
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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Changyou Alliance Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, 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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CHANGYOU ALLIANCE GROUP LIMITED

暢由聯盟集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

**RENEWAL OF 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 to be held at Room 1908-1916, 19th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 21 June 2024 at 11:00 a.m. is set out on pages 15 to 18 of this circular. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than Wednesday, 19 June 2024 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I – Explanatory Statement on the Repurchase Mandate	8
Appendix II – Details of the Directors to be Re-Elected	11
Notice of Annual General Meeting	15

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Annual General Meeting”	the annual general meeting of the Company to be held at Room 1908-1916, 19th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 21 June 2024 at 11:00 a.m., for the purpose of considering and if thought fit, approving the resolutions proposed in the notice convening the Annual General Meeting, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Changyou Alliance Group Limited (暢由聯盟集團有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	23 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares up to a maximum number equivalent to 10% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“United States”	the United States of America
“US\$”	United States dollar, the lawful currency of the United States
“%”	per cent.

LETTER FROM THE BOARD

CHANGYOU ALLIANCE GROUP LIMITED

暢由聯盟集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

Executive Directors:

Mr. Cheng Jerome (*Chairman*)

Mr. Yuan Weitao

Non-executive Directors:

Mrs. Guo Yan

Ms. Hu Qing

Ms. Liu Jingyan

Independent Non-executive Directors:

Mr. Wong Chi Keung

Mr. Ip Wai Lun, William

Mr. Chan Chi Keung, Alan

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

Room 1908-1916, 19/F

Sun Hung Kai Centre

30 Harbour Road

Wanchai, Hong Kong

30 April 2024

To the Shareholders

Dear Sir/Madam

**RENEWAL OF 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 give you notice of the Annual General Meeting and to provide you with information regarding resolutions to be proposed at the Annual General Meeting for: (i) the renewal of the General Mandate and the Repurchase Mandate; (ii) the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iii) the re-election of Directors.

RENEWAL OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 30 June 2023, resolutions were passed by the Shareholders to grant general mandates to the Directors (i) to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution; and (ii) to repurchase Shares up to 10% of the aggregate number of Shares in issue as at the date of the passing of the

LETTER FROM THE BOARD

relevant resolution. Resolutions were also passed to extend the maximum number of Shares to be allotted and issued under (i) above by an additional number representing such number of Shares repurchased by the Company under (ii) above. All of these general mandates will lapse at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed to seek the approval of the Shareholders:

- (a) to grant the General Mandate to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the passing of the resolution. Subject to the passing of the resolution approving the renewal of the General Mandate at the Annual General Meeting, on the basis that 1,810,953,272 Shares were in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased on or prior to the date of the Annual General Meeting, the Directors will be authorised to allot, issue and deal with up to 362,190,654 additional Shares under the General Mandate, being 20% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution at the Annual General Meeting. The General Mandate will end on 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 to be held by the Articles of Association or any applicable laws; or (iii) the date upon which the General Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company;
- (b) to grant the Repurchase Mandate to the Directors to exercise the power of the Company to repurchase Shares up to a maximum number equivalent to 10% of the aggregate number of Shares in issue as at the date of the passing of the resolution. Subject to the passing of the resolution approving the renewal of the Repurchase Mandate at the Annual General Meeting, on the basis that 1,810,953,272 Shares were in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased on or prior to the date of the Annual General Meeting, the Directors will be authorised to repurchase a maximum of 181,095,327 Shares under the Repurchase Mandate, being 10% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution at the Annual General Meeting. The Repurchase Mandate will end on 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 to be held by the Articles of Association or any applicable laws; or (iii) the date upon which the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company; and
- (c) subject to the passing of the aforesaid ordinary resolutions approving the renewal of the General Mandate and the Repurchase Mandate, to extend the maximum number of Shares to be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to approve the renewal of the Repurchase Mandate at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles of Association, Mrs. Guo Yan and Mr. Wong Chi Keung will retire from office as Directors at the Annual General Meeting. Mr. Wong Chi Keung, being eligible, will offer himself for re-election as Director at the Annual General Meeting. The Board has been informed by Mrs. Guo Yan that she will not offer herself for re-election as a non-executive Director at the Annual General Meeting.

Mrs. Guo Yan has confirmed that she has no disagreement with the Board and there are no matters relating to her retirement that need to be brought to the attention of the Shareholders or the Stock Exchange. The Board would like to take this opportunity to express its sincere gratitude to Mrs. Guo Yan for her valuable contributions to the Company during her tenure of service and wishes her all the best in the future.

Under Code Provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, if an independent non-executive director has served more than nine years, any further appointment of such an independent director should be subject to a separate resolution to be approved by shareholders and the accompanying circular proposing his or her re-election should include reasons why the Board believes such independent non-executive director is still independent and should be re-elected.

As Mr. Wong Chi Keung has served as an independent non-executive Director for more than nine years since his appointment in March 2015, a separate resolution will be proposed at the Annual General Meeting to further appoint Mr. Wong Chi Keung as an independent non-executive Director.

In assessing the re-election of Mr. Wong Chi Keung as an independent non-executive Director, the nomination committee of the Company (the “**Nomination Committee**”) and the Board have considered his contribution and service to the Company, and reviewed his expertise and professional qualifications to determine whether he satisfies the selection criteria under the nomination policy of the Company. The Nomination Committee and the Board consider that Mr. Wong Chi Keung has the required character and integrity to act as a director of the Company, and possesses broad and extensive experience and professional knowledge.

The Company has received and reviewed the annual confirmation from Mr. Wong Chi Keung on his independence with reference to the independence guidelines set out in rule 3.13 of the Listing Rules. In assessing the independence of Mr. Wong Chi Keung, the Nomination Committee and the Board noted that Mr. Wong Chi Keung (i) does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company; (ii) is not involved in any relationships or circumstances which would interfere with the exercise of his independent judgement as an independent non-executive Director; and (iii) has been providing objective and independent views to the Company during his tenure of office. Based on the above, the Nomination Committee and the Board believe that Mr. Wong Chi Keung’s long services will neither affect his exercise of independent judgement nor have any impact on his independence in the governance of the Group.

LETTER FROM THE BOARD

In addition, Mr. Wong Chi Keung has been holding directorship in nine other listed companies. Notwithstanding the above, the Nomination Committee and the Board are satisfied with Mr. Wong Chi Keung's contribution to the Company as he has actively participated in the Board meetings and the Board committee meetings since his appointment as an independent non-executive Director, and has continued to present objective and impartial advice and suggestion to the Board. As such, the Nomination Committee and the Board are of the view that Mr. Wong Chi Keung will continue to be able to devote sufficient time to the Board.

As such, the Nomination Committee believes that the re-election of Mr. Wong Chi Keung as an independent non-executive Director is in the best interests of the Company and the Shareholders as a whole, and therefore recommended his re-election to the Board.

At the Annual General Meeting, an ordinary resolution will be proposed to re-elect Mr. Wong Chi Keung as independent non-executive Director. The biographical details of Mr. Wong Chi Keung as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

Mr. Ip Wai Lun, William has been appointed as an independent non-executive Director on 14 July 2023 and each of Ms. Hu Qing and Ms. Liu Jingyan has been appointed as a non-executive Director on 12 April 2024.

Under Article 83(3) of the Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Accordingly, Mr. Ip Wai Lun, William, Ms. Hu Qing and Ms. Liu Jingyan will stand for re-election at the Annual General Meeting. The biographical details of Mr. Ip Wai Lun, William, Ms. Hu Qing and Ms. Liu Jingyan are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at Room 1908-1916, 19th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 21 June 2024 at 11:00 a.m. for the purpose of considering and if thought fit, approving the proposed resolutions set out in the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular.

A form of proxy for use in connection with the Annual General Meeting is enclosed herewith. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than Wednesday, 19 June 2024 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

LETTER FROM THE BOARD

If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the Annual General Meeting will be by poll.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024 (both days inclusive), for the purpose of determining the Shareholders' entitlement to attend and vote at the Annual General Meeting to be held on Friday, 21 June 2024 at 11:00 a.m. (Hong Kong time). During this period, no transfer of shares will be registered. In order to qualify for the entitlement to attend and vote at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 17 June 2024 (Hong Kong time).

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Company. The Directors, having made all reasonable enquires, 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.

RECOMMENDATION

The Directors consider that (i) the renewal of the General Mandate and the Repurchase Mandate; (ii) the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iii) the re-election of Directors are in the best interests of the Company as well as the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully
By order of the Board
Changyou Alliance Group Limited
Mr. Cheng Jerome
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the renewal of the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,810,953,272 Shares in issue. Subject to the passing of the resolution approving the renewal of the Repurchase Mandate at the Annual General Meeting and assuming that no further Shares will be issued or repurchased on or prior to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 181,095,327 Shares under the Repurchase Mandate, being 10% of the aggregate number of Shares in issue as at the date of the passing of the relevant resolution at the Annual General Meeting.

2. REASONS FOR THE SHARE REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earning per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

As compared with the financial position of the Company as at 31 December 2023 (as disclosed in its latest audited financial statements for the year ended 31 December 2023), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchase were to be carried out in full at any time during the proposed repurchase period. In the circumstances, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

3. FUNDING OF THE SHARE REPURCHASE

The Company is empowered by the Articles of Association to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and the laws of the Cayman Islands. Under the laws of the Cayman Islands, payment for a share repurchase by the Company may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or out of capital of the Company if authorised by the Articles of Association and subject to satisfaction of the solvency test as set out in the Companies Law. The amount of premium payable on a repurchase of Shares may only be paid out of either the profits or out of the share premium of the Company or out of capital of the Company if so authorised by the Articles of Association and subject to satisfaction of the solvency test as set out in the Companies Law.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Under the laws of the Cayman Islands, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the laws of the Cayman Islands, the shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company in the event that the grant of the Repurchase Mandate is approved by the Shareholders.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the grant of the Repurchase Mandate is approved by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Articles of Association and the laws of the Cayman Islands.

The Company confirms that neither the explanatory statement nor the Repurchase Mandate has any unusual features.

6. EFFECT OF TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial Shareholder of the Company in the voting rights of the Company, which could give rise to an obligation by a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of its or their shareholding, to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Ms. Pun Tang, the beneficial owner of Century Investment (Holding) Limited (“CIH”) was beneficially interested in 970,252,818 Shares within the meaning of Part XV of the SFO, of which (a) 71,367,000 Shares were beneficially owned by Ms. Pun Tang (representing approximately 3.94% of the issued share capital of the Company); (b) 598,885,818 Shares were beneficially owned by CIH (representing approximately 33.07% of the issued share capital of the Company); and (c) 300,000,000 Shares will be issued to CIH upon conversion in full of the convertible bonds issued to CIH pursuant to the subscription agreement dated 26 January 2024 in relation to the subscription of the convertible bonds (the “CBs”). In the event that the Directors exercise in full the power to repurchase the Shares which is proposed to be granted under the Repurchase Mandate, the shareholding of

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Ms. Pun Tang would be increased to (i) approximately 41.12% of the then issued share capital of the Company (assuming no CBs have been converted); and (ii) approximately 50.28% of the then issued share capital of the Company (assuming the CBs have been converted in full), which would give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code. The Company currently has no intention to exercise the Repurchase Mandate to such extent that it would give rise to an obligation to make a mandatory offer under the Takeovers Code or result in the amount of shares held by the public being reduced to less than 25% of the issued share capital of the Company.

7. SHARE REPURCHASES BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the previous six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest traded prices at which the Shares had been traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	<i>Highest</i> <i>HK\$</i>	<i>Lowest</i> <i>HK\$</i>
2023		
April	0.158	0.138
May	0.154	0.145
June	0.154	0.130
July	0.152	0.150
August	0.153	0.133
September	0.153	0.147
October	0.150	0.135
November	0.150	0.135
December	0.139	0.130
2024		
January	0.130	0.090
February	0.156	0.090
March	0.149	0.133
April (up to the Latest Practicable Date)	0,165	0,142

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Non-executive Directors

Ms. Hu Qing, aged 41, has been appointed as the non-executive Director on 12 April 2024. Ms. Hu graduated from Wuhan University with a bachelor's degree in engineering in 2004. She then obtained a Master of Business Administration degree from Renmin University of China. Ms. Hu has extensive experience in investment and financing evaluation and business management. Ms. Hu is currently the general manager of the investment department of BG City Development Group Limited* (北京北控城市發展集團有限公司) (“**BG City**”), and a director of each of Beijing Enterprises City Development Limited* (北京北控城市開發有限公司) and Beijing Phoenix City Operation Management Co., Ltd.* (北京北控鳳凰城市運營管理有限公司), both of which are subsidiaries of BG City. Before joining BG City and its affiliates in 2011, Ms. Hu had worked in China Everbright Bank Company Limited and China State Construction Engineering Corporation Limited* (中國建築股份有限公司).

Ms. Hu has entered into a service agreement with the Company for a term of three years commencing from 12 April 2024 and she is subject to retirement by rotation at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. Ms. Hu will not receive any director's fee or remuneration in respect of the performance of her duties as a non-executive Director.

As at the Latest Practicable Date, Ms. Hu (i) did not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and (ii) had no interest in Shares within the meaning of Part XV of the SFO.

Ms. Liu Jingyan, aged 47, has been appointed as the non-executive Director on 12 April 2024. She has been the administration director of Centchain Co., Ltd.* (世紀暢鏈有限責任公司), an indirect non-wholly owned subsidiary of the Company, since 2018. Ms. Liu graduated from City University of Seattle in the United States of America with a Master of Business Administration degree in 2008 and from Shanghai Maritime University with a bachelor's degree in 2000. She joined Beijing Century Fortunet Network Technology Co., Ltd.* (北京世紀新幹線網絡技術有限公司) (“**Century Fortunet Network**”) in 2014 as senior administration manager and administration director. Prior to joining Century Fortunet Network, Ms. Liu had worked at various companies for over 14 years, including Beijing Tianhang International Freight Co., Ltd.* (北京天航國際貨運有限公司), Beijing Ying Sheng Industrial & Trading Co., Ltd.* (北京瀛勝工貿有限公司), Beijing Ideal Industrial Development Group* (北京理想產業發展集團), Siemens Networks Beijing Co., Ltd.* (西門子通信網路北京有限公司), Nokia Siemens (China) Investment Co., Ltd.* (諾基亞西門子(中國)投資有限公司), Nokia (China) Investment Co., Ltd.* (諾基亞(中國)投資有限公司), Avanade Information Technology Co., Ltd.* (埃維諾信息技術有限公司), where she held various positions including sales representative, administration officer, administration manager and assistant to president.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Ms. Liu has entered into a service agreement with the Company for a term of three years commencing from 12 April 2024 and she is subject to retirement by rotation at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. Ms. Liu receives a monthly salary of RMB27,958 for being the administration director of Centchain Co., Ltd. Under her service agreement with the Company, Ms. Liu will not receive any director's fee or remuneration in respect of the performance of her duties as a non-executive Director.

As at the Latest Practicable Date, Ms. Liu (i) did not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and (ii) had no interest in Shares within the meaning of Part XV of the SFO.

Independent non-executive Directors

Mr. Wong Chi Keung, aged 69, was appointed as the independent non-executive Director on 25 March 2015. He is a member and the chairman of the Audit Committee, and a member of the Nomination Committee and Remuneration Committee. Mr. Wong obtained a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and CPA Australia and an associate member of The Hong Kong Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) and the Chartered Institute of Management Accountants. Mr. Wong is also a responsible officer for asset management and advising on securities for Beagle Asset Management Company Limited (formerly known as CASDAQ International Capital Market (HK) Company Limited) under the SFO. Mr. Wong has over 40 years of experience in finance, accounting and management. Mr. Wong was previously an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited (now known as Yuexiu Property Company Limited, a company listed on the Main Board of the Stock Exchange, stock code: 123) for over ten years. He is also an independent non-executive director and a member of the audit committee of Asia Orient Holdings Limited (stock code: 214), Asia Standard Hotel Group Limited (stock code: 292), Asia Standard International Group Limited (stock code: 129), Century City International Holdings Limited (stock code: 355), China Ting Group Holdings Limited (stock code: 3398), Paliburg Holdings Limited (stock code: 617), Regal Hotels International Holdings Limited (stock code: 78), Yuan Heng Gas Holdings Limited (formerly known as Ngai Lik Industrial Holdings Limited, stock code: 332) and Zhuguang Holdings Group Company Limited (stock code: 1176), all of which are companies listed on the Stock Exchange. Mr. Wong was also previously an independent non-executive director of Guoan International Limited (stock code: 143) and Golden Eagle Retail Group Limited (stock code: 3308).

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Mr. Wong has entered into a letter of appointment with the Company for a term of three years commencing from 25 March 2024 and he is subject to retirement by rotation at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. Mr. Wong is entitled to an annual salary of HK\$240,000, which was determined by the Board with reference to the prevailing market conditions and his roles and responsibilities with the Company.

As at the Latest Practicable Date, Mr. Wong (i) did not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and (ii) had no interest in Shares within the meaning of Part XV of the SFO.

Mr. Ip Wai Lun, William, aged 67, has been appointed as an independent non-executive Director of the Company, a member of the Audit Committee and a member and the chairman of the Remuneration Committee on 14 July 2023. Mr. Ip has over 27 years of investment banking experience in Asia, with a focus on Greater China and Japan. As at the Latest Practicable Date, Mr. Ip served as a managing director of Amasse Capital Limited. Prior to that, Mr. Ip was the executive director in the mergers and acquisitions department of SMBC Nikko Securities (Hong Kong) Limited from April 2012 to January 2021. He served as the managing director and head of the investment banking department of Cantor Fitzgerald (HK) Capital Markets Ltd from 2010 to 2012. Prior to that, Mr. Ip had worked at several major investment banks of Chinese and European background for over 14 years. As at the Latest Practicable Date, Mr. Ip is also an independent non-executive director of Hopson Development Holdings Limited (stock code: 754) and Kantone Holdings Limited (stock code: 1059), both of which are companies listed on the Main Board of the Stock Exchange. Mr. Ip obtained a bachelor of science in economics and a master of science in economics from London School of Economics and Political Science, University of London. He also obtained a master of business administration (MBA) from the Wharton School of Finance, University of Pennsylvania. Mr. Ip has been a Responsible Officer for Type 1, Type 4 and Type 6 (including giving advice on matters falling within the ambit of the Takeovers Code (as amended from time to time)) and regulated activities under the SFO. Mr. Ip is a Chartered Financial Analyst Charterholder of the CFA Institute, the U.S.

Mr. Ip has entered into a letter of appointment with the Company for a term of three years commencing from 14 July 2023 and he is subject to retirement by rotation at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. Mr. Ip is entitled to an annual salary of HK\$240,000, which was determined by the Board with reference to the prevailing market conditions and his roles and responsibilities with the Company.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

As at the Latest Practicable Date, Mr. Ip (i) did not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and (ii) had no interest in Shares within the meaning of Part XV of the SFO.

Others

There is no other information relating to the above Directors that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

CHANGYOU ALLIANCE GROUP LIMITED

暢由聯盟集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Changyou Alliance Group Limited (the “**Company**”) will be held at Room 1908-1916, 19th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 21 June 2024 at 11:00 a.m. for considering and, if thought fit, passing the following resolutions (with or without modifications):

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2023;
2. To re-elect the following Directors:
 - (a) Ms. Hu Qing as a non-executive Director;
 - (b) Ms. Liu Jingyan as a non-executive Director;
 - (c) Mr. Ip Wai Lun, William as an independent non-executive Director; and
 - (d) Mr. Wong Chi Keung as an independent non-executive Director;
3. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
4. To re-appoint KPMG as auditors of the Company and to authorise the Board to fix their remuneration;
5. **THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and the Directors be and are hereby authorised to, during the Relevant Period, make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the total number of shares of the Company allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); (ii) the exercise of options granted under the share option scheme of the Company or similar arrangement adopted by the Company from time to time; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the number of shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors 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 regulatory body or any stock exchange in, any territory outside Hong Kong);

NOTICE OF ANNUAL GENERAL MEETING

6. **THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to purchase issued shares in the share capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and the Directors be and are hereby authorised to, on behalf of the Company, during the Relevant Period procure the Company to purchase its shares at a price determined by the Directors;
- (c) the total number of shares of the Company which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

7. **THAT** conditional upon the passing of resolutions nos. 5 and 6 above, the general mandate to the Directors pursuant to resolution no. 5 be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company purchased by the Company under the authority granted pursuant to resolution no. 6, provided that such amount shall not exceed 10% of the number of shares of the Company in issue as at the date of the passing of this resolution.

By order of the Board
Changyou Alliance Group Limited
Mr. Cheng Jerome
Chairman

Hong Kong, 30 April 2024

Notes:

- (1) A member entitled to attend and vote at the AGM may appoint one or, if he holds two or more shares of the Company, more proxies to attend and vote instead of him. A proxy need not be a member of the Company. Shareholders are encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM, as an alternative to attending the AGM in person.
- (2) Where there are joint holders of any share of the Company, any one of such joint holder 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 the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding, the first named being the senior.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM (i.e. not later than Wednesday, 19 June 2024 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 17 June 2024.