



Inke Limited
映客互娛有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3700)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF FINANCIAL PRODUCTS

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On May 27, 2019, Beijing Meelive Network Technology Co., Ltd.* (北京蜜萊塢網絡科技有限公司), a variable interest entity of the Company, subscribed for three CMB Financial Products with an aggregate principal amount of RMB350.0 million.

As two of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscriptions of CMB Financial Products, in aggregate, exceed 5% but none of such percentage ratios is 25% or above, the Subscriptions of CMB Financial Products constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirements but exempt from the circular and Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

SUBSCRIPTION OF THE CMB FINANCIAL PRODUCTS

The Board announces that, on May 27, 2019, Beijing Meelive, a variable interest entity of the Company, entered into the Subscription Agreements with China Merchants Bank pursuant to which it subscribed for three CMB Financial Products with China Merchants Bank on May 27, 2019 in an aggregate principal amount of RMB350.0 million.

The major terms of the Subscription Agreements are set out below:

No.	Product name	Principal subscription amount (RMB)	Expected annual return rate (%)	Investment Term (days)	Maturity date
1	CMB Structured Deposits I — CBJ04317	200,000,000	1.35–3.8	92	August 27, 2019
2	CMB Financial product I — 聚益生金 B 款	100,000,000	4	182	November 25, 2019
3	CMB Financial product II — 天添金 9250	50,000,000	3.69–4.21	— (Note)	— (Note)
Total		350,000,000			

Note: This financial product is highly liquid and can be redeemed by Beijing Meelive at any business day according to its net value, with a redemption charge at 0.05% of the outstanding principal amount. The redemption period ends on March 11, 2037.

Other salient terms of the CMB Financial Products

The Investment Term of the CMB Financial Products represents the term commencing on the date of the respective Subscription Agreements and ending on the maturity date. The Company mainly funded the Subscriptions utilizing surplus cash of the Group and the Subscription amounts had been or will be transferred to China Merchants Bank on the date of the commencement of the Investment Term.

The CMB Financial Products are:

- (i) for item (1) set out above, structured deposits with guaranteed rate of return of 1.35% per annum and an additional floating rate of return of up to 2.45% per annum;
- (ii) for item (2) set out above, non-principal guaranteed wealth management financial products each with an expected annualized return of 4% and an annual custodian fee of 0.02%;
- (iii) for item (3) set out above, non-principal guaranteed wealth management financial products each with (a) an expected annualized return ranged from 3.69% to 4.21%, which will vary with reference to the valuation of assets under the relevant financial products at the date of redemption; and (b) an annual management fee of 0.04%.

During the Investment Term, save for item (3), the Company cannot terminate any of the Subscription Agreements or redeem or withdraw the principal amount prior to the respective maturity dates of the CMB Financial Products. China Merchants Bank does not have the right to terminate the subscription agreement relating to CMB Structured Deposit I, but it has the right to terminate the subscription agreement relating to CMB Financial product I and has limited rights to terminate the subscription agreement relating to CMB Financial Product II.

LISTING RULES IMPLICATIONS

As two of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscriptions of CMB Financial Products, in aggregate, exceeds 5% but none of such percentage ratios is 25% or above, the Subscriptions of CMB Financial Products constitute a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements but exempt from the circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION OF THE CMB FINANCIAL PRODUCTS

Subscriptions of the CMB Financial Products were made for treasury management purposes to maximize the return on the unutilized funds of the Company after taking into account, among other things, the level of risk, return on investment, liquidity and the term to maturity. Prior to making an investment, the Group would ensure that there remains sufficient working capital for the Group's business needs, operating activities and capital expenditures even after making the investments in such financial products. Taking into consideration the nature of the CMB Financial Products and the relatively high credit rating of their underlying assets, including but not limited to

bank deposits, sovereign bonds or central bank bills with a credit rating of not lower than A+, the Company considers that the risk level of the subscription of the CMB Financial Products is in line with the internal investment policies of the Group. The Group had, in the past, totally recovered the principal and received the expected returns upon the redemption or maturity of similar financial products. In addition, the CMB Financial Products are with a relatively short term of maturity or flexible redemption terms. The Company will monitor and manage the subscriptions more closely and effectively. In accordance with the relevant accounting standards, the CMB Financial Products are accounted for as financial assets at fair value through profit and loss.

In view of an upside of earning a more attractive return than current saving or fixed deposit rate under the low interest rate trend, as well as the risk nature and the relatively short term of maturity or flexible redemption terms of the CMB Financial Products, the Directors are of the view that these financial products pose little risk to the Group and the terms and conditions of each of the Subscriptions are fair and reasonable and are in the interests of the Group and its shareholders as a whole. Further, the subscription of the CMB Financial Products were funded by the surplus cash of the Company and are highly liquid, therefore they would not affect the working capital or the operation of the Company. The Subscriptions were not funded by the proceeds from the Company's initial public offering.

Information on the Company

The Company is a company incorporated in the Cayman Islands with limited liability, and the shares of the Company are listed on the Main Board of the Stock Exchange. The Company is a leading mobile live streaming platform in the PRC.

Information on China Merchants Bank

China Merchants Bank is a joint-stock company incorporated in the PRC with limited liability and an independent third party. China Merchants Bank is a licensed bank established under the laws of the PRC. China Merchants Bank and its subsidiaries are principally engaged in the commercial banking business which provides services such as accepting deposits, making loans and offering basic investment products. China Merchants Bank is listed on the Stock Exchange (Stock Code: 03968) and the Shanghai Stock Exchange (Stock Code: 600036).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, China Merchants Bank and its ultimate substantial beneficial owners as publicly disclosed by China Merchants Bank are third parties independent of the Company and its connected persons.

DEFINITIONS

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

“Beijing Meelive”

Beijing Meelive Network Technology Co., Ltd.* (北京蜜萊塢網絡科技有限公司), a variable interest entity of the Company

“Board”	the board of Directors
“Company”	Inke Limited, a company incorporated in the Cayman Islands with limited liability; the Shares of the Company are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto in the Listing Rules
“China Merchants Bank”	China Merchants Bank Co., Ltd., a joint-stock company incorporated in the PRC with limited liability, a commercial bank established under the laws of the PRC and an independent third party
“CMB Financial Product(s)”	the financial products issued by China Merchants Bank and subscribed for by Beijing Meelive in accordance with the relevant Subscription Agreements, and a “CMB Financial Product” shall mean each and any one of them
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent third party(ies)”	an individual(s) or a company(ies) who or which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is(are) not a connected person of our Company within the meaning of the Listing Rules
“Investment Term”	the term of the relevant CMB Financial Product, during which the CMB Financial Product is expected to generate return, if any
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the subscription by the Company of the CMB Financial Products in accordance with the relevant Subscription Agreements

“Subscription Agreements” the subscription agreements dated May 27, 2019 entered into between Beijing Meelive and China Merchants Bank in respect of the Subscriptions

By order of the Board
Inke Limited
FENG Yousheng
Chairman and Executive Director

Hong Kong, May 27, 2019

As the date of this announcement, the executive directors are Mr. FENG Yousheng, Ms. LIAO Jieming and Mr. HOU Guangling; the non-executive director is Mr. LIU Xiaosong; and the independent non-executive directors are Mr. David CUI, Mr. DU Yongbo and Mr. LI Hui.

* *The English translations of the Chinese names of the PRC entities are provided for identification purposes only.*