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YH Entertainment Group
乐华娱乐集团

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

**CONNECTED TRANSACTION IN RELATION TO
THE ACQUISITION OF THE MINORITY INTEREST
IN A NON-WHOLLY OWNED SUBSIDIARY
AND
TERMINATION OF CONNECTED TRANSACTIONS
WITH SHENZHEN YIQI**

THE ACQUISITION

On September 24, 2026, Tianjin Yihua (a wholly-owned subsidiary of the Company) entered into the Share Transfer Agreement with Shenzhen Yiqi, pursuant to which, Shenzhen Yiqi agreed to transfer a total of approximately 46.55% equity interest in Yuhua Tongxing held by Shenzhen Yiqi to Tianjin Yihua, at a consideration of RMB4 million, which will be paid in cash by Tianjin Yihua to Shenzhen Yiqi on or before the Completion.

As of the date of this announcement, Yuhua Tongxing was owned as to 53.45% of Tianjin Yihua, and was therefore an indirect majority-held subsidiary of the Company. Upon Completion, Tianjin Yihua will hold 100% equity interest in Yuhua Tongxing and Yuhua Tongxing will become an indirectly wholly-owned subsidiary of the Company.

TERMINATION OF CONNECTED TRANSACTIONS WITH SHENZHEN YIQI

On September 24, 2026, a termination agreement was entered into among Tianjin Yihua, Shenzhen Yiqi and Yuhua Tongxing, pursuant to which the Strategic Cooperation with Shenzhen Yiqi was terminated.

LISTING RULE IMPLICATION

As Shenzhen Yiqi is a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of Yuhua Tongxing, the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios of the Acquisition is less than 1% and Shenzhen Yiqi is a connected person at a subsidiary level of the Company, the Acquisition is fully exempt from the reporting and announcement requirements and independent shareholders' approval requirements by the virtue of Rules 14A.76(1)(b) and 14A.101 of the Listing Rules.

As neither party is required to make any payment to each other under the Termination Agreement with Shenzhen Yiqi, the Termination Agreement with Shenzhen Yiqi is exempt from announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As the continuing connected transaction under the Agreements with Shenzhen Yiqi was terminated, the Company is subject to the announcement requirement under Rule 14A.35 of the Listing Rules.

INTRODUCTION

On September 24, 2026, Tianjin Yihua (a wholly-owned subsidiary of the Company) entered into the Share Transfer Agreement with Shenzhen Yiqi, pursuant to which, Shenzhen Yiqi agreed to transfer a total of approximately 46.55% equity interest in Yuhua Tongxing held by Shenzhen Yiqi to Tianjin Yihua, at a consideration of RMB4 million. Upon Completion, Tianjin Yihua will hold 100% equity interest in Yuhua Tongxing and Yuhua Tongxing will become an indirectly wholly-owned subsidiary of the Company.

THE SHARE TRANSFER AGREEMENT

A summary of the principal terms of the Share Transfer Agreement is set out below:

Date: September 24, 2026

Parties:

- (i) Shenzhen Yiqi (as seller)
- (ii) Tianjin Yihua (as purchaser, a wholly-owned subsidiary of the Company)
- (iii) Yuhua Tongxing

Subject Matter: Pursuant to the Share Transfer Agreement, Shenzhen Yiqi agreed to transfer a total of approximately 46.55% equity interest in Yuhua Tongxing held by Shenzhen Yiqi to Tianjin Yihua.

Consideration: The consideration for the Acquisition is RMB4 million, which is determined based on arm's length negotiation between parties and with reference to the actual paid-in registered capital contributed by Shenzhen Yiqi at the time of establishing Yuhua Tongxing.

The Consideration shall be paid by Tianjin Yihua in cash using internal sources of the Group on or before Completion.

INFORMATION ON THE PARTIES

Tianjin Yihua

Tianjin Yihua is a company established in the PRC with limited liability on February 22, 2019 and is a wholly-owned subsidiary of the Company. It is principally engaged in marketing promotion planning.

Yuhua Tongxing

Yuhua Tongxing is a company established in the PRC with limited liability on December 31, 2024. It is principally engaged in organization of cultural and artistic communication events. As of the date of this announcement, Yuhua Tongxing was owned as to 53.45% of Tianjin Yihua, and was therefore an indirect majority-held subsidiary of the Company. Upon Completion, Tianjin Yihua will hold 100% equity interest in Yuhua Tongxing and Yuhua Tongxing will become an indirectly wholly-owned subsidiary of the Company.

The unaudited net asset value of Yuhua Tongxing as of August 31, 2026 was approximately RMB5.6 million. For the year ended December 31, 2025, Yuhua Tongxing recorded an unaudited profit before taxation of approximately RMB6.5 million and an unaudited net profit of approximately RMB4.5 million.

Shenzhen Yiqi

Shenzhen Yiqi is a company established in the PRC with limited liability on November 23, 2020. It is primarily engaged in IP incubation and discovery, IP operation, copyright commercialization, and the promotion and sales of pop toys and other cultural products for global artists. Shenzhen Yiqi is an indirectly wholly owned subsidiary of Here Group Ltd (a company listed on the Nasdaq Global Market (stock symbol: HERE)). As of the date of this announcement, Shenzhen Yiqi held approximately 46.55% of Yuhua Tongxing, and is therefore a substantial shareholder of Yuhua Tongxing. Accordingly, Shenzhen Yiqi is a connected person of the Company at subsidiary level.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Yuhua Tongxing, currently an indirectly non-wholly owned subsidiary of the Company, has a well-established business in the design, manufacturing and marketing of pop toys and related products since the formation of business collaboration with Shenzhen Yiqi. Since 2025, the launch of pop toys business has received satisfactory market popularity and feedback, which enables the Company to better leverage its existing internal resources and the market response achieved to further develop its pop toy business.

The Board considers that the Acquisition will enable the Company to hold Yuhua Tongxing as an indirectly wholly-owned subsidiary, facilitating a smoother internal decision-making process, consolidating resources, and allowing the Company to continue developing the pop toy business with full operational control and enhanced efficiency. Meanwhile, the Acquisition will enable the Company to more effectively consolidate and optimize intra-group resources and strengthen synergies between Yuhua Tongxing and the Company's other business segments, such as its artist management and IP commercialization businesses. Additionally, following completion, Shenzhen Yiqi will no longer be a connected person of the Company at subsidiary level, which is expected to reduce the scope and administrative costs of future connected transactions between the parties.

Having considered the above, the Board considers that the terms of the Acquisition are fair and reasonable and on normal commercial terms, and that the Acquisition is in the interests of the Company and its Shareholders as a whole.

TERMINATION OF CONNECTED TRANSACTIONS WITH SHENZHEN YIQI

Reference is made to the announcement of the Company dated April 17, 2026 (the “**Announcement**”) and the supplemental announcement dated June 5, 2026 in relation to, among others, the Strategic Cooperation Framework Agreement with Shenzhen Yiqi and the transactions contemplated thereunder (the “**Announcements Relating to Shenzhen Yiqi**”). Unless otherwise defined, capitalized terms used herein shall bear the same meanings as those defined in the Announcements Relating to Shenzhen Yiqi.

On September 24, 2026, a termination agreement was entered into among Tianjin Yihua, Shenzhen Yiqi and Yuhua Tongxing, pursuant to which the Strategic Cooperation with Shenzhen Yiqi was terminated (the “**Termination Agreement with Shenzhen Yiqi**”). Unless otherwise agreed by the parties to the Termination Agreement with Shenzhen Yiqi, all rights and obligations under the Agreements with Shenzhen Yiqi and its corresponding underlying and/or related agreements shall terminate. Each party to the Termination Agreement with Shenzhen Yiqi will continue to be responsible for the unfinished order, inventory and other transitive matters according to relevant clauses therein, so as to ensure a smooth transition and the normal continuation of the relevant projects.

LISTING RULES IMPLICATIONS

As Shenzhen Yiqi is a connected person of the Company at subsidiary level by virtue of being a substantial shareholder of Yuhua Tongxing, the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios of the Acquisition is less than 1% and Shenzhen Yiqi is a connected person at a subsidiary level of the Company, the Acquisition is fully exempt from the reporting and announcement requirements and independent shareholders' approval requirements by the virtue of Rules 14A.76(1)(b) and 14A.101 of the Listing Rules.

As neither party is required to make any payment to each other under the Termination Agreement with Shenzhen Yiqi, the Termination Agreement with Shenzhen Yiqi is exempt from announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As the continuing connected transaction under the Agreements with Shenzhen Yiqi was terminated, the Company is subject to the announcement requirement under Rule 14A.35 of the Listing Rules.

DEFINITIONS AND GLOSSARY

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

“Acquisition”	The acquisition of 46.55% equity interests in Yuhua Tongxing pursuant to the Share Transfer Agreement
“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“Board”	the board of Directors of the Company
“Chairlady”	the chairlady of the Board
“China” or the “PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan
“Company,” “our Company” or “the Company”	YH Entertainment Group (乐华娱乐集团), an exempted company incorporated in Cayman Islands with limited liability on June 10, 2021
“Completion”	completion of the Acquisition in accordance with the Share Transfer Agreement

“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	director(s) of the Company
“Group,” “our Group,” “the Group,” “we,” “us,” or “our”	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)
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“RMB”	the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Shares
“Share Transfer Agreement”	The agreement dated September 24, 2026 entered into between Tianjin Yihua, Shenzhen Yiqi and Yuhua Tongxing relating to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial Shareholder”	having the meaning ascribed to it under the Listing Rules
“Tianjin Yihua”	Tianjin Yihua Management Consulting Co., Ltd. (天津壹華管理諮詢有限責任公司), a limited liability company established in the PRC on February 22, 2019 and a wholly owned subsidiary of Yuehua Limited

“Yuehua Investment”	Tianjin Yuehua Management Consulting Co., Ltd. (天津樂華管理諮詢有限公司), formerly known as Tianjin Yuehua Investment Co., Ltd. (天津樂華投資有限公司), a limited liability company established in the PRC on September 24, 2021 and an indirect wholly-owned subsidiary of our Company in the PRC
“Yuehua Limited”	YueHua Entertainment Co., Ltd. (北京樂華圓娛文化傳播有限公司), a limited liability company established in the PRC on July 3, 2009 and a non-wholly owned subsidiary of Yuehua Investment
“Yuhua Tongxing”	Yuhuatongxing (Beijing) Cultural Development Co., Ltd. (與華同行(北京)文化發展有限公司), a limited liability company established in the PRC on December 31, 2024 and a non-wholly owned subsidiary of Tianjin Yihua
“%”	Percentage

In this announcement, the terms “affiliate,” “associate,” “controlling shareholder” and “subsidiary” shall have the meanings given to such terms in the Listing Rules unless the context otherwise requires.

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

Hong Kong, September 24, 2026

As of the date of this announcement, the Board comprises Ms. DU Hua, Mr. SUN Yiding and Mr. SUN Le as executive Directors, Mr. MENG Jun, as non-executive Director, and Mr. FAN Hui, Mr. LU Tao and Mr. HUANG Jiuling as independent non-executive Directors.