

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Inke Limited

映客互娱有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3700)

DISCLOSEABLE TRANSACTION SUBSCRIPTIONS OF FINANCIAL PRODUCTS

SUBSCRIPTIONS OF NEW CMB FINANCIAL PRODUCTS

References are made to the Company's announcements dated 27 May 2019, 28 May 2019, 19 September 2019 and 29 November 2019 (the "**Announcements**"), in relation to the subscriptions of CMB Financial Products (the "**Previous CMB Subscriptions**"). As at the date of this announcement, three out of six Previous CMB Subscriptions with an aggregate principal amount of RMB300.0 million have matured (the "**Matured CMB Subscriptions**") and the Group has recovered the entire principal amount of the Matured CMB Subscriptions. The principal amount of the remaining Previous CMB Subscriptions is RMB200.0 million (the "**Remaining Previous CMB Subscriptions**"). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

On 19 June 2020, Beijing Meelive subscribed for two New CMB Financial Products with an aggregate principal amount of RMB188.0 million. Such subscriptions were funded by the recovered principal amount of the Matured CMB Subscriptions, in order to better utilise the surplus fund of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the subscriptions of the New CMB Financial Products, in aggregate, exceed 5% but none of such percentage ratios is 25% or above, the subscriptions of the New CMB Financial Products constitute discloseable transactions 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. In addition, the subscriptions of the New CMB Financial Products, even if aggregated with the Remaining Previous CMB Subscriptions, would only constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the subscriptions of the New CMB Financial Products and the Remaining Previous CMB Subscriptions, when aggregated, are more than 5% but less than 25%.

SUBSCRIPTIONS OF THE NEW CMB FINANCIAL PRODUCTS

The Board announces that, on 19 June 2020, Beijing Meelive, a variable interest entity of the Company, entered into two subscription agreements with China Merchants Bank pursuant to which it subscribed for two New CMB Financial Products with China Merchants Bank on 19 June 2020 in an aggregate principal amount of RMB188.0 million.

The major terms of the relevant subscription agreements are set out below:

No.	Product name	Principal subscription amount (RMB)	Expected annual return rate (%)	Investment Term (days)	Maturity date
1	CMB Financial Product I — 金石 88102	100,000,000	3.7–4.2 ^(Note)	182	21 December 2020
2	CMB Financial Product II — 天添金 9250	88,000,000	3.3–3.69	187	23 December 2020
Total		<u>188,000,000</u>			

Note: Certain service fees have been taken into account of the expected annual return rate, including but not limited to fixed investment management fee of 0.5% per annum and sale service fee of 0.5% per annum.

Other salient terms of the New CMB Financial Products

The Company funded these subscriptions of the New CMB Financial Products by utilising the aggregate principal amount recovered from the Matured CMB Subscriptions and the principal amounts of the New CMB Financial Products had been or will be transferred to China Merchants Bank on the date of the commencement of the relevant investment term.

The New CMB Financial Products are:

- (i) for item (1) set out above, non-principal guaranteed wealth management financial products each with an expected annualised return of 3.7%, an additional floating rate of return of up to 0.5% per annum and it also has a custodian fee of 0.02% per annum. Its investment term will commence on 22 June 2020 and end on the maturity date; and
- (ii) for item (2) set out above, non-principal guaranteed wealth management financial products each with an expected annualised return of 3.3% and an additional floating rate of return of up to 0.39% per annum and it also has a redemption fee of 0.05%. Its investment term will commence on the date of its subscription agreement and end on the maturity date.

During the investment term of the New CMB Financial Products, the Group cannot terminate any of the relevant subscription agreements of the New CMB Financial Products or redeem or withdraw the principal amount prior to the respective maturity dates of the New CMB Financial Products.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the subscriptions of the New CMB Financial Products, in aggregate, exceed 5% but none of such percentage ratios is 25% or above, the subscriptions of the New CMB Financial Products constitute discloseable transactions 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. The subscriptions of the New CMB Financial Products, even if aggregated with the Remaining Previous CMB Subscriptions, would only constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the subscriptions of the New CMB Financial Products and the Remaining Previous Subscriptions, when aggregated, are more than 5% but less than 25%.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE NEW CMB FINANCIAL PRODUCTS

Subscriptions of the New CMB Financial Products were made for treasury management purposes to maximise the return on the unutilised 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 New 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 subscriptions of the New 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. The Company will monitor and manage the subscriptions more closely and effectively. In accordance with the relevant accounting standards, the New 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 of the New 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 of the New CMB Financial Products are fair and reasonable and are in the interests of the Group and its Shareholders as a whole. Further, the subscriptions of the New CMB Financial Products are funded by the aggregate principal amount recovered from the Matured CMB Subscriptions, therefore they would not affect the working capital or the operation of the Company. The subscriptions of the New CMB Financial Products are 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 one of the leading mobile live streaming platforms 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 expression shall, unless the context requires otherwise, have the following meaning:

“New 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 dated 19 June 2020, and a “New CMB Financial Product” shall mean each and any one of them

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

Hong Kong, 19 June 2020

As at the date of this announcement, the executive Directors are Mr. FENG Yousheng 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 Dr. LI Hui.