the registration and issuance of private corporate bonds according to relevant laws, regulations and opinions and advice from the regulatory authorities, within the framework and under the principles approved at the general meeting, and in compliance with the general principle of acting in the best interest of the Company, including but not limited to:

- (1) accordingly adjusting the specific plans for the issuance of private corporate bonds according to the applicable laws, regulations and relevant provisions from the regulatory authorities as well as the resolution passed at the general meeting of the Company and Board meeting for such proposals, and based on the actual conditions of the Company and the relevant domestic debt markets, including but not limited to, appropriate issuer(s), the timing of issuance, specific amount and method of issuance, the terms of issuance, issuance objects and duration, whether to issue on a single, multiple issuance, multi-tranche issuance or multiple-category issuance basis and, if on multiple issuance, multi-tranche issuance or multiple-category issuance basis, the size and term of each issuance, each tranche and each category thereof, the ways of which the nominal value and interest rate are determined, pricing method, issuance arrangements, guarantee arrangements, rating arrangements, specific methods of application and subscription, whether to incorporate terms of repurchase or redemption, specific placement arrangement, use of proceeds, registration, listing of private corporate bonds and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment and all other matters relating to the issuance of private corporate bonds;
- (2) handling all filings and listing matters with regard to the issuance of private corporate bonds, including but not limited to, preparing, revising and submitting relevant application materials relating to the issuance and listings of private corporate bonds, any letter of guarantee, letter of support or keepwell agreement to be provided by the Company, the issuer(s) and/or third party(ies) according to the requirements of relevant regulatory authorities, and signing relevant applications and filing documents and other legal documents;
- (3) except for matters required to be re-voted by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association, or matters required to be approved by the Board of Directors, making relevant adjustments to matters relating to the

LETTER FROM THE BOARD

issuance of private corporate bonds according to the opinions of the regulatory authorities and changes in policies or market conditions, or determining whether to continue with all or part of the work in respect of the issuance of private corporate bonds according to the actual situation;

- (4) signing, executing, amending and completing all agreements and documents relating to the issuance of private corporate bonds, and making relevant payments;
- (5) selecting and engaging intermediaries such as lead underwriter(s), legal affairs agency(ies), accounting firm(s), and trustee(s) for the issuance of private corporate bonds, signing the bond trust agreement(s) and rules for meetings of the holders;
- (6) disclosing relevant information according to the relevant laws and regulations, requirements of relevant regulatory authorities and the Listing Rules; and
- (7) dealing with other matters in relation to the issuance of private corporate bonds.

Subject to the approval on the above matters at the general meeting, the general manager of the Company shall be grant the authority to consider and approve all the specific matters relating to the issuance plan within the authority determined by this proposal, and sign all necessary documents with relevant institutions.

3. Validity Period of the Authorization

The above authorized matters shall be valid for 12 months from the date of consideration and approval at the general meeting. During the aforesaid validity period, for the portion of the private corporate bonds limit for which the Company has submitted an application for issuance to the relevant regulatory authorities, the validity period of the authorization shall be extended to the date on which the aforesaid private corporate bonds limit for which an application for issuance has been submitted has been fully issued or the expiration date of the relevant regulatory authorities' approval/ registration document for the aforesaid private corporate bonds limit for which an application for issuance has been submitted (whichever is later). During the aforementioned validity period, the portion of the private corporate bonds limit for which the Company has not submitted an application for issuance to the relevant regulatory authorities shall automatically expire upon the expiration of the aforementioned validity period.

In accordance with the resolutions of the previous Board meetings and general meetings, the Company has decided to apply to and has already applied to the relevant regulatory authorities for the issuance of private corporate bonds and the validity period of original relevant resolutions shall be extended to the date on which the aforesaid private corporate bonds limit for which an application for issuance has been submitted has been fully issued or the expiration date of the relevant regulatory authorities' approval/registration document for the aforesaid private corporate bonds limit for which an application for issuance has been submitted (whichever is later). Such private corporate bonds limit was included in the limit approved for this resolution.

LETTER FROM THE BOARD

XII. GRANTING A GENERAL MANDATE TO THE BOARD OF DIRECTORS TO ISSUE DOMESTIC DEBT FINANCING INSTRUMENT

A special resolution will be proposed at the 2022 Annual General Meeting to approve the granting of a general mandate to the Board of Directors to issue domestic debt financing instrument.

In order to further expand the Company's financing channel, guarantee the continuation of the liabilities with interest, reduce the Company's financing costs, the Board of Directors proposes to grant a general mandate to the Board of Directors to issue domestic debt financing instrument at the general meeting, details are as follows:

1. Issue Plan for the Debt Financing Instrument

The Company is proposed to register and issue debt financing instrument of not more than RMB3.0 billion, and the specific arrangements are as follows:

(1) Issuer

The Company.

(2) Type, Size and Term of Issuance

The Company is proposed to apply to the National Association of Financial Market Institutional Investors (the "NAFMII") for the public issuance of debt financing instrument of not more than RMB3.0 billion (inclusive) on a one-off or multi- tranche basis. The Board or such persons as authorized by the Board shall be granted the authority to determine the specific issuance method, term structure and the size of the issuance with different terms and types as proposed at the general meeting according to the capital needs of the Company and market conditions at the time of issuance.

(3) Interest Rate

The debt financing instrument are fixed-rate bonds, and its coupon rate will be determined by the Company and the lead underwriters based on the market conditions according to the results of the recorded documents.

(4) Guarantee Type

It is not proposed to provide guarantee.

(5) Issuance Targets

Inter-bank bond market institutional investors (other than those who are prohibited from participation in accordance with the laws and regulations of the PRC).

LETTER FROM THE BOARD

(6) Use of the Raised Proceeds

The proceeds to be raised from the issuance, after deducting cost of issuance, will be used to make repayment of liabilities with interest and replenish the working capital. The Board and such persons as authorized by the Board shall be granted the authority to determine the specific use and amount proportion according to the actual needs of the Company as proposed at the general meeting.

2. Authorization

To ensure effective coordination of the registration and issuance of debt financing instrument and specific matters in the issuance processes, the Company proposes to the general meeting to authorize the Board of Directors and allow the Board of Directors to delegate the authorized persons to deal with all matters in relation to the registration and issuance of debt financing instrument according to relevant laws, regulations and opinions and advice from the regulatory authorities, within the framework and under the principles approved at the general meeting, and in compliance with the general principle of acting in the best interest of the Company, including but not limited to:

- (1) accordingly adjusting the specific plans for the issuance of debt financing instrument according to the applicable laws, regulations and relevant provisions from the regulatory authorities as well as the resolution passed at the general meeting and Board meeting for such proposals, and based on the actual conditions of the Company and the relevant domestic debt markets, including but not limited to, appropriate issuer(s), the timing of issuance, specific amount and method of issuance, the terms of issuance, issuance objects and duration, whether to issue on a single, multiple issuance, multi-tranche issuance or multiple-category issuance basis and, if on multiple issuance, multi-tranche issuance or multiple-category issuance basis, the size and term of each issuance, each tranche and each category thereof, the ways of which the nominal value and interest rate are determined, pricing method, issuance arrangements, guarantee arrangements, rating arrangements, specific methods of application and subscription, whether to incorporate terms of repurchase or redemption, specific placement arrangement, use of proceeds, registration, listing of debt financing instrument and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment and all other matters relating to the issuance of debt financing instrument;
- (2) handling all filings and listing matters with regard to the issuance of debt financing instrument, including but not limited to, preparing, revising and submitting relevant application materials relating to the registration, issuance and listings of debt financing instrument, any letter of guarantee, letter of support or keepwell agreement to be provided by the Company, the issuer(s) and/or third party(ies) according to the requirements of relevant regulatory authorities, and signing relevant applications and filing documents and other legal documents;
- (3) except for matters required to be re-voted by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association, or matters required to be approved by the Board of Directors, making relevant adjustments to

LETTER FROM THE BOARD

matters relating to the issuance of debt financing instrument according to the opinions of the regulatory authorities and changes in policies or market conditions, or determining whether to continue with all or part of the work in respect of the issuance of debt financing instrument according to the actual situation;

- (4) signing, executing, amending and completing all agreements and documents relating to the issuance of debt financing instrument, and making relevant payments;
- (5) selecting and engaging intermediaries such as lead underwriter(s), legal affairs agency(ies), accounting firm(s), and trustee(s) for the issuance of debt financing instrument, signing the bond trust agreement(s) and rules for meetings of the holders;
- (6) disclosing relevant information according to the relevant laws and regulations, requirements of relevant regulatory authorities and the Listing Rules; and
- (7) dealing with other matters in relation to the issuance of debt financing instrument.

Subject to the approval on the above matters at the general meeting, the general manager of the Company shall be granted the authority to consider and approve all the specific matters relating to the issuance plan within the authority determined by this proposal, and sign all necessary documents with relevant institutions.

3. Validity Period of the Authorization

The above authorized matters shall be valid for 12 months from the date of consideration and approval at the general meeting. During the aforesaid validity period, for the portion of the debt financing instrument limit for which the Company has submitted an application for issuance to the relevant regulatory authorities, the validity period of the authorization shall be extended to the date on which the aforesaid debt financing instrument limit for which an application for issuance has been submitted has been fully issued or the expiration date of the relevant regulatory authorities' approval/registration document for the aforesaid debt financing instrument limit for which an application for issuance has been submitted (whichever is later). During the aforementioned validity period, the portion of the debt financing instrument limit for which the Company has not submitted an application for issuance to the relevant regulatory authorities shall automatically expire upon the expiration of the aforementioned validity period.

In accordance with the resolutions of the previous Board meetings and general meetings, the Company has decided to apply to and has already applied to the relevant regulatory authorities for the issuance of debt financing instrument and the validity period of original relevant resolutions shall be extended to the date on which the aforesaid debt financing instrument limit for which an application for issuance has been submitted has been fully issued or the expiration date of the relevant regulatory authorities' approval/registration document for the aforesaid debt financing instrument limit for which an application for issuance has been submitted (whichever is later). Such debt financing instrument limit was included in the limit approved for this resolution.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The Company plans to hold the Annual General Meeting at 2:30 p.m. on Tuesday, 13 June 2023 at the Meeting Room, 29/F, New Poly Plaza, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC. Notice of the Annual General Meeting will be published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://polyculture.com.cn>) and also set out in this circular.

In order to determine the Shareholders who are entitled to attend the Annual General Meeting, the Company's register of H Share Shareholders will be closed from Sunday, 14 May 2023 to Tuesday, 13 June 2023 (both days inclusive). Shareholders whose names appear on the register of members of the Company on Tuesday, 13 June 2023 are entitled to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, holders of H Shares are required to deposit their transfer documents together with the relevant share certificates at the H Share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 12 May 2023.

A Proxy Form and the Reply Slip for use at the Annual General Meeting are enclosed with this circular and are also published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://polyculture.com.cn>). Holders of H Shares who intend to appoint a proxy to attend the Annual General Meeting are requested to complete the enclosed Proxy Form according to the instructions printed thereon, and the Proxy Form together with the power of attorney or other authorization document (if any) must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in person or by post not less than 24 hours before the time fixed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Shareholders can still attend and vote at the Annual General Meeting if they so wish upon completion and return of the Proxy Form. Holders of H Shares who intend to attend the Annual General Meeting in person or by proxy should complete and return the enclosed Reply Slip according to the instructions printed thereon to the H Share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong on or before Wednesday, 24 May 2023.

LETTER FROM THE BOARD

ATTENDANCE OF AND VOTING AT THE ANNUAL GENERAL MEETING

The Annual General Meeting will adopt on-site voting. According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the Annual General Meeting must be taken by poll.

RECOMMENDATIONS

The Directors believe that the resolutions mentioned in this letter are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favor of the resolutions to be proposed at the Annual General Meeting as set out in the notice of the Annual General Meeting.

By order of the Board of Directors
Poly Culture Group Corporation Limited
Wang Bo
Chairman

NOTICE OF THE 2022 ANNUAL GENERAL MEETING



(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3636)

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “**Annual General Meeting**”) of Poly Culture Group Corporation Limited (the “**Company**”) will be held at 2:30 p.m. on Tuesday, 13 June 2023 at the Meeting Room, 29/F, New Poly Plaza, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC to consider and, if thought fit, to pass the following resolutions:

Ordinary Resolutions

1. To consider and approve the annual report for the year 2022
2. To consider and approve the report of the Board of Directors for the year 2022
3. To consider and approve the report of the Board of Supervisors for the year 2022
4. To consider and approve the financial report for the year 2022
5. To consider and approve the dividend distribution plan for the year 2022
6. To consider and approve the engagement of auditors for the year 2023
7. To consider and approve the financial budget for the year 2023
8. To consider and approve the financing loans for the year 2023
9. To consider and approve the provision of loans for subsidiaries for the year 2023
10. To consider and approve the provision of guarantees for subsidiaries for the year 2023

Special Resolutions

11. To consider and approve the granting of a general mandate to the Board of Directors to issue domestic private corporate bonds

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

12. To consider and approve the granting of a general mandate to the Board of Directors to issue domestic debt financing instrument

By order of the Board of Directors
Poly Culture Group Corporation Limited
Wang Bo
Chairman

Beijing, the PRC
28 April 2023

Notes:

1. CLOSURE OF REGISTER OF MEMBERS, ELIGIBILITY FOR ATTENDING THE ANNUAL GENERAL MEETING

Holders of H Shares of the Company are advised that the register of members of H Shares will be closed from Sunday, 14 May 2023 to Tuesday, 13 June 2023 (both days inclusive). Shareholders whose names appear on the register of members of the Company on Tuesday, 13 June 2023 are entitled to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, holders of H Shares are required to deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on Friday, 12 May 2023.

2. PROXY

Shareholders entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend and vote in their stand. A proxy need not be a Shareholder.

The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporate body, the proxy form (the "**Proxy Form**") distributed by the Company to its Shareholder must be either executed under its common seal or under the hand of its legal representative(s) or director(s) or duly authorized attorney(s) on 28 April 2023. If the Proxy Form is entered into by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.

For holders of H Shares who intend to attend the Annual General Meeting by proxy, the Proxy Form together with the power of attorney or other authorization document (if any) must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in person or by post not less than 24 hours before the time fixed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Shareholders can still attend and vote at the Annual General Meeting if they so wish upon completion and return of the Proxy Form.

3. REPLY SLIP

Holders of H Shares who intend to attend the Annual General Meeting in person or by proxy should return the reply slip to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Wednesday, 24 May 2023.

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

4. CONTACT DETAILS OF THE COMPANY

Contact Address: District A, 20/F, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC
Postcode: 100010
Contact Person: Wang Wei
Contact Telephone: (86 10) 6408 2711
Contact Fax: (86 10) 6408 2662

5. ATTENDANCE OF AND VOTING AT THE ANNUAL GENERAL MEETING

The Annual General Meeting will adopt on-site voting. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of Shareholders at the Annual General Meeting must be taken by poll on site.

6. OTHER BUSINESS

The Annual General Meeting is expected to last for approximately half a day. Shareholders (in person or by proxy) attending the Annual General Meeting are responsible for their own transportation and accommodation expenses.

Shareholders or their proxies attending the Annual General Meeting shall produce their identity documents.