



HUAYI TENCENT ENTERTAINMENT COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 419.HK)

Completion of the Issue to HONY Capital of Convertible Bonds with Aggregate Principal Amount of HK\$120 Million

(26 March 2024, Hong Kong) [Huayi Tencent Entertainment Company Limited](#) (“**Huayi Tencent Entertainment**”, the “**Company**”; Stock code: 419.HK; together with its subsidiaries collectively known as the “**Group**”) is pleased to announce that all the Tranche B Conditions Precedent under the Subscription Agreement have been fulfilled. The Tranche B Completion took place on 26 March 2024 and the Tranche B Bonds in the aggregate principal amount of HK\$60 million have been issued to the Subscriber in accordance with the Terms and Conditions. Together with the previously completed Tranche A Bonds, the total principal amount of HK\$120 million of convertible bonds has been fully issued. The net proceeds from the issue of all the Convertible Bonds are expected to be utilized in the expansion of digitized operational services, operation of the smart healthcare services platform, payment of interest, and general working capital.

The initial Conversion Price of the bonds is HK\$0.1014, represent a premium of approximately 0.4% over the closing price of HK\$0.101 per Share as quoted on the Stock Exchange on 7 March 2024. The bonds maturity date set on the second anniversary of the Issue Date of the Tranche A Bonds. Assuming full conversion of the convertible bonds at the initial Conversion Price of HK\$0.1014, the convertible Bonds will be convertible into 1,183,431,952 Conversion Shares (subject to adjustments asset out in the Terms and Conditions), representing approximately 8.71% of the issued share capital of the Company as at the announcement on 7 March 2024, and approximately 8.01% of the then issued share capital of the company as enlarged by the issue of the conversion shares upon full conversion of the convertible bonds (assuming no change in the issued share capital of the Company since the date of the Subscription Agreement up to the date of the full conversion of the convertible bonds).

Hony Capital is the leading investment management firm that specializes in private equity buyout and expands into areas including real estate, venture capital, hedge fund, mutual fund. HonY Capital currently has USD 13 billion under management, with investors from China and the world's leading investment institutions, including pension funds, sovereign wealth funds, university endowment funds, insurance companies, family foundations and individual investors such as Goldman Sachs, Canadian Pension Plan Investment Board, Teacher Retirement System of Texas, Abu Dhabi



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Investment Authority, Kuwait Investment Authority, Temasek, National Council for Social Security Fund, and China Life.

Mr. Yuen Hoi Po, Executive Director and Chief Executive Officer of Huayi Tencent Entertainment, said, "The completion of the issuance of convertible bonds will bring long-term business value to the company, strengthen its financial capabilities to seize market opportunities, and explore potential growth prospects. The issuance of the convertible bonds, subscribed by Hony Capital, a leading investment management firm, demonstrates the investors' confidence in the company's investment value. Looking ahead, the company will continue to drive the development of its core business and create long-term value for shareholders."

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About Huayi Tencent Entertainment Company Limited

Huayi Tencent Entertainment Company Limited (Stock Code: 00419.HK) conducts businesses mainly in internet medical healthcare sector, including "Echartnow", a pharmaceutical digital operation service platform, and "Meerkat Health", an intelligent health management platform, striving to provide a series of online healthcare services and to build an internet healthcare platform ecosystem.

For more information about Huayi Tencent Entertainment, please visit the official website of the Group: <http://www.huayitencent.com>.

This press release is issued by Joint PR Consultants Limited on behalf of Huayi Tencent Entertainment Company Limited. For media enquiries, please contact:

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