Inke Limited
映客互娛有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3700)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the annual report of Inke Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2019 (the "**2019 Annual Report**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the 2019 Annual Report.

Further to the 2019 Annual Report, the Board wishes to provide the following information regarding its financial assets at fair value through profit or loss.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As disclosed in the 2019 Annual Report, the financial assets at fair value through profit or loss as at 31 December 2019 (the "**Financial Assets**") amounted to approximately RMB1,792 million in aggregate. Details of Financial Assets are set out as below:

Financial Assets		Principal amount *(RMB)*	Realised gain *(RMB)*	Unrealised gain *(RMB)*	Balance as at 31 December 2019 *(RMB)*	Percentage to the Group's total assets as at 31 December 2019 %
Current						
Investments in wealth management products						
1.	Commercial Merchants Bank Co., Ltd. — Juyishengjin (招商銀行股份有限公司 — 聚益生金)	200,000,000	—	675,068	200,675,068	4.50
2.	Bank of China — Bond Market Access (中國銀行股份有限公司 — 債市通)	150,000,000	—	3,729,452	153,729,452	3.45
3.	BOCHK Asset Management Limited — Short Term Cash Management Funds (中銀香港資產管理有限公司 — 短期現金管理基金)	139,524,000	—	1,569,645	141,093,645	3.16
4.	Commercial Merchants Bank Co., Ltd. — Tiantianjin (招商銀行股份有限公司 — 天添金)	100,000,000	—	2,253,973	102,253,973	2.29
5.	Zhongrong International Trust Co., Ltd. — Yuanrong A (中融國際信託有限公司 — 圓融 A)	92,000,000	3,901,151	187,266	92,187,266	2.07
6.	BOCHK Asset Management Limited — BOCHK ALL Wealther Short Term Bond fund — ClassI1(USD) (中銀香港資產管理有限公司 — 全天候短期債券)	90,669,007	—	1,021,155	91,690,162	2.05
7.	China International Finance Hong Kong Securities Limited — Funds and Wealth (中國國際金融香港證券有限公司 — 基金理財)	69,762,000	1,165,208	244,458	70,006,458	1.57
8.	AVIC Securities Co., Ltd. — China Aviation Securities JUFU 62 Collective Asset Management Plan (中航證券有限公司 — 中航證券聚富62號)	60,000,000	—	620,712	60,620,712	1.36
9.	Investments in other wealth management products	104,228,600	100,822	1,161,370	106,139,970	2.38

Financial Assets	Principal amount *(RMB)*	Realised gain *(RMB)*	Unrealised gain *(RMB)*	Balance as at 31 December 2019 *(RMB)*	Percentage to the Group's total assets as at 31 December 2019 %
Investments in structured deposits with floating interest rates					
1. Commercial Merchants Bank Co., Ltd. — structured deposit (招商銀行股份有限公司 — 結構性存款)	200,000,000	—	1,804,963	201,804,963	4.52
2. Industrial Bank — structured deposit (興業銀行 — 結構性存款)	100,000,000	—	958,387	100,958,387	2.26
3. Investments in other structured deposits	40,000,000	—	286,862	40,286,862	0.90
Subtotal:	**1,346,183,607**	**5,167,181**	**14,513,311**	**1,361,446,918**	**30.51**
Non-current					
Investments in equity interests with preferred rights of certain private companies					
1. Investment in private companies	70,986,417	—	2,764,360	79,426,777	1.78
Investments in wealth management products					
1. Everbright Trust — Yuanlang 1 Single Fund Trust (光大信託 — 遠朗1號單一資金信託)	150,000,000	7,166,667	197,260	150,197,260	3.37
2. Xizang Trust — Weifang 1 Single Fund Trust (西藏信託 — 微方1號單一資金信託)	200,000,000	15,517,808	482,192	200,482,191	4.49
Subtotal:	420,986,417	22,684,475	3,443,812	430,106,228	9.64
Total:	**1,767,170,024**	**27,851,656**	**17,957,123**	**1,791,553,146**	**40.15**

The Group's strategies for the Financial Assets

As at 31 December 2019, the principal guaranteed structured deposits with floating interest rates of the Group amounted to approximately RMB343.1 million in aggregate. The principal guaranteed structured deposits with floating interest rates were considered to (i) have relatively low risk as they were issued by reputable licensed banks and financial institutions whose products have robust performance in the past; and (ii) also be in line with the internal risk management, cash management and investment policies of the Group that aiming to achieve steady investment, maintain liquidity and obtain reasonable returns. The Company was satisfied that the subscriptions for the principal guaranteed structured deposits with floating interest rates could generate stable income for the Company given its principal-guaranteed and low risk nature. On this basis, the Company considers to continue to subscribe for other financial products with similar nature in the future.

As at 31 December 2019, the wealth management products of the Group amounted to approximately RMB1,369.1 million in aggregate. The Group had recovered the principals in full and received the expected returns upon the redemption or maturity of similar financial products in the past. In view of an upside of earning with a more attractive return than current saving or fixed deposit rate under the low interest rate trend, as well as the risk nature and the relatively short term of maturity or flexible redemption terms of those financial products, the Directors were of the view that the Company selected products with strong liquidity, safety features and reasonable returns issued by reputable licensed banks and financial institutions. In addition, the Company applies comprehensive allocation of investments in long-term and short-term financial products, in order to improve the Company's investment and financial management efficiency.

Considering the Company's strategy about audio and video technology and application development and "live streaming+" expansion, the Group invested in several private companies with preferred rights which are expected to generate synergies with the business of the Group. As at 31 December 2019, these equity investments in private companies with preferred rights had a carrying amount of approximately RMB79.4 million in aggregate. The Group plans to continuously seek strategic investments opportunities with synergy effects in the future.

Since subscriptions of the above investments were funded by the Group's surplus cash, they would therefore not affect the working capital nor the operation of the Company.

The Company has established an internal monitoring process to manage these investments systematically and effectively and plans to continue the process in order to ensure that the principal amounts and returns can be repaid on time. The Company expects that the above investment strategies and directions would continue to generate stable income to the Group.

This announcement does not affect any information contained in the 2019 Annual Report, and all contents of the 2019 Annual Report remain true and accurate.

By order of the Board
Inke Limited
Feng Yousheng
Chairman and Executive Directors

Hong Kong, 18 August 2020

As at the date of this announcement, the executive Directors are Mr. FENG Yousheng and Mr. HOU Guangling; the non-executive Director is Mr. LIU Xiaosong; and the independent non-executive Directors are Mr. David CUI, Mr. DU Yongbo and Dr. LI Hui.