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火岩控股
FIRE ROCK HOLDINGS

火岩控股有限公司
FIRE ROCK HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1909)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Reference is made to the annual report of Fire Rock Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2023 published on 25 April 2024 (the “**2023 Annual Report**”). Unless otherwise stated, capitalised terms used herein shall have the same meaning as those defined in the 2023 Annual Report.

In addition to the information provided in the 2023 Annual Report, the Board would like to provide the information set out below regarding the details of (i) the use of proceeds from the Placing and (ii) the share award scheme adopted by the Company from 12 September 2018 to 11 September 2021 (the “**Share Award Scheme**”).

USE OF PROCEEDS FROM THE PLACING

An analysis of the utilisation of the net proceeds from the Placing up to 31 December 2023 is set out below:

	Original allocation HKD'm	Original allocation Percentage	Used amount as at 31 December 2023 HKD'm	Used amount as at 31 December 2023 Percentage	Unused amount as at 31 December 2023 HKD'm	Unused amount as at 31 December 2023 Percentage	Expected timeline of full utilisation of unutilised amounts as at 31 December 2023
Continual optimisation of existing games on various platforms	2.9	10.0%	2.9	10.0%	—	—	
Development of new game series — browser games	7.2	25.0%	7.2	25.0%	—	—	
Development of new game series — mobile games	7.2	25.0%	7.2	25.0%	—	—	
Seeking opportunities to obtain/acquire the adaptation rights of appropriate source materials	3.6	12.5%	2.5	8.7%	1.1	3.8%	By end of 2024
Acquisition of/investment in game developers and related companies	3.6	12.5%	3.6	12.5%	—	—	
Enhancement and diversification of game development capabilities	2.9	10.0%	2.9	10.0%	—	—	
Working capital and other general corporate purposes	1.5	5.0%	1.5	5.0%	—	—	
Total	28.9	100.0%	27.8	96.2%	1.1	3.8%	

The Group has been seeking opportunities to obtain or acquire the adaption rights of appropriate source materials but no concrete agreement was reached for the year ended 31 December 2023. In view of the vulnerable global economy and uncertain policy environment of the mobile game industry, the Board considered it appropriate to adopt a relatively cautious approach in the acquisition of the adaptation rights of appropriate source materials such as fictional characters, artworks or game designs. The Group did not acquire any adaption rights of appropriate source materials for the year ended 31 December 2023 and as at the date of this announcement. Since the use of such net proceeds was delayed, the Group will continue to actively seek opportunities and expect to utilise such proceeds by the end of 2024.

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on 12 September 2018 to provide incentive to its employees, and to recognise the contribution made by long-serving employees with outstanding performance. Persons eligible to participate in the Share Award Scheme are all employees of the Group and there was no maximum entitlement of each participant under the Share Award Scheme. Shares under the Share Award Scheme were offered at nil consideration and no amount were payable on application or acceptance of the award.

On 12 September 2018, 8,496,000 Shares (after taking into account of the effect of Share Subdivisions on 4 May 2021 and 19 August 2020) were granted to 47 employees of the Group, being the total number of Shares available for issue under the Share Award Scheme, and no further grants have been made since then. The granted Shares are unconditionally vested to the participants after their 3-year employment with the Group for the period from 12 September 2018 to 11 September 2021 and awards representing 1,128,000 Shares are cancelled as some of the participants' employment with the Group ended before 11 September 2021.

The Share Award Scheme expired on 11 September 2021. For the year ended 31 December 2023, no awards were granted, vested, lapsed or cancelled, and there were no outstanding or unvested awards.

The supplemental information in this announcement does not affect other information contained in the 2023 Annual Report. Save as disclosed above, all other information in the 2023 Annual Report remains unchanged.

By order of the Board of
Fire Rock Holdings Limited
Wong Yan
Executive Director

Hong Kong, 12 August 2024

As at the date of this announcement, the executive Directors are Mr. Zhou Zhiwei, Mr. Gao Bo and Ms. Wong Yan; and the independent non-executive Directors are Ms. Chow Woon San Shirley, Mr. Tam Chik Ngai Ambrose and Mr. Lok Tze Bong.