Lajin Entertainment Network Group Limited
拉近網娛集團有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8172)

VOLUNTARY ANNOUNCEMENT

COMPLETION IN RELATION TO A POTENTIAL SUBSCRIPTION AND CONTINUED SUSPENSION OF TRADING

COMPLETION OF THE POTENTIAL SUBSCRIPTION

This announcement is made by Lajin Entertainment Network Group Limited (the "**Company**") on a voluntary basis to provide its Shareholders and potential investors with information relating to the latest development of the potential subscription (the "**Potential Subscription**") of 10% of Beijing Lajin Zhongbo Technology Co., Ltd.*'s (北京拉近眾博科技有限公司) (the "**Target Company**" or "**Lajin Zhongbo**") equity as referred in the Company's announcement dated 8 January 2026 (the "**MOU Announcement**"). Unless otherwise stated, capitalized terms used in this announcement shall have the same meanings as those defined in the MOU Announcement.

The Board announces that on 9 February 2026 (after trading hours), the Target Company and the Kunming Zhenxiang Investment Co., Ltd.* (昆明臻祥投資有限公司) (the "**Subscriber**" or "**Kunming Zhenxiang**") has entered into the capital increase agreement in connection with the Potential Subscription (the "**Capital Increase Agreement**"). Pursuant to the Capital Increase Agreement, the Target Company's registered capital will increase from RMB15,000,000 to RMB29,000,000 (the "**Capital Increase**") due to:

(i) debt capitalisation of the RMB9,000,000 owed by the Target Company to the remaining Group (the "**Debt Capitalisation**"), resulting in an increase in the equity interest held by the Group. The Debt Capitalisation will count towards the payment of an additional RMB9,000,000 paid-up capital by the Group in the Target Company; and

(ii) the Potential Subscription by the Subscriber involving the payment of RMB5,000,000 for the subscription of 10.00% of the Target Company's equity on a diluted basis, of which the capital increase amount is RMB2,900,000, and the remaining RMB2,100,000 is a premium, which will be credited as capital reserve. The Subscriber will also provide an interest-free unsecured shareholder's loan of RMB10 million to the Target Company without fixed terms of repayment.

Completion under the Capital Increase Agreement took place on 27 March 2026.

Upon the completion of the Debt Capitalisation and Potential Subscription, the Group's effective interest of shareholding in the Target Company will increase from 56.67% to approximately 67.59%. As the Group will retain control over the Target Company following the Capital Increase, with Target Company remaining a subsidiary of the Company, the Target Company's financial results will continue to be consolidated into the Group's financial statements.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios exceed 5%, the Capital Increase does not constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules and is announced on a voluntary basis.

THE POTENTIAL SUBSCRIPTION

Reference is made to the announcement of the Company dated 8 January 2026 in relation to the memorandum of understanding between Lajin Zhongbo, being a non-wholly owned indirect subsidiary of the Company, with the Subscriber, pursuant to which the Subscriber intends to subscribe for 10.00% of the Target Company's equity on a diluted basis.

The Board announces that on 9 February 2026 (after trading hours), the Target Company and the Subscriber has entered into the Capital Increase Agreement. Completion under the Capital Increase Agreement took place on 27 March 2026.

THE CAPITAL INCREASE AGREEMENT

Date 9 February 2026

Parties (i) Lajin Zhongbo

(ii) Kunming Zhenxiang

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the ultimate beneficial owners of Kunming Zhenxiang are Zheng Beili (鄭貝麗) and Zheng Lidi (鄭麗迪), who holds 60% and 40% equity interest in the Subscriber respectively. The Subscriber and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

Capital Increase Pursuant to the Capital Increase Agreement, the Target Company's registered capital will increase from RMB15,000,000 to RMB29,000,000 due to:

(i) debt capitalisation of the RMB9,000,000 owed by the Target Company to the remaining Group, resulting in an increase in the equity interest held by Wenzhou City Zhongbo Technology Co., Ltd. ("**Wenzhou Zhongbo**")* (溫州市眾博科技有限公司), a wholly owned subsidiary of the Company pursuant to a VIE arrangement and a current shareholder of the Target Company. The debt capitalisation will count towards the payment of an additional RMB9,000,000 paid-up capital by Wenzhou Zhongbo in the Target Company; and

(ii) the Potential Subscription by the Subscriber involving the payment of RMB5,000,000 for the subscription of 10.00% of the Target Company's equity on a diluted basis, of which the capital increase amount is RMB2,900,000, and the remaining RMB2,100,000 is a premium, which will be credited as capital reserve. The Subscriber will also provide an interest-free unsecured shareholder's loan of RMB10 million to the Target Company without fixed terms of repayment.

Net effect of the Capital Increase Upon the completion of the Capital Increase (including the Debt Capitalisation and Potential Subscription), the Group's effective interest of shareholding in the Target Company will increase from 56.67% to approximately 67.59%. As the Group will retain control over the Target Company following the Capital Increase, with Target Company remaining a subsidiary of the Company, the Target Company's financial results will continue to be consolidated into the Group's financial statements.

INFORMATION ON THE RELEVANT PARTIES

The Group

The Company is incorporated as an exempted company with limited liability in the Cayman Islands and continued in Bermuda. The Company is listed on the GEM of the Stock Exchange. The Group is principally engaged in films, TV programmes and online contents services; new media business and artiste management services.

Kunming Zhenxiang

Kunming Zhenxiang is a limited liability company incorporated in the PRC and principally engaged in business services.

Lajin Zhongbo

Lajin Zhongbo is a limited liability company incorporated in the PRC and a non-wholly owned subsidiary of the Company. It possesses proprietary intellectual property rights to the independent tool for audio-visual content publishing, AMBER APP and AMBER SaaS technical services platform. Utilising blockchain technology, encryption technology and internet audio-visual technology, it provides clients in cultural tourism industry with technical services in relation to product customisation, promotion, issuance and sales of the new generation "AMBER Smart PASS Card".

As at 30 June 2025, Lajin Zhongbo's unaudited net liabilities and total assets amounted to approximately RMB22.176 million and RMB6.285 million respectively. The audited loss before and after tax for the years ended 31 December 2024 and 31 December 2023 are as follows:

	For the year ended 31 December	
	2024	**2023**
	RMB '000	*RMB '000*
	(Audited)	(Audited)
Net loss before/after tax	10,543	11,282

REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE AGREEMENT

The Potential Subscription and shareholder's loan from the Subscriber will enable the Group to strengthen its cash flow position. The Directors believe the transaction will enhance the Group's financial flexibility and enable it to allocate resources to potential investments and future business opportunities. The Directors consider that, if the Capital Increase is implemented, it will expand the Group's ability to pursue growth, support sustainable development, and enhance the Group's overall competitiveness.

Taking into account that (i) the Debt Capitalisation was considered necessary to attract the Subscriber into the Potential Subscription and other potential investors; (ii) the Target Company is and remains a subsidiary of the Group before and after the Capital Increase and thus improvements in its financial position is in the Group's best interest; and (iii) the Target Company was in net liability and loss-making position based on its financial statements and may not be able to repay the loan in the short-term, the Directors thus consider that the Capital Increase (including the Debt Capitalisation and the Potential Subscription) is fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios exceed 5%, the Capital Increase does not constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules and is announced on a voluntary basis.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company has been suspended on the Stock Exchange since 9:00 a.m. on 13 November 2025, and will remain suspended until further notice.

By order of the Board
Lajin Entertainment Network Group Limited
Leung Wai Shun Wilson
Executive Director

Hong Kong, 2 April 2026

As at the date of this announcement, the executive Directors are Mr. Colin Xu and Mr. Leung Wai Shun Wilson; the non-executive Directors are Mr. Zou Xiao Chun, Mr. Zhou Ya Fei, Mr. Li Xue Song and Ms. Wu Qian and the independent non-executive Directors are Mr. Ng Wai Hung, Mr. Lam Cheung Shing Richard and Mr. Wang Ju.

* *For identification only*