
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 Linekong Interactive Group Co., Ltd., you should at once hand this circular and the accompanying proxy form to the purchaser or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



Linekong Interactive Group Co., Ltd.

藍港互動集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8267)

**(1) POSSIBLE MAJOR TRANSACTION
ACQUISITION MANDATE IN RELATION TO THE POTENTIAL
CRYPTOCURRENCY ACQUISITIONS;
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM to be held at 17/F, Block 5, Chengying Center, Yard No. 5, Laiguangying West Road, Chaoyang District, Beijing, the PRC on Wednesday, November 22, 2023 at 10:30 a.m. is set out on pages 25 to 26 of this circular. A proxy form for use in connection with the EGM is enclosed herewith. Whether or not you are able to attend the EGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. before 10:30 a.m. on Monday, November 20, 2023) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

This circular will remain on the "Latest Listed Company Information" page of the HKEXnews website at www.hkexnews.hk for at least 7 days from the date of publication and on the website of the Company at www.linekong.com.

October 31, 2023

CONTENTS

	<i>Page</i>
CHARACTERISTICS OF GEM	ii
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I — PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION	13
APPENDIX II — FINANCIAL INFORMATION OF THE GROUP	14
APPENDIX III — STATUTORY AND GENERAL INFORMATION	17
NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING	25

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

DEFINITIONS

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

“Acquisition Mandate”	a specific mandate proposed by the Directors in order to seek Shareholders’ approval to authorize and empower the Directors to conduct the Potential Cryptocurrency Acquisitions during the Mandate Period upon the terms set out in this circular
“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“close associate(s)”	has the meanings ascribed to it under the GEM Listing Rules
“Company”	Linekong Interactive Group Co., Ltd. (藍港互動集團有限公司), an exempted company incorporated under the laws of the Cayman Islands on May 24, 2007 with limited liability
“Cryptocurrency(ies)”	a digital currency which is an alternative form of payment created using encryption algorithms and currently includes, among others, Bitcoin and Ethereum
“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	an extraordinary general meeting of the Company to be held at 17/F, Block 5, Chengying Center, Yard No. 5, Laiguangying West Road, Chaoyang District, Beijing, the PRC on Wednesday, November 22, 2023 at 10:30 a.m. to approve, among other things, the Acquisition Mandate and the Potential Cryptocurrency Acquisitions
“GEM”	the GEM of the Stock Exchange

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	October 25, 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this circular
“Mandate Period”	12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed by the Shareholders at the EGM
“Potential Cryptocurrency Acquisition(s)”	the potential acquisitions of Cryptocurrency (including but not limited to Bitcoin and Ethereum) up to US\$5 million in open market transactions on an ongoing basis
“PRC” or “China”	the People’s Republic of China
“Previous Bitcoin Acquisitions”	the acquisitions of 93.85 units of Bitcoin at an aggregate cash consideration of approximately US\$2.7 million in the open market transactions by the Group which were conducted in the past 12 months
“RMB”	Renminbi yuan, the lawful currency of the PRC
“RSU(s)”	restricted share unit(s) under the RSU Scheme, each entitling its holder to receive one Share per restricted share unit upon exercise, subject to vesting
“RSU Scheme”	the restricted share unit scheme of the Company adopted on March 21, 2014
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) of nominal value of US\$0.000025 each in the capital of the Company
“Shareholder(s)”	holder(s) of Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meanings ascribed to it under the GEM Listing Rules
“substantial shareholder(s)”	has the meanings ascribed to it under the GEM Listing Rules
“US\$”	United States dollars, the lawful currency for the time being of the United States

LETTER FROM THE BOARD



Linekong Interactive Group Co., Ltd.
藍港互動集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8267)

Executive Directors:

Mr. WANG Feng (*Chairman and
Chief Executive Officer*)
Mr. CHEN Hao
Mr. WANG Jin (also known as YAN Yusong)

Registered office:

Floor 4, Willow House
Cricket Square
P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

Independent Non-executive Directors:

Mr. ZHANG Xiangdong
Ms. WU Yueqin
Mr. FU Frank Kan

Principal place of business in Hong Kong:
40th Floor
Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

October 31, 2023

To the Shareholders

Dear Sir/Madam,

**(1) POSSIBLE MAJOR TRANSACTION
ACQUISITION MANDATE IN RELATION TO THE POTENTIAL
CRYPTOCURRENCY ACQUISITIONS;
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of EGM and information regarding the following resolutions to be put forward at the EGM: (i) the Acquisition Mandate and the Potential Cryptocurrency Acquisitions; and (ii) the proposed amendments to the Articles of Association.

LETTER FROM THE BOARD

2. ACQUISITION MANDATE IN RELATION TO THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS

Reference is made to the announcements of the Company on June 15, 2023, July 7, 2023, August 8, 2023 and August 17, 2023 pursuant to which the Group had acquired in open market transactions in aggregation of 92.4712 units of Bitcoin at an aggregate cash consideration of approximately US\$2.66 million. Within a period of 12 months immediately preceding and up to the Latest Practicable Date, the Group had acquired in open market transactions in aggregation of 93.85 units of Bitcoin at an aggregate cash consideration of approximately US\$2.7 million. Save for these purchases, the Company had not purchased nor acquired any other Cryptocurrencies as of the Latest Practicable Date.

Reference is also made to the announcement of the Company on September 13, 2023, pursuant to which the Board announced that the Company proposed to seek approval for the Acquisition Mandate from the Shareholders in advance to authorize and empower the Directors to conduct the Potential Cryptocurrency Acquisitions in open market transactions during the Mandate Period.

The Group is actively exploring the Web3 industry and tapping into the Cryptocurrency investment market. Accordingly, the Potential Cryptocurrency Acquisitions are part of the Group's Web3 business development and asset allocation strategy. The Board considers it is important to diversify and expand its portfolio to include other main types of Cryptocurrencies such as Ethereum to control risk exposure and make the most of the investment opportunities in the Cryptocurrency market. As the Potential Cryptocurrency Acquisitions will be open market transactions and will be conducted on an ongoing basis and the cryptocurrency investment market is volatile and fast-changing, acquiring Cryptocurrencies at the best possible prices requires prompt acquisition actions at the right timing and it would not be practicable to seek Shareholders' prior approval for each acquisition of Cryptocurrencies.

As such, the Directors proposed to seek the Shareholders' prior approval for the grant of the Acquisition Mandate at the EGM to authorize and empower the Directors to conduct the Potential Cryptocurrency Acquisitions during the Mandate Period.

3. THE ACQUISITION MANDATE

The Acquisition Mandate to be sought from the Shareholders will be on the following terms:

LETTER FROM THE BOARD

a) Mandate Period

The Acquisition Mandate is for the Mandate Period, i.e., a period of 12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed by the Shareholders at the EGM.

b) Maximum Amount

The Acquisition Mandate shall authorize and empower the Board to acquire Cryptocurrencies up to US\$5 million in open market transactions with a focus on Bitcoins and Ethereum. The maximum price per each unit of Bitcoin and Ethereum will be capped at US\$32,000 and US\$2,000, respectively. Based on the aforementioned capped price, it is expected that the Group could acquire up to 156 units of Bitcoin or 2,500 units of Ethereum. For the avoidance of doubt, the above amount does not include the amount of Cryptocurrencies acquired by the Company prior to the approval of the Acquisition Mandate by the Shareholders at the EGM.

c) Scope of authorization

The Board shall be authorized and empowered to determine, decide, execute and implement with full discretion all manners in relation to the Potential Cryptocurrency Acquisitions, including but not limited to the number of batches of Potential Cryptocurrency Acquisitions, type of Cryptocurrencies to be acquired, the timing of the Potential Cryptocurrency Acquisitions and the acquisition prices.

d) Manner of the Potential Cryptocurrency Acquisitions

The Potential Cryptocurrency Acquisitions shall be conducted in the open market. The Group has been acquiring Cryptocurrencies through Victory Securities Company Limited, which is licensed to carry out Type 1 (dealing securities), Type 2 (dealing in future contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activity as defined under the SFO and is licensed to provide virtual asset trading services to qualified professional investors (as defined in the SFO and the Securities and Futures (Professional Investors) Rules) who hold accounts with Victory Securities Company Limited. The Group will consider factors such as market trend, fundamental analysis, technical assessment, risk assessment, legal regulatory, liquidity, capital management and professional advice when acquiring Cryptocurrencies.

LETTER FROM THE BOARD

e) **Basis of consideration**

The basis of the maximum price for Bitcoin and Ethereum was determined with reference to (i) their average price in the past 12 months being approximately US\$25,167 per unit of Bitcoin and approximately US\$1,654 per unit of Ethereum; and (ii) the expected growth in the price of Cryptocurrencies. As the traditional financial market is being continuously affected by the economic policies of the Federal Reserve of the United States, long-term investors are gradually increasing their investments in the Cryptocurrency market. The consideration for the Potential Cryptocurrency Acquisitions will be satisfied in cash and will be funded by the then available cash reserve of the Group.

The estimated aggregate consideration to be payable for the Potential Cryptocurrency Acquisitions under the Acquisition Mandate shall not exceed the aggregate of approximately US\$5 million, which was determined with reference to the Group's current Web3 business development and asset allocation strategy.

4. INFORMATION ON CRYPTOCURRENCIES

Cryptocurrencies are digital currencies in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds using blockchain technology. The blockchain is a public record of Cryptocurrency transactions in chronological order and is shared between all users in that blockchain. It is used to verify the permanence of transactions and to prevent double spending. Cryptocurrencies make it easier to transfer funds between two parties in a transaction and these transfers are facilitated through the use of public and private keys for security purposes.

Currently, Bitcoin and Ethereum are the largest Cryptocurrencies by market capitalization.

Bitcoin operates on a decentralized computer network or distributed ledger using blockchain technology, which manages and tracks the currency. It also has several features that enable it to retain its value, including but not limited to its exchangeability into fiat money or goods and services, portability, and its potential to act as an effective hedge against depreciation of fiat currencies due to aggressive increase in money supply by central banks globally. As an alternative store of value, its price is primarily a function of future demand that is driven by consensus of investors and the general public.

Ethereum is another kind of Cryptocurrency, a medium of exchange that exists exclusively online. Currently, Ethereum ranks second by market capitalization and its network has a large number of decentralized applications on it due to its developer-friendly interface that enable

LETTER FROM THE BOARD

reduced programming time to launch projects quickly. Ethereum can empower a number of applications offering a wide range of functions, including but not limit to currency, smart contracts, decentralized apps (or dApps), non-fungible tokens and decentralized finance.

5. REASONS FOR AND BENEFITS OF THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS AND THE ACQUISITION MANDATE

The Board believes that the Web3 industry and blockchain technology have the potential to disrupt both existing financial and technology industries. The Web3 industry is still in its actively developing stage and therefore Cryptocurrencies have long-term value. As an Asian and global financial center, Hong Kong has achieved remarkable results in the development of the Web3 industry, and has promulgated relevant policies and introduced new licensing regime for virtual asset trading platforms, provided favorable conditions for attracting high-quality Web3 projects around the world and which is expected to enhance investor confidence in dealing in Cryptocurrencies. The Group is confident in the Web3 industry and understands that it is an emerging market with great development potential.

The Company incubated and launched a new Web3 game platform NAGA in the second quarter of 2023, positioning it as a one-stop Web3 game platform driven by game task distribution, covering services such as task platforms, game libraries, on-chain data, community guilds, game information, etc.

The Potential Cryptocurrency Acquisitions are part of the Group's Web3 business development and asset allocation strategy. Allocating part of the Group's treasury in Cryptocurrencies can also optimize asset allocation strategies and targets. While the Board notes that the prices of Cryptocurrencies were volatile and fluctuated in the past year, the Board is of the view that the Cryptocurrency market is in the final stage of the bearish market and hence, the investment in the largest Cryptocurrencies (by market capitalization such as Bitcoin and Ethereum) should enhance shareholder value in the long-term. The Board also considers this a demonstration to investors and stakeholders that the Group has the vision and determination to embrace technological evolution, and hence preparing its foray into the blockchain industry.

The Group is actively exploring the Web3 industry and tapping into the Cryptocurrency investment market. Web3 is based on blockchain technology and accordingly, Bitcoin and Ethereum, being the largest types of Cryptocurrencies, are the basis for the development of Web3. Accordingly, the Potential Cryptocurrency Acquisitions are part of the Group's Web3 business development and asset allocation strategy. As the Potential Cryptocurrency Acquisitions will be open market transactions and will be conducted on an ongoing basis and the Cryptocurrency

LETTER FROM THE BOARD

investment market is volatile and fast-changing, acquiring Cryptocurrencies at the best possible prices requires prompt acquisition actions at the right timing and it would not be practicable to seek Shareholders' prior approval for each acquisition of Cryptocurrencies.

In view of the above, the Directors are of the view that the Potential Cryptocurrency Acquisitions will bring positive influence to the sustainable development of the Group and terms of the Acquisition Mandate are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

6. FINANCIAL EFFECTS OF THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS AND THE ACQUISITION MANDATE

Since the acquisition of Cryptocurrencies was financed by internal funds and accounted as intangible assets, additional acquisitions would have no impact on the Company's liabilities and such impact on assets and profit and loss will be subject to the price fluctuation of Cryptocurrencies. For details of the accounting treatment of the acquisition of Cryptocurrencies, please refer to note 3 of the interim report of the Company published on August 14, 2023.

7. INFORMATION ON THE GROUP AND THE POSSIBLE COUNTERPARTIES

The Company was incorporated in the Cayman Islands on May 24, 2007 as an exempted company with limited liability with its Shares listed on GEM since December 30, 2014. The Group is principally engaged in developing and publishing online games in the PRC and other countries and regions, and the film business in the PRC.

As the Potential Cryptocurrency Acquisitions will be conducted in the open market, the identities of the counterparties of the Potential Cryptocurrency Acquisitions cannot be ascertained. In the event that any counterparty is a connected person (as defined in the GEM Listing Rules) of the Company, the Company will comply with the requirements under the Chapter 20 of the GEM Listing Rules.

8. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the Potential Cryptocurrency Acquisitions (when aggregated with the Previous Bitcoin Acquisitions) is expected to exceed 25% but all are less than 100%, the Potential Cryptocurrency Acquisitions, if materialized, may constitute major transactions of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

LETTER FROM THE BOARD

As the Potential Cryptocurrency Acquisitions will be open market transactions and will be conducted on an ongoing basis and the Cryptocurrency investment market is volatile and fast-changing, acquiring Cryptocurrencies at the best possible prices requires prompt acquisition actions at the right timing and it would not be practicable to seek Shareholders' prior approval for each acquisition of Cryptocurrencies. Accordingly, the Directors proposed to seek the Shareholders' prior approval for the grant of the Acquisition Mandate at the EGM.

Pursuant to the GEM Listing Rules, any Shareholder with a material interest in the Acquisition Mandate and the Potential Cryptocurrency Acquisitions and his/her/its close associates must abstain from voting on the relevant resolution. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Acquisition Mandate and the Potential Cryptocurrency Acquisitions. Accordingly, it is expected that no Shareholder is required to abstain from voting at the EGM.

9. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board hereby announces that the resolution regarding the proposed amendments to certain provisions of the Articles of Association was approved at the Board meeting held on September 13, 2023. Details of the proposed amendments are set out in Appendix I of this circular.

A special resolution will be proposed at the EGM for considering and, if thought fit, approving the proposed amendments to the Articles of Association by Shareholders.

10. CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from Friday, November 17, 2023 to Wednesday, November 22, 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, November 16, 2023.

11. THE EGM

Set out on pages 25 to 26 of this circular is the notice of EGM at which, inter alia, an ordinary resolution will be proposed to Shareholders to consider and approve the Acquisition Mandate and the Potential Cryptocurrency Acquisitions and a special resolution will be proposed to Shareholders to consider and approve the proposed amendments to the Articles of Association.

LETTER FROM THE BOARD

12. PROXY FORM

A proxy form for the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. before 10:30 a.m. on Monday, November 20, 2023) or any adjournment thereof.

Completion and delivery of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

13. VOTES BY WAY OF POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules and Article 13.6 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the 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, the resolutions set out in the notice of EGM will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote need not use all his/her/its votes or cast all the votes in the same way.

An announcement on the results of the vote by poll will be made by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

14. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

15. RECOMMENDATIONS

The Directors consider that the proposed resolutions set out in the notice of the EGM are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the aforementioned resolutions.

16. MISCELLANEOUS

Your attention is drawn to the general information set out in the Appendices to this circular.

Yours faithfully
By order of the Board
Linekong Interactive Group Co., Ltd.
WANG Feng
Chairman

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The details of the proposed amendments are as follows:

Original articles	Amended articles
Article 34 The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it.	Article 34 The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. <u>Unless otherwise determined by the Directors, the financial year of the Company shall end on the 31st day of December in each year.</u>

The Chinese version of the Articles of Association is for reference only. In the event of any inconsistency between the Chinese and English versions, the English version shall prevail. Save for the aforesaid proposed amendments, there will be no changes to the contents of other provisions of the Articles of Association.

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three financial years ended December 31, 2022 and the six months ended June 30, 2023 are disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://new.linekong.com>):

- annual report of the Company for the year ended December 31, 2020 published on March 31, 2021 (pages 77 to 160) and available at <https://www1.hkexnews.hk/listedco/listconews/gem/2021/0331/2021033102066.pdf>
- annual report of the Company for the year ended December 31, 2021 published on March 31, 2022 (pages 83 to 164) and available at <https://www1.hkexnews.hk/listedco/listconews/gem/2022/0331/2022033102583.pdf>
- annual report of the Company for the year ended December 31, 2022 published on March 31, 2023 (pages 87 to 170) and available at <https://www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033102835.pdf>
- interim report of the Company for the six months ended June 30, 2023 published on August 14, 2023 (pages 47 to 90) and available at <https://www1.hkexnews.hk/listedco/listconews/gem/2023/0814/2023081400934.pdf>

2. STATEMENT OF INDEBTEDNESS

On August 31, 2023 (being the latest practicable date prior to the printing of this circular for the purpose of ascertaining the Group's statement of indebtedness), the Group's indebtedness was as follows:

Lease liabilities

The Group had unsecured and unguaranteed lease liabilities which amounted to approximately RMB791,577.

Save as disclosed above and saved for intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on August 31, 2023, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, term loans, other borrowings, indebtedness in the nature of borrowings, bank overdrafts, liabilities

under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding on August 31, 2023.

3. WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, taking into account the financial resources and banking facilities available to the Group, the Group will have sufficient working capital to satisfy its present requirements for the next 12 months from the date of this circular in the absence of unforeseen circumstances.

4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group will continue to focus on IP development, female-oriented and casual mobile games and Web3 to further develop its business. The Group will continue to adhere to its principles of practicality and customer-centricity in order to create high quality products and offer fascinating entertainment.

As a participant of the domestic interactive cultural content platforms, the Group will fulfill its social responsibilities by promoting healthy culture visions and attaching great importance to traditional Chinese culture in the entire process of product production and distribution, so as to make contributions to the culture and entertainment industry of the PRC.

With deeper understanding on the Web3 industry and blockchain technology, the Group will continue to recognise the long-term value of virtual assets to explore its future use in financial innovation and application in the gaming industry with the industry. Our global partners will jointly support more innovation projects in advanced Web3 sectors to create a more open, transparent and inter-connected digital world.

The Group has incubated and launched NAGA, a brand new Web3 game platform, which aims to serve as a one-stop Web3 game platform driven by game tasks, covering task platform, game library, on-chain data, community guilds, game information and other services.

Currently, the NAGA platform has been serving the following functions: offering game recommendation and rating function to assist users with discovering more high-quality games; allowing game project developers to create activities directly on NAGA to carry out game promotion and cold start; creating a Web3 game library, which already has a collection of over 3,000 Web3 games and supports filter search function; setting up an information channel to bring

users with the latest updates on Web3 games through exclusive game interviews, game industry opinions and game update announcements, etc. The Group will focus on promotion of project settlement, player mission mode, guild invitation mechanism and other related work for its next step.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were otherwise required, pursuant to the required standard of dealings by directors of listed issuers as reflected to in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long position in Shares and underlying shares of the Company

Name of Director/chief executive	Capacity/Nature of interest	Total number of shares	Approximate percentage of shareholding (Note 4)
Mr. Wang Feng ^(Note 1)	Interest of controlled corporation	66,576,160(L)	21.53%
	Beneficial owner	12,640,380(L)	
Mr. Wang Jin ^(Note 2)	Beneficial owner	2,540,000 (L)	0.69%
Mr. Chen Hao ^(Note 3)	Beneficial owner	1,815,841 (L)	0.49%

(L) Long position

Notes:

- (1) Mr. Wang Feng held the entire issued share capital of Wangfeng Management Limited, which in turn directly held 66,576,160 Shares. Accordingly, Mr. Wang Feng is deemed to be interested in all the 66,576,160 Shares held by Wangfeng Management Limited under the SFO.

In addition, Mr. Wang Feng held 4,207,072 Shares and was interested in 8,433,308 RSUs granted to him under the RSU Scheme entitling him to receive 8,433,308 Shares. As of the Latest Practicable Date, all the RSUs have been vested.

- (2) The 2,540,000 Shares that Mr. Wang Jin was interested in consisted of (a) 300,000 share options, 1,000,000 share options and 125,000 share options granted to him on June 15, 2016, April 1, 2019 and May 17, 2021, respectively, under the share option scheme of the Company entitling him to receive an aggregate of 1,425,000 Shares upon exercise; and (b) 1,115,000 RSUs granted to him under the RSU Scheme entitling him to receive 1,115,000 Shares. All RSUs have been vested as of Latest Practicable Date.
- (3) The 1,815,841 Shares that Mr. Chen Hao was interested in consisted of (a) 100,000 share options, 1,000,000 share options and 125,000 share options granted to him on October 9, 2015, January 18, 2017 and May 17, 2021, respectively, under the share option scheme of the Company entitling him to receive an aggregate of 1,225,000 Shares upon exercise; and (b) 590,841 RSUs granted to him under the RSU Scheme entitling him to receive 590,841 Shares. All RSUs have been vested as of Latest Practicable Date.
- (4) As at the Latest Practicable Date, the Company issued 367,974,964 Shares.

(ii) Long position in the shares of other members of the Group

As at the Latest Practicable Date, the following Directors or the chief executive of the Company are directly or indirectly (other than indirectly by virtue of their interest in the Company) interested in the shares or underlying shares of other member(s) of the Group as follows:

<u>Director/ Chief executive</u>	<u>Company concerned</u>	<u>Capacity/ Nature of interest</u>	<u>Register share capital</u>	<u>Approximate percentage of interest</u>
Mr. Wang Feng	Linekong Online (Beijing) Technology Co., Ltd ("Linekong Online") (Note 1)	Beneficial owner	RMB7,545,000	75.45%
Mr. Wang Jin	Horgos Linekong Pictures Corporation ("Linekong Pictures") (Note 2)	Beneficial owner	RMB4,155,000	8.31%
Mr. Wang Jin	Juyingshiguang (Hainan) Pictures Limited ("Juyingshiguang") (Note 3)	Beneficial owner	RMB190,000	9.50%

<u>Director/ Chief executive</u>	<u>Company concerned</u>	<u>Capacity/ Nature of interest</u>	<u>Register share capital</u>	<u>Approximate percentage of interest</u>
Mr. Wang Jin	Horgos Chenxi Entertainment and Media Co., Ltd. (“ Chenxi Entertainment ”) <i>(Note 4)</i>	Beneficial owner	RMB90,000	9.00%

Notes:

- (1) Linekong Online is a subsidiary of the Company controlled through contractual arrangements. Mr. Wang Feng is the registered shareholders of Linekong Online.
- (2) Linekong Pictures is a subsidiary of the Company controlled through Linekong Online which is owned as to 82.19% by Linekong Online.
- (3) Juyingshiguang is a subsidiary of the Company controlled through Linekong Online which is owned as to 84.50% by Linekong Online.
- (4) Chenxi Entertainment is a subsidiary of the Company controlled through Linekong Online which is owned as to 60.00% by Linekong Online.

Save as disclosed above, as of the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to the Directors or chief executive of the Company, as of the Latest Practicable Date, the following persons (other than Directors or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

(i) Substantial Shareholders

Name of shareholder	Nature of interest	Number of Shares or securities held	Approximate percentage of shareholding <i>(Note 3)</i>
Zhu Li <i>(Note 1)</i>	Interest of spouse	79,216,540(L)	21.53%
Wangfeng Management Limited <i>(Note 2)</i>	Beneficial owner	66,576,160(L)	18.09%
Jin Jiawei	Beneficial owner	52,318,760(L)	14.22%

(L) Long position

Notes:

- (1) Ms. Zhu Li is the wife of Mr. Wang Feng and is deemed to be interested in the Shares in which Mr. Wang Feng is interested under the SFO.
- (2) Mr. Wang Feng, the chairman of the Company and Director, holds the entire issued share capital of Wangfeng Management Limited.
- (3) As at the Latest Practicable Date, the Company issued 367,974,964 Shares.

(ii) Other Shareholder(s)

Name of shareholder	Nature of interest	Number of Shares or securities held	Approximate percentage of shareholding <i>(Note 4)</i>
The Core Trust Company Limited <i>(Note 1)</i>	Trustee of a trust	34,839,317(L)	9.47%
TCT (BVI) Limited <i>(Note 1)</i>	Trustee of a trust	34,839,317(L)	9.47%
Premier Selection Limited <i>(Note 1)</i>	Nominee for another person	34,839,317(L)	9.47%
Ho Chi Sing <i>(Note 2&3)</i>	Interest of controlled corporation	29,922,996(L)	8.13%
IDG-Accel China Growth Fund GP Associates Ltd. <i>(Note 2)</i>	Interest of controlled corporation	27,774,323(L)	7.55%
IDG-Accel China Growth Fund Associates, L.P. <i>(Note 2)</i>	Interest of controlled corporation	27,774,323(L)	7.55%
IDG-Accel China Growth Fund L.P. <i>(Note 2)</i>	Beneficial owner	23,061,443(L)	6.27%
Zhou Quan <i>(Note 2)</i>	Interest of controlled corporation	27,774,323(L)	7.55%
Ms. Liao Mingxiang <i>(Note 4)</i>	Interest of controlled corporation	12,168,720(L)	5.38%
	Beneficial owner	7,626,769 (L)	5.38%

(L) Long position

Notes:

- (1) The Core Trust Company Limited, being the RSU trustee, directly held the entire issued share capital of TCT (BVI) Limited, which in turn directly held the entire issued share capital of Premier Selection Limited (the RSU nominee).
- (2) Each of IDG-Accel China Growth Fund L.P. (“**IDG Fund**”, holding 23,061,443 Shares) and IDG-Accel China Growth Fund-A LP. (“**IDG Fund-A**”, holding 4,712,880 Shares) is controlled by its sole general partner, IDG-Accel China Growth Fund Associates, L.P. (“**IDG Fund Associates**”), which in turn is controlled by its sole general partner, IDG-Accel China Growth Fund GP Associates Ltd. (“**IDG GP Associates**”). IDG GP Associates is held as to 35.00% by each of Mr. Zhou Quan and Mr. Ho Chi Sing.

Accordingly, each of Mr. Zhou Quan, Mr. Ho Chi Sing, IDG GP Associates and IDG Fund Associates is deemed to be interested in all the Shares held by IDG Fund and IDG Fund-A under the SFO.

- (3) IDG-Accel China Investors L.P. (“**IDG China Investors**”, holding 2,148,673 Shares) is controlled by its sole general partner, IDG-Accel China Investor Associates Ltd. (“**IDG Associates**”), which in turn is held as to 100.00% by Mr. Ho Chi Sing.

Accordingly, each of Mr. Ho Chi Sing and IDG Associates is deemed to be interested in all the Shares held by IDG China Investors under the SFO.

- (4) Ms. Liao Mingxiang held the entire issued share capital of Liaomingxiang Holdings Limited, which in turn directly held 12,168,720 Shares.

Accordingly, Ms. Liao Mingxiang is deemed to be interested in all the 12,168,720 Shares held by Liaomingxiang Holdings Limited under the SFO.

In addition, Ms. Liao Mingxiang held 7,351,769 Shares and was interested in 275,000 share options granted to her on May 17, 2021 under the share option scheme of the Company entitling her to receive 275,000 Shares upon exercise.

- (5) As at the Latest Practicable Date, the Company issued 367,974,964 Shares.

4. DIRECTORS’ DISCLOSURE INTEREST

As at the Latest Practicable Date:

- (a) save as disclosed in this circular, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group;
- (b) none of the Directors had any direct or indirect interest in any assets which have been since December 31, 2022, being the date to which the latest published audited annual financial statements of the Company were made up to, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;

- (c) none of the Directors or controlling shareholders of the Company or any of their substantial shareholders or respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has any other conflict of interests with the Group;
- (d) there was no existing or proposed service contract between any Director and any member of the Group which is not determinable within one year without payment of compensation other than by statutory compensation;
- (e) none of the Directors is a director or employee of any substantial shareholder of the Company; and
- (f) none of the Directors or any of their respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has any other conflict of interests with the Group.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since December 31, 2022, being the date to which the latest published audited financial statements of the Company were made up.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any material litigations or claims and no litigations or claims of material importance were pending or threatened by or against any member of the Group.

7. MATERIAL CONTRACTS

The Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material.

8. GENERAL

- (a) The company secretary of the Company is Ms. Chan Yin Wah who a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, respectively. Ms. Chan is also a fellow member of the Association of Chartered Certified Accountants in the United Kingdom.

- (b) The compliance officer of the Company is Mr. Wang Feng who is also an executive Director, chairman of the Board and the chief executive officer of the Company.
- (c) The registered office and transfer agent of the Company is Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands.
- (d) The principal place of business of the Company in Hong Kong is 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.
- (e) The headquarter and principal place of business of the Company in the PRC is Room B128, 1/F, Block B, No. 32 Rongchuang Cultural Innovative Industry Base, No. 5 Guangshun North Street, Chaoyang District, Beijing, the PRC.
- (f) The share registrar of the Company in Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (g) The Audit Committee was established on April 24, 2014. The Audit Committee consists of three members, being Ms. Wu Yueqin (Chairman), Mr. Zhang Xiangdong and Mr. FU Frank Kan. For detailed biography of the Audit Committee members, please refer to the 2022 annual report of the Company.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and the Company's risk management and internal control systems, the effectiveness of the internal audit function, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The written terms of reference of the Audit Committee are posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://new.linekong.com>).

- (h) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING



Linekong Interactive Group Co., Ltd.

藍港互動集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8267)

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2023 first extraordinary general meeting of Linekong Interactive Group Co., Ltd. (the “**Company**”) will be held at 17/F, Block 5, Chengying Center, Yard No. 5, Laiguangying West Road, Chaoyang District, Beijing, the PRC on Wednesday, November 22, 2023 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Resolution

1. To consider and approve the Acquisition Mandate and the Potential Cryptocurrency Acquisitions.

Special Resolution

2. To consider and approve the proposed amendments to the Articles of Association.

By order of the Board
Linekong Interactive Group Co., Ltd.
WANG Feng
Chairman

Beijing, the PRC
October 31, 2023

Registered office:
Floor 4, Willow House
Cricket Square
P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

*Principal place of business in
Hong Kong:*
40th Floor
Dah Sing Financial Centre
No. 248 Queen’s Road East
Wanchai, Hong Kong

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (iii) In order to be valid, the form of proxy must be deposited at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10:30 a.m. on Monday, November 20, 2023) or any adjournment thereof. Completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (iv) The transfer books and register of members of the Company will be closed from Friday, November 17, 2023 to Wednesday, November 22, 2023, both days inclusive, to determine the entitlement of the shareholders to attend and vote at the above meeting, during which period no share transfer can be registered. In order to qualify for attending and voting at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, November 16, 2023.
- (v) In respect of ordinary resolution numbered 1 above, details of the statutory and general information of the Company is set out in Appendix III to the circular of the Company dated October 31, 2023.
- (vi) In respect of special resolution numbered 2 above, the aforementioned amendments to the articles of association is set out in Appendix I to the circular of the Company dated October 31, 2023.

As at the date of this notice, the executive directors of the Company are Mr. WANG Feng, Mr. CHEN Hao and Mr. WANG Jin (also known as YAN Yusong); and the independent non-executive directors of the Company are Mr. ZHANG Xiangdong, Ms. WU Yueqin and Mr. FU Frank Kan.

This notice, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the "Latest Listed Company Information" page of the HKEXnews website at www.hkexnews.hk for at least 7 days from the date of its posting and be posted on the website of the Company at www.linekong.com.