

**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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in FriendTimes Inc., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**友誼時光**  
F R I E N D T I M E S

**FriendTimes Inc.**

**友誼時光股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6820)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES;  
PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting (“**Annual General Meeting**”) of FriendTimes Inc. to be held at Conference Room, 3rd Floor, FriendTimes Building, No. 68 Qitai Road, Suzhou Industrial Park, Jiangsu Province, the PRC on Monday, 16 May 2022 at 10:00 a.m. is set out on pages 16 to 21 of this circular.

A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.friendtimes.net](http://www.friendtimes.net)). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the meeting (i.e. not later than 10:00 a.m. on Saturday, 14 May 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting of the Company or any adjournment thereof, as the case may be, should you so wish, and in such case, the form of proxy shall be deemed to be revoked.

21 April 2022

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## DEFINITIONS

“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room, 3rd Floor, FriendTimes Building, No.68 Qitai Road, Suzhou Industrial Park, Jiangsu Province, the PRC on Monday, 16 May 2022 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Cayman Islands Companies Law”	the Companies Law (2020 Revision) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	FriendTimes Inc., an exempted company incorporated under the Cayman Islands Companies Law with limited liability on 16 November 2018 and listed on the Main Board of the Stock Exchange on 8 October 2019 (Stock Code: 6820)
“Contractual Arrangements”	certain contractual arrangements entered into on 20 February 2019 and 6 March 2019 by us
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general mandate proposed to be granted to the Directors to extend the Issue Mandate to allot and issue Shares by an amount representing the number of Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such number of Shares shall not exceed 10% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution)
“FriendTimes Chengdu”	FriendTimes (Chengdu) Network Technology Co., Ltd. (友誼時光(成都)網絡科技有限公司), a WFOE established under the laws of the PRC with limited liability on 9 June 2021 which is wholly-owned by Suzhou Eagle and is our subsidiary
“FriendTimes Technology”	FriendTimes Technology Inc. (友誼時光科技股份有限公司), a company established under the laws of the PRC with limited liability on 11 May 2010, and the holding company of other Operating Entities, and by virtue of the Contractual Arrangements, accounted for as our subsidiary. Formerly known as: Suzhou FriendTimes Technology Inc. (蘇州玩友時代科技股份有限公司)

## DEFINITIONS

“Group”, “we”, “us” or “our”	the Company and its subsidiaries
“HK\$” or “HK cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue or deal with new Shares during the relevant period not exceeding 20% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution granting the Issue Mandate (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution)
“Latest Practicable Date”	12 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	8 October 2019, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company during the relevant period to repurchase issued and fully paid Shares not exceeding 10% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution granting the Repurchase Mandate (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares at par value of US\$0.00001 each in the share capital of the Company

## DEFINITIONS

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	the company(ies) which are for the time being and from time to time the subsidiary(ies) (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Listing Rules) of the Company, whether incorporated in Hong Kong, the British Virgin Islands, the People’s Republic of China or elsewhere
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD



友誼時光  
F R I E N D T I M E S

**FriendTimes Inc.**

**友誼時光股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6820)**

*Executive Directors*

Mr. Jiang Xiaohuang (*Chairman of the Board and  
chief executive officer*)

Mr. Xu Lin

Mr. Sun Bo

Mr. Wu Jie

*Registered Office*

Campbells Corporate Services Limited  
Floor 4, Willow House  
Cricket Square  
Grand Cayman KY1-9010  
Cayman Islands

*Independent Non-executive Directors*

Mr. Zhu Wei

Mr. Zhang Jinsong

Ms. Tang Haiyan

*Headquarters and Principal Place  
of Business in the PRC*

FriendTimes Building  
No.68 Qitai Road  
Suzhou Industrial Park  
Jiangsu Province, the PRC

*Principal Place of Business  
in Hong Kong*

Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

Hong Kong, 21 April 2022

*To the Shareholders*

Dear Sir or Madam

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES;  
PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

## LETTER FROM THE BOARD

### INTRODUCTION

The purpose of this circular is to provide the Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting:

- (i) the granting of the Issue Mandate, Repurchase Mandate and Extension Mandate to the Directors; and
- (ii) the re-election of the retiring Directors.

### ISSUE MANDATE TO ISSUE SHARES

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the proposed Issue Mandate to issue Shares. An ordinary resolution numbered 5 will be proposed at the Annual General Meeting to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with new Shares in the share capital of the Company up to 20% of the total number of issued Shares of the Company as at the date of the passing of the proposed resolution in relation to the Issue Mandate (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution). As at the Latest Practicable Date, the total number of issued Shares was 2,180,850,000 Shares. Subject to the passing of the above ordinary resolution and on the basis that there is no change in the number of the issued Shares during the period between the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be allotted, issued and otherwise dealt with pursuant to the Issue Mandate will be 436,170,000 Shares, being 20% of the total number of issued Shares as at the date of the passing of the resolution to approve the Issue Mandate.

The Issue Mandate will expire at the earliest of (i) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution passed by the Shareholders in general meeting prior to the next annual general meeting of the Company.

## **LETTER FROM THE BOARD**

### **REPURCHASE MANDATE TO REPURCHASE SHARES**

In addition, an ordinary resolution numbered 6 will be proposed at the Annual General Meeting to grant the Repurchase Mandate to the Directors to exercise the power of the Company to repurchase issued and fully paid Shares representing up to 10% of the total number of issued Shares of the Company as at the date of the passing of the resolution in relation to the Repurchase Mandate (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution). Assuming that there is no change in the number of the issued Shares during the period between the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 218,085,000 Shares, being 10% of the total number of issued Shares as at the date of the passing of such resolution.

The Repurchase Mandate will expire at the earliest of (i) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution passed by the Shareholders in general meeting prior to the next annual general meeting of the Company.

As required by the Listing Rules, an explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

### **EXTENSION MANDATE**

Further, if the Issue Mandate and the Repurchase Mandate are granted, an ordinary resolution numbered 7 will be proposed at the Annual General Meeting to authorise the Directors to extend the Issue Mandate to allot and issue Shares by an amount representing the number of Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such number of Shares shall not exceed 10% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution (subject to adjustment in the case of any consolidation or subdivision of the Shares of the Company after the date of the passing of the relevant resolution).

### **RE-ELECTION OF RETIRING DIRECTORS**

Pursuant to Article 16.19 of the Articles of Association, Mr. Wu Jie, Mr. Sun Bo and Ms. Tang Haiyan will retire by rotation at the Annual General Meeting. All aforementioned retiring Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

## **LETTER FROM THE BOARD**

### **CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 11 May 2022 to Monday, 16 May 2022, both days inclusive, during which period no transfer of Shares can be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfers documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 10 May 2022.

### **NOTICE OF ANNUAL GENERAL MEETING**

Set out on pages 16 to 21 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to the Shareholders to consider and approve (i) the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors; and (ii) the re-election of the retiring Directors.

### **FORM OF PROXY**

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.friendtimes.net](http://www.friendtimes.net)). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the meeting (i.e. not later than 10:00 a.m. on Saturday, 14 May 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof, as the case may be, if they so wish, and in such case, the form of proxy shall be deemed to be revoked.

### **VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.5 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder presents in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each fully paid Share registered in his/her/its name in the register. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of the retiring Directors are in the best interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully  
By order of the Board  
**FriendTimes Inc.**  
**Jiang Xiaohuang**  
*Chairman and Executive Director*

*The following are the biographies of the Directors proposed to be re-elected at the Annual General Meeting and which are required to be disclosed under the Listing Rules.*

#### **1. Mr. Wu Jie**

Mr. Wu Jie (吳傑), aged 35, is an executive Director and the vice president of the Company. Mr. Wu is responsible for assisting in overall management, strategic planning and decision-making of marketing of the Group. Mr. Wu has over 9 years of experience in the game industry. From August 2012 to August 2013, Mr. Wu had served as the head of mobile and web games department in Suzhou Le Peng Culture Communication Co., Ltd. (蘇州樂朋文化傳播有限公司), a company primarily engaged in the development and sale of game software, where Mr. Wu was responsible for the publishing and operation of the mobile and web games. Mr. Wu joined FriendTimes Technology in August 2013 and currently serves as the vice president of the Group. He is also a director of FriendTimes Technology and FriendTimes Chengdu.

Mr. Wu obtained his professional diploma in computer application and technology from Jinshan Vocational Technical College (金山職業技術學院) in June 2009, and his executive master's degree in business administration (EMBA) from University of Liege, Belgium in October 2017. Mr. Wu was a director and shareholder of Hangzhou Yilian Culture Creative Co., Ltd. (杭州藝蓮文化創意有限公司), which was established in the PRC and principally engaged in the culture creativity planning business and was deregistered on 25 January 2018. Mr. Wu confirmed that, to the best of his knowledge, Hangzhou Yilian Culture Creative Co., Ltd was solvent at the time when deregistered on a voluntary basis and there was no wrongful act on his part leading to the dissolution and he is not aware of any actual or potential claim which has been or will be made against him as a result of the deregistration.

Save for being the beneficial owner of Purple Crystal Holdings Limited, one of the controlling shareholders of the Company, Mr. Wu has no relationship with other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, as defined in Part XV of the SFO, Mr. Wu held long positions in 4,320,987 Shares and short positions in 502,000 Shares.

Mr. Wu has entered into a service agreement with the Company pursuant to which he has agreed to act as an executive Director for a fixed term of three years commencing from the Listing Date, subject to early termination by either party in accordance with the terms thereof. Under the service agreement, Mr. Wu is entitled to an annual remuneration of RMB980,000 (excluding year-end bonus and equity-settled shared-based payments). Such remuneration was determined in accordance with the prevailing market practice, the Company's remuneration policy, Mr. Wu's duties and responsibilities with the Company as well as his performance, and covered by, the aforesaid service agreement. Mr. Wu is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, (i) Mr. Wu has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; and (ii) there is no other information relating to Mr. Wu that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Mr. Wu that needs to be brought to the attention of the Shareholders.

## 2. Mr. Sun Bo

Mr. Sun Bo (孫波), aged 37, is an executive Director and the vice president of the Company. Mr. Sun is responsible for assisting in overall management, strategic planning and decision-making of products operation of the Group. Mr. Sun has over 17 years of experience in the game industry. Prior to joining the Group, from December 2004 to December 2008, Mr. Sun had served as the operation manager in Suzhou Snail Digital Technology Co., Ltd. (蘇州蝸牛數字科技股份有限公司), a company primarily engaged in the development and operation of online games, where Mr. Sun was responsible for game operation. From February 2009 to November 2009, Mr. Sun had served as the game operation director of game operation department in Hangzhou Yi Te Wangwang Network Technology Co., Ltd. (杭州易特旺旺網絡技術有限公司), which is principally engaged in the development of computer software, where Mr. Sun was responsible for the game operation. From December 2009 to November 2010, Mr. Sun had worked in Hangzhou Jiushang Technology Co., Ltd. (杭州久尚科技有限公司), which is principally engaged in the development of computer software and internet technology. Mr. Sun joined FriendTimes Technology in December 2010 and currently serves as the vice president of the Group.

Mr. Sun obtained his professional diploma in network engineering and management from Anhui Wenda University of Information Engineering (安徽文達信息工程學院) in July 2005 and obtained his master's degree in business administration (MBA) in Asia Metropolitan University (亞洲城市大學) in December 2019.

Save for being the beneficial owner of Purple Crystal Holdings Limited, one of the controlling shareholders of the Company, Mr. Sun has no relationship with other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, as defined in Part XV of the SFO, Mr. Sun held long positions in 5,220,987 Shares and short positions in 502,000 Shares.

Mr. Sun has entered into a service agreement with the Company pursuant to which he has agreed to act as an executive Director for a fixed term of three years commencing from the Listing Date, subject to early termination by either party in accordance with the terms thereof. Under the service agreement, Mr. Sun is entitled to an annual remuneration of RMB906,000 (excluding year-end bonus and equity-settled shared-based payments). Such remuneration was determined in accordance with the prevailing market practice, the Company's remuneration policy, Mr. Sun's duties and responsibilities with the Company as well as his performance, and covered by, the aforesaid service agreement. Mr. Sun is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, (i) Mr. Sun has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; and (ii) there is no other information relating to Mr. Sun that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Mr. Sun that needs to be brought to the attention of the Shareholders.

### 3. Ms. Tang Haiyan

Ms. Tang Haiyan (唐海燕), aged 51, is our independent non-executive Director. Ms. Tang is responsible for supervising and providing independent advice to our Board.

Ms. Tang has over 28 years of experience as a PRC qualified lawyer. Since July 1995, Ms. Tang has been working in Y & T Lawyers (江蘇益友天元律師事務所) where she is currently a partner. From February 2015 to March 2021, Ms. Tang had served as an independent director of Suzhou Thvow Technology Co., Ltd. (蘇州天沃科技股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code: 002564.SZ). Since February 2016, Ms. Tang has been serving as an independent director of Sufa Technology Industry Co., Ltd. (中核蘇閩科技實業股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code: 000777.SZ). From August 2016 to June 2021, Ms. Tang had served as a director of Tibet Summit Resources Co., Ltd. (西藏珠峰資源股份有限公司) (a company listed on Shanghai Stock Exchange, stock code: 600338.SH). Ms. Tang joined Suzhou FriendTimes in April 2018 and has been serving as independent director since then.

Ms. Tang became a qualified PRC lawyer in May 1993. Ms. Tang is currently an arbitrator of the fifth Suzhou Arbitration Commission (蘇州仲裁委員會) and a member of the legal experts in Political-Legal Committee of Suzhou Municipal Committee (蘇州市委政法委員會法律專家庫成員). Ms. Tang has obtained the Independent Director Qualification in Shanghai Stock Exchange (上海證券交易所) and Shenzhen Stock Exchange (深圳證券交易所) in September 2008 and September 2016, respectively.

Ms. Tang obtained her bachelor's degree in economic law from East China University of Political Science and Law (華東政法大學) in July 1992, her master's degree in international economic law from University of Canberra, Australia in July 2004, and her master's degree in business administration (MBA) from China Europe International Business School (中歐國際工商學院) in September 2008.

Save as disclosed above, Ms. Tang has no relationship with other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, as defined in Part XV of the SFO, Ms. Tang does not have any interest in the Shares.

Ms. Tang has entered into a letter of appointment with the Company pursuant to which she has agreed to act as an independent non-executive Director for a fixed term of three years commencing from the Listing Date, subject to early termination by either party in accordance with the terms thereof. Ms. Tang is entitled to an annual remuneration of approximately RMB120,000. Such remuneration was determined in accordance with the prevailing market practice, the Company's remuneration policy, Ms. Tang's duties and responsibilities with the Company as well as her performance, and covered by, the aforesaid letter of appointment. Ms. Tang is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, (i) Ms. Tang did not hold any other directorships in the last three years in any listed public company in Hong Kong or overseas; and (ii) there is no other information relating to Ms. Tang that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Ms. Tang that needs to be brought to the attention of the Shareholders.

*The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the number of issued Shares was 2,180,850,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date up to the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 218,085,000 Shares, which represent 10% of the total number of issued Shares of the Company as at the date of the Annual General Meeting, during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date upon which such authority is revoked or varied by the ordinary resolution passed by the Shareholders in general meeting prior to the next annual general meeting of the Company.

## **REASONS OF REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings 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.

## **FUND OF REPURCHASES**

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association and the Cayman Islands Companies Law. The Cayman Islands Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of either the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital (including share premium account and capital redemption reserve) if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business.

## **IMPACT OF REPURCHASES**

There might be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the consolidated financial position of the Company as at 31 December 2021, being the date of the latest published audited financial statements of the Company) if the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company.

## **DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined under the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved.

## **EFFECT OF THE TAKEOVERS CODE AND PUBLIC FLOAT**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Eternal Heart Holdings Limited was interested in 937,688,116 Shares representing approximately 43.00% of the total issued share capital of the Company. On the basis that no Shares are issued or bought back prior to the date of the Annual General Meeting, in the event that the Directors exercise the Repurchase Mandate in full, the aggregate shareholding of Eternal Heart Holdings Limited would be increased to approximately 47.77% of the issued share capital of the Company.

The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

## **SHARE REPURCHASE MADE BY THE COMPANY**

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

## **UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

## SHARE PRICES

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

	<b>Price per Share</b>	
	<b>Highest traded prices</b> <i>HK\$</i>	<b>Lowest traded prices</b> <i>HK\$</i>
<b>2021</b>		
April	3.10	2.49
May	3.09	2.45
June	2.49	1.90
July	2.19	1.65
August	2.01	1.31
September	1.54	1.21
October	1.54	1.11
November	1.38	1.12
December	1.40	1.22
<b>2022</b>		
January	1.71	1.28
February	1.37	1.22
March	1.35	1.00
April (up to the Latest Practicable Date)	1.35	1.24

**NOTICE OF ANNUAL GENERAL MEETING**



**友誼時光**  
F R I E N D T I M E S

**FriendTimes Inc.**

**友誼時光股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6820)**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting (“**Annual General Meeting**”) of FriendTimes Inc. (the “**Company**”) will be held at Conference Room, 3rd Floor, FriendTimes Building, No. 68 Qitai Road, Suzhou Industrial Park, Jiangsu Province, the People’s Republic of China on Monday, 16 May 2022 at 10:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company, the reports of the directors and the auditors for the year ended 31 December 2021.
2. To declare a final dividend of HK12 cents per share for the year ended 31 December 2021.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. Wu Jie as an executive director;
  - (b) to re-elect Mr. Sun Bo as an executive director;
  - (c) to re-elect Ms. Tang Haiyan as an independent non-executive director; and
  - (d) to authorize the board of directors of the Company to fix the respective directors’ remuneration.
4. To re-appoint KPMG, Certified Public Accountants as the auditor of the Company, until the conclusion of the next annual general meeting of the Company and authorize the board of directors to fix the auditor’s remuneration.

## NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors 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, options and similar rights to subscribe for or convert any security into shares in the Company (including bonds, notes, warrants, debentures and securities convertible into shares in the Company) which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations as amended from time to time;
- (b) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the grant of options and the exercise of options under a share option scheme or similar arrangement for the time being adopted by the Company;
  - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; and
  - (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe for or convert any security into shares or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities,

shall not exceed 20% of the total number of issued shares of the Company as at the date of the passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of the passing of this resolution) and the said approval shall be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

“Relevant Period” means the period from 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting prior to the next annual general meeting of the Company.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations (as amended from time to time);
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of the passing of this resolution) and the said approval shall be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

“Relevant Period” means the period from 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting prior to the next annual general meeting of the Company.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 6 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of the passing of this resolution).”

Yours faithfully  
By order of the Board  
**FriendTimes Inc.**  
**Jiang Xiaohuang**  
*Chairman and Executive Director*

Hong Kong, 21 April 2022

## NOTICE OF ANNUAL GENERAL MEETING

*Registered Office*  
Campbells Corporate Services Limited  
Floor 4, Willow House  
Cricket Square  
Grand Cayman KY1-9010  
Cayman Islands

*Principal Place of Business in Hong Kong*  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

*Headquarters and Principal Place of  
Business in the PRC*  
FriendTimes Building  
No.68 Qitai Road  
Suzhou Industrial Park  
Jiangsu Province, the PRC

*Notes:*

1. All resolutions at the Annual General Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.friendtimes.net](http://www.friendtimes.net)) in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one proxy in writing to attend the Annual General Meeting and vote instead of him or her. More proxies can be appointed to attend and vote instead of him or her if a person holds two or more shares of the Company. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him or her.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Saturday, 14 May 2022) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 11 May 2022 to Monday, 16 May 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 10 May 2022.
5. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the register of members of the Company will be closed from Tuesday, 24 May 2022 to Thursday, 26 May 2022, both dates inclusive, during which period no transfer of shares will be registered. The record date for the entitlement to the proposed final dividend is Thursday, 26 May 2022. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure

## NOTICE OF ANNUAL GENERAL MEETING

that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 23 May 2022.

6. A circular containing further details concerning resolutions 3, 5, 6 and 7 set out in this Notice will be sent to all shareholders of the Company together with the 2021 Annual Report.
7. If the "Red" weather disaster warning signal is hoisted at or after 7:00 a.m. on the date of the Annual General Meeting, the Annual General Meeting will not be held on Monday, 16 May 2022 but will be postponed to a later date and if postponed, the Company will as soon as practicable post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company.
8. In the event of any discrepancy between the Chinese translation and the English text hereof, the English text shall prevail.
9. The Annual General Meeting is expected to last for no more than a half day. Shareholders who attend the Annual General Meeting shall bear their own travelling and accommodation expenses.

*As at the date of this Notice, Mr. Jiang Xiaohuang, Mr. Xu Lin, Mr. Wu Jie and Mr. Sun Bo are the executive Directors of the Company; Mr. Zhu Wei, Ms. Tang Haiyan and Mr. Zhang Jinsong are the independent non-executive Directors of the Company.*