

[Immediate Release]

H. BROTHERS | ENTERTAINMENT
華 誼 騰 訊 娛 樂

**Huayi Tencent Disposes of its majority-owned Subsidiary at RMB4.08 Million
Concentrating Capital on Entertainment Business**

(28 March 2018 – Hong Kong) **Huayi Tencent Entertainment Company Limited** (“**Huayi Tencent Entertainment**,” the “**Company**”; stock code: 00419.HK; together with its subsidiaries collectively known as the “**Group**”) today announced Beijing Hua Yi Hao Ge Media Culture Co., Ltd. (“**Beijing Hao Ge**”), an indirect wholly-owned subsidiary of the Company, disposed of 51% equity interest in Beijing Si Hai Jun Tian Trading Company Limited (“**SHJT**”) to Beijing Dong Xiao Jing Sports Industry Development Co., Ltd. at a consideration of RMB4.08 million (equivalent to approximately HK\$5.07 million) (the “**Disposal**”) on 28 March 2018, which is expected to generate a gain on disposal of approximately HK\$3.6 million.

SHJT, an indirect majority-owned subsidiary of the Company, is principally engaged in the provision of offline health and wellness services through operation of a mid-tier wellness center in Beijing, the PRC. As at the announcement date, the Group indirectly held 51% equity interest in SHJT through Beijing Hao Ge, among which 1% held by the Nominee Shareholder on behalf of Beijing Hao Ge. As a result of the Disposal, SHJT will cease to be a subsidiary of the Company.

The Disposal is consistent with the Company’s long-term strategy with a focus on the development of its core business in entertainment and media operations. Foreseeing ample opportunities in flourishing global film industry and China’s entertainment industry, the Disposal will accelerate withdrawal of capital which enables the Company to diversify its presence in the cultural and entertainment industry, continuously enhance its profitability and secure sufficient funds to support the rapid development of its core business.

-End-

About Huayi Tencent Entertainment Company Limited

Huayi Tencent Entertainment Company Limited (Stock Code: 00419.HK) is a new media company integrating culture and entertainment. It produces quality international films, animations, and TV dramas, and invests in international entertainment companies through M&As and resource integration, aimed at building an integrated platform with both content development and online-to-offline entertainment channels. Currently, Huayi Brothers (Stock Code: 300027.SZ) and Tencent (Stock Code: 00700.HK) are the controlling shareholders of Huayi Tencent Entertainment.

Media Contacts

Financial PR (HK) Limited

Ms. Canace Xie Email: canacexie@financialpr.hk

Mr. Ramon Gao Email: ramongao@financialpr.hk

Tel: (852)2610 0846

Fax: (852)2610 0842