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360 LUDASHI HOLDINGS LIMITED

360 魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3601)

**DISCLOSEABLE TRANSACTION
EARLY REDEMPTION OF THE STRUCTURED DEPOSIT PRODUCT XXXIII
AND
SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCT XXXIV**

EARLY REDEMPTION OF THE STRUCTURED DEPOSIT PRODUCT XXXIII

Reference is made to the announcement of the Company dated 21 December 2023 in respect of the Structured Deposit Product XXXIII.

The Board would like to update the shareholders and investors of the Company that, in agreement with China Merchants Bank, the Group has early redeemed the entire principal amount of the Structured Deposit Product XXXIII on the Redemption Date, and the interest of the principal amount between the value date as agreed in the Structured Deposit Product Agreement XXXIII and the Redemption Date shall be calculated in accordance with the current deposit interest rate of China Merchants Bank. In addition, as confirmed with China Merchants Bank, the Group will not be liable for any breach of contract in respect of the early redemption of the Structured Deposit Product XXXIII.

SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCT XXXIV

On 4 January 2024, Chengdu Qilu, a subsidiary of the Company, entered into the Structured Deposit Product Agreement XXXIV with China Merchants Bank, pursuant to which, Chengdu Qilu agreed to subscribe for the Structured Deposit Product of RMB50 million from China Merchants Bank. Such subscription was funded by the early redeemed principal amount under the Structured Deposit Product Agreement XXXIII.

LISTING RULES IMPLICATIONS

As the Structured Deposit Product XXXIV was subscribed from the same bank as and is of similar nature as the Original Structured Deposit Products, the subscription under the Structured Deposit Product Agreement XXXIV shall be aggregated with the Original Structured Deposit Products pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios, on an aggregated basis, in respect of the Structured Deposit Product XXXIV exceed 5% but all of the ratios are less than 25%, the subscription of the Structured Deposit Product XXXIV therefore constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

Early Redemption of the Structured Deposit Product XXXIII

Reference is made to the announcement of the Company dated 21 December 2023 in respect of the subscription of the Structured Deposit Product XXXIII from China Merchants Bank. Unless the context otherwise specifies, terms used herein shall have the same meanings as those defined in the announcements for the subscriptions of the Original Structured Deposit Products.

The Board would like to update the shareholders and investors of the Company that, in agreement with China Merchants Bank, the Group has early redeemed the entire principal amount of the Structured Deposit Product XXXIII on 4 January 2024 (the “**Redemption Date**”), amounting to RMB 50 million, and the interest of the principal amount between the value date as agreed in the Structured Deposit Product Agreement XXXIII and the Redemption Date shall be calculated in accordance with the current deposit interest rate of China Merchants Bank. In addition, as confirmed with China Merchants Bank, the Group will not be liable for any breach of contract in respect of the early redemption of the Structured Deposit Product XXXIII.

The Group has decided to early redeem the Structured Deposit Product XXXIII after taking into account that: (i) China Merchants Bank has offered the Structured Deposit Product XXXIV with a higher expected maturity interest rate and a shorter term of deposit; and (ii) as confirmed by China Merchants Bank, China Merchants Bank will, where practicable, provide the Group with subsequent structured deposit products at an increased interest rate similar to that of Structured Deposit Product XXXIV. Therefore, the Group believes that the early redemption of Structured Deposit Product XXXIII will help to enhance overall and long-term returns and flexibility of the Group’s idle funds.

Subscription of the Structured Deposit Product XXXIV

On 4 January 2024, Chengdu Qilu, a subsidiary of the Company, entered into the Structured Deposit Product Agreement XXXIV with China Merchants Bank, pursuant to which, Chengdu Qilu agreed to subscribe the Structured Deposit Product of RMB50 million from China Merchants Bank. Such subscription was funded by the early redeemed principal amount under the Structured Deposit Product Agreement XXXIII.

The principal terms of the Structured Deposit Product Agreement XXXIV are set out below:

Date: 4 January 2024

Product: Gold-linked Series Bearish Two-tier 21-day Structured Deposit of China Merchants Bank*
(招商銀行點金系列看跌兩層區間21天結構性存款)

Parties: Chengdu Qilu; and
China Merchants Bank

Amount of the deposit: RMB50 million

Type: Principal-guaranteed with floating interest rate

Linked subject and deposit interest: The interest on such deposit is linked to the price of gold.
Deposit interest is determined based on the performance of the linked gold price.

Expected maturity interest rate per annum: 1.85% to 2.70%

Term of the deposit: 21 days

Value date: 5 January 2024

Expiry date: 26 January 2024

Risk rating of the product (the risk rating made by the bank): R1 (cautious)

Termination and redemption: In principle, Chengdu Qilu has no right of early termination or redemption of the product.

BASIS OF DETERMINATION FOR THE CONSIDERATION

The Directors confirmed that the consideration of the subscription of the Structured Deposit Product was determined on the basis of normal commercial terms negotiated at arm's length between the Group and China Merchants Bank, having considered the then available surplus cash of the Group for treasury management purpose.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

Taking into account that (i) the Structured Deposit Product is fully principal-guaranteed and with minimal risks involved; (ii) compared with the deposit interest rates generally offered by commercial banks in the PRC, the return of the Structured Deposit Product is relatively high; and (iii) the Structured Deposit Product was funded by the Group's idle funds with a relatively short term which will not affect the operational liquidity of the Group, the Group decided to subscribe for the Structured Deposit Product to improve the utilization of its idle funds and generate better returns for the Group.

Accordingly, the Directors (including the independent non-executive Directors) are of the view that the terms of the Structured Deposit Product Agreement XXXIV were arrived at after the arm's length negotiation and the transaction contemplated thereunder is on normal commercial terms which are fair and reasonable and in the interests of the Company and Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company was incorporated in the Cayman Islands with limited liability and through its subsidiaries, develops a series of PC and mobile devices utility software and offer them to users free-of-charge in exchange for online traffic that the Company monetizes by online advertising services, online game platforms and operation of exclusive licensed online game business.

Chengdu Qilu

Chengdu Qilu is a limited liability company established in the PRC and is deemed to be a wholly-owned subsidiary of the Company pursuant to the Contractual Arrangements. It is principally engaged in online traffic monetization in the form of online game business.

China Merchants Bank

China Merchants Bank is a commercial bank in the PRC, headquartered in Shenzhen. Its shares are listed on the Stock Exchange (stock code: 3968) and on the Shanghai Stock Exchange (stock code: 600036). China Merchants Bank is principally engaged in providing customers with various wholesale and retail banking products and services, and conducting capital businesses for itself and on behalf of customers.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, China Merchants Bank and its ultimate beneficial owner(s) are the third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As the Structured Deposit Product XXXIV was subscribed from the same bank as and is of similar nature as the Original Structured Deposit Products, the subscription under the Structured Deposit Product Agreement XXXIV shall be aggregated with the Original Structured Deposit Products pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios, on an aggregated basis, in respect of the Structured Deposit Product XXXIV exceed 5% but all of the ratios are less than 25%, the subscription of the Structured Deposit Product XXXIV therefore constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Board”	board of directors of the Company
“Chengdu Qilu”	Chengdu Qilu Technology Company Limited* (成都奇魯科技有限公司), a limited liability company established in the PRC on 25 November 2014 and is deemed to be a wholly-owned subsidiary of the Company pursuant to the Contractual Arrangements
“China Merchants Bank”	China Merchants Bank Co., Ltd., a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600036) and the Main Board of the Stock Exchange (stock code: 3968)
“China” or “PRC”	the People’s Republic of China
“Company”	360 LUDASHI HOLDINGS LIMITED (360魯大師控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 3601)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Contractual Arrangements”	a series of contractual arrangements entered into by Chengdu Anyixun Technology Company Limited* (成都安易迅科技有限公司), Chengdu Qilu and the registered shareholders of Chengdu Qilu (where applicable), details of which are described in the “Contractual Arrangements” section of the prospectus of the Company dated 26 September 2019

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liu Liuyou Technology”	Tianjin Liu Liuyou Technology Company Limited* (天津六六遊科技有限公司), a limited liability company established in the PRC on 17 April 2017 and a non-wholly owned subsidiary of Chengdu Qilu
“Original Structured Deposit Products”	the structured deposit products subscribed by the Group on 12 January 2023, 19 January 2023, 23 March 2023, 9 May 2023, 15 May 2023, 14 July 2023, 24 August 2023, 9 November 2023 and 21 December 2023, namely, the structured deposit products subscribed under Structured Deposit Product Agreements XXV to XXXIII
“RMB”	Renminbi, the lawful currency of China
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholders”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit Product XXXIII”	The structured deposit product subscribed by Liu Liuyou Technology from China Merchants Bank on 21 December 2023 pursuant to the Structured Deposit Product Agreement XXXIII
“Structured Deposit Product XXXIV”	The structured deposit product subscribed by Chengdu Qilu from China Merchants Bank on 4 January 2024 pursuant to the Structured Deposit Product Agreement XXXIV
“Structured Deposit Product Agreement XXXIII”	the agreement dated 21 December 2023 entered into between Liu Liuyou Technology and China Merchants Bank in relation to the subscription of the Structured Deposit Product XXXIII of RMB50 million

“Structured Deposit Product Agreement XXXIV”

the agreement dated 4 January 2024 entered into between Chengdu Qilu and China Merchants Bank in relation to the subscription of the Structured Deposit Product XXXIV of RMB50 million

“%”

per cent

By order of the Board
360 Ludashi Holdings Limited
Mr. Tian Ye
Chairman and executive Director

Hong Kong, 4 January 2024

As at the date of this announcement, the Board comprises: Mr. Tian Ye and Mr. He Shiwei as executive Directors; Mr. Sun Chunfeng, Mr. Liu Wei and Mr. Zhao Dan as non-executive Directors; and Mr. Li Yang, Mr. Wang Xinyu and Mr. Zhang Ziyu as independent non-executive Directors.

* *For identification purpose only*