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SINO-ENTERTAINMENT TECHNOLOGY HOLDINGS LIMITED

新娛科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6933)

DISCLOSEABLE TRANSACTIONS SUBSCRIPTIONS FOR WEALTH MANAGEMENT PRODUCT

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On 24 February 2023, Dinglian Interactive subscribed for the Wealth Management Product offered by China Construction Bank in an aggregate amount of RMB20,000,000.

On 11 May 2023, Dinglian Interactive further subscribed for the Wealth Management Product offered by China Construction Bank in an aggregate amount of RMB5,000,000.

On 24 July 2023, Dinglian Interactive redeemed part of the Wealth Management Product in the sum of RMB3,500,000. The redemption proceeds have been applied to the general working capital of the Group.

IMPLICATION UNDER THE LISTING RULES

As the highest of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the First Subscription exceeds 5% but lower than 25%, such First Subscription constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

As the Second Subscription was carried out within 12 months after the First Subscription, such Second Subscription is required to be aggregated with the First Subscription pursuant to Rule 14.22 of the Listing Rules. As the highest of the applicable percentage ratios in respect of the First Subscription and the Second Subscription, when aggregated, is less than 25%, the First Subscription and the Second Subscription on an aggregated basis constitute a discloseable transaction of the Company subject to the reporting and announcement requirements but are exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

The Company should have complied with the relevant reporting and announcement requirements pursuant to Rule 14.34 of the Listing Rules concerning the Wealth Management Product as and when such obligations arose in February 2023. The failure to make timely disclosure was due to a misunderstanding that the nature of the Wealth Management Product was similar to a bank deposit, which would not constitute a transaction as defined under Chapter 14 of the Listing Rules, taking into account the relatively low-risk and flexible redemption nature of this product. Unfortunately, the Company acknowledges that such compliance with the Listing Rules has been delayed due to its unintentional oversight.

BACKGROUND

On 24 February 2023, Dinglian Interactive subscribed for the Wealth Management Product offered by China Construction Bank in an aggregate amount of RMB20,000,000.

On 11 May 2023, Dinglian Interactive further subscribed for the Wealth Management Product offered by China Construction Bank in an aggregate amount of RMB5,000,000.

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SUBSCRIPTIONS FOR WEALTH MANAGEMENT PRODUCT

The principal terms of the Wealth Management Product are set out as follows:

- | | |
|---------------------------|---|
| (1) Date of subscription: | First Subscription: 24 February 2023
Second Subscription: 11 May 2023 |
| (2) Parties: | (i) China Construction Bank
(ii) Dinglian Interactive |
| (3) Name of the product: | China Construction Bank “Qianyuan — Sixiang” (Daily) Open-End Private Banking RMB Wealth Management Product (中國建設銀行“乾元 — 私享” (按日) 開放式私人銀行人民幣理財產品) |
| (4) Type of return: | Non-principal guaranteed with variable return |

- (5) Subscription amount: First Subscription: RMB20,000,000
Second Subscription: RMB5,000,000
in aggregate amount of RMB25,000,000

The Board believes that the consideration of such subscriptions was determined on the basis of arm's length commercial terms

- (6) Term of investment: No fixed maturity period

China Construction Bank is entitled to terminate the Wealth Management Product in advance

- (7) Expected annualized rate of return: 1 day \leq investment period < 32 days: 2.20% *
32 days \leq investment period < 92 days: 2.30% *
investment period \geq 92 days: 2.40% *

* *non-guaranteed*

- (8) Risk level of product (internal risk rating by the bank): Moderate

As at the date of this announcement, the balance of the Wealth Management Product held by Dinglian Interactive amounted to RMB21,500,000.

INFORMATION ON THE PARTIES

The Company is an investment holding company and the Group is principally engaged in publishing and development of mobile games in the PRC and blockchain technology business.

Dinglian Interactive is controlled by the Company as if a wholly-owned subsidiary of the Company through contractual arrangements. Dinglian Interactive is principally engaged in development, operation and publishing of mobile games.

China Construction Bank is a licensed bank established under the laws of the PRC and is principally engaged in the provision of banking and related financial services. Its H-shares and A-shares are respectively listed on the Main Board of the Stock Exchange (stock code: 939) and Shanghai Stock Exchange (stock code: 601939).

To the Directors' knowledge, information and belief, China Construction Bank and its ultimate beneficial owners are independent from the Company and its connected person.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS FOR THE WEALTH MANAGEMENT PRODUCT

Reasonable and efficient use of funds will enhance the overall capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity. The impact of risk factors on the expected return of the Wealth Management Product is low, but the Group could get a higher rate of return as compared with fix term deposit in commercial banks in the PRC.

The Directors consider that the terms of the Wealth Management Product and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better in the ordinary course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

IMPLICATION UNDER THE LISTING RULES

As the highest of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the First Subscription exceeds 5% but lower than 25%, such First Subscription constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

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REMEDIAL ACTIONS

The Company deeply regrets its failure to comply with the Listing Rules. However, it is important to note that the non-compliance was unintentional and not intended to withhold any information from the public regarding the subscriptions. In order to prevent similar incidents in the future, the Company has taken the following remedial actions:

1. the Company now has a better understanding of the definition of wealth management and structured deposit products. The Company will remind the responsible staff, the senior management and the Directors to be careful of any circumstances that may trigger the announcement requirement under the Listing Rules and spot the potential issues at an early stage to avoid recurrence of such situation.
2. the Company will provide the responsible staff, the senior management and the Directors with more regular training with the aim to bolster their existing knowledge concerning notifiable and connected transactions and refine their ability to identify potential issues at an early stage.
3. the Company will reinforce the coordination and reporting arrangements for notifiable transactions among its subsidiaries and emphasize the importance of compliance with the Listing Rules.
4. the Company will seek advice from legal and other professional advisers as and when appropriate before engaging in potential notifiable transactions.

The Company will continue to comply with the management procedures of its investments on wealth management and structured deposit products and make such disclosure in a timely manner to ensure compliance with the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms used in this announcement have the following meanings:

“Board”	the board of Directors
“China Construction Bank”	China Construction Bank Corporation, a joint stock company incorporated in the PRC with limited liability and a licensed bank established in the PRC

“Company”	Sino-Entertainment Technology Holdings Limited 新娛科控股有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 6933)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Dinglian Interactive”	Khorgos Dinglian Interactive Network Technology Company Limited (霍爾果斯頂聯互動網絡科技有限公司), a company established in the PRC with limited liability and is controlled by the Company as if a wholly-owned subsidiary of the Company through contractual arrangements
“Director(s)”	the director(s) of the Company
“First Subscription”	Dinglian Interactive’s subscription for the Wealth Management Product in an aggregate amount of RMB20,000,000 on 24 February 2023
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Second Subscription”	Dinglian Interactive’s subscription for the Wealth Management Product in an aggregate amount of RMB5,000,000 on 11 May 2023
“Shareholder(s)”	shareholder(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Management Product”	the wealth management product offered by China Construction Bank and subscribed by Dinglian Interactive, the details of which are set out in this announcement
“%”	per cent

By Order of the Board
Sino-Entertainment Technology Holdings Limited
Sui Jiaheng
Chairman and Executive Director

Hong Kong, 28 July 2023

As at the date of this announcement, the executive Directors are Mr. Sui Jiaheng and Mr. Li Tao; the non-executive Director is Mr. He Shaoning; and the independent non-executive Directors are Ms. Pang Xia, Mr. Deng Chunhua and Ms. Chen Nan.