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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)

REVISED ACQUISITION MANDATE IN RELATION TO THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS

REVISED ACQUISITION MANDATE

Reference is made to (i) the announcements of the Company dated June 15, 2023, July 7 2023, August 8, 2023, August 17, 2023 and September 13, 2023; (ii) the circular (the “**Circular**”) of the Company dated October 31, 2023; and (iii) the poll results of the Company dated November 22, 2023, pursuant to which the Board was authorized and empowered to acquire Cryptocurrency up to US\$5 million in open market transactions with a focus on Bitcoins and Ethereum in accordance with the Acquisition Mandate. Unless otherwise stated, capitalized terms used herein shall have the same meanings as defined in the Circular.

Pursuant to the Acquisition Mandate, the maximum price per each unit of Bitcoin and Ethereum was capped at US\$32,000 and US\$2,000, respectively. Due to the nature of Cryptocurrencies which are in general highly volatile and are subject to sudden, massive price swings, the Company considers that it is not feasible to exercise the Acquisition Mandate based on the maximum price per each unit of Bitcoin and Ethereum as set out in the Circular. Accordingly, the Company considers that the Board shall, pursuant to its scope of authorization as set out in the Circular, acquire Bitcoins and Ethereum for a consideration determined according to the bid and ask prices of the Cryptocurrencies as quoted on the open market with a maximum of no more than 10% of the market price (the “**Revised Acquisition Mandate**”). Save for the change in the price per each unit of Bitcoin and Ethereum, there are no changes to the maximum amount for the total acquisition of Cryptocurrencies, which remain up to US\$5 million. The Board considers that the change in the capped amount per unit of Bitcoin and Ethereum does not constitute a change in material term of the Acquisition Mandate approved in the EGM as the maximum amount for the acquisitions of Cryptocurrencies as approved under the Acquisition Mandate remains the same.

The Company has acquired in open market transactions in aggregation of 97.66 units of Bitcoin at an aggregate cash consideration of approximately US\$2.8 million since the Acquisition Mandate was approved by the Shareholders.

Basis for Determining the Revised Acquisition Mandate

The basis of the revised maximum price for Bitcoin was determined with reference to (i) its average price in the past 12 months being approximately US\$28,466 per unit of Bitcoin; and (ii) the expected growth in the price of Bitcoin.

Reasons for and Benefits of the Revised Acquisition Mandate

Cryptocurrency prices are extremely volatile and are subject to massive price swings. As a result, it is impossible for the Board to exercise the Acquisition Mandate based on the previous approved amount per unit of Bitcoin and Ethereum. Accordingly, the Company was unable to achieve the purpose of resource allocation and synergy with the Company's business.

In view of the above, the Directors are of the view that the terms of the Revised Acquisition Mandate are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

Save for the aforementioned amendment, other terms under the Acquisition Mandate as disclosed in the Circular remain unchanged.

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.

LISTING RULES IMPLICATIONS

The Directors consider that the Revised Acquisition Mandate does not constitute material change to the Acquisition Mandate as the maximum amount the Board was authorized to use for the acquisitions of Cryptocurrencies remain unchanged. Thus, the Company is not required to re-comply with the relevant requirements of a possible major transactions pursuant to Chapter 19 of the GEM Listing Rules.

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

Beijing, the PRC, December 29, 2023

As at the date of this announcement, 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 announcement, for which the directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

This announcement 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.