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## **iDreamSky Technology Holdings Limited**

**创梦天地科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1119)**

### **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of iDreamSky Technology Holdings Limited (the “**Company**”) dated November 28, 2021 in respect of placing of new shares of the Company under the General Mandate and subscription of new shares under Specific Mandate (the “**Announcement**”). Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

### **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that the completion of the Placing took place on December 13, 2021. An aggregate of 72,280,000 Placing Shares have been successfully placed by the Placing Agent to five Placees at the Placing Price of HK\$5.92 per Placing Share pursuant to the terms and conditions of the Placing Agreement dated November 26, 2021. The Placing and the Subscription are not inter-conditional with each other, and the completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreements as disclosed in the Announcement.

Set out below are the details of the Placees:

1. A total of 26,284,400 Placing Shares were allotted and issued to Andy Xiong Holdings Limited. Andy Xiong Holdings Limited is an investment holding company incorporated in the British Virgin Islands, which is wholly owned and controlled by Mr. XIONG Shaoming (熊少明).
2. A total of 13,141,600 Placing Shares were allotted and issued to separately managed accounts of Keywise Capital Management (HK) Limited (“**Keywise Capital**”). Keywise Capital was founded in 2006, controlled by Mr. ZHENG Fang (鄭方) and licensed under U.S. Securities and Exchange Commission and Hong Kong Securities and Futures Commission. It is also a member of the Asset Management Association of China, and is approved as a qualified foreign institutional investor by China Securities Regulatory Commission.
3. A total of 32,854,000 Placing Shares were allotted and issued to three entities whose management shareholder or fund manager (as the case may be) is controlled by Ms. KONG Rong (孔蓉), namely Yong Rong Global Excellence Fund (“**YRGE**”) (as to 13,141,600 Placing Shares), EverFund (as to 6,570,800 Placing Shares) and Yong Rong Zhong Yong No.1 PE Investment Fund (涌容中庸1號私募證券投資基金) (“**YRZY No.1**”) through a derivative contract with one of the Placees (as to 13,141,600 Placing Shares).

YRGE is an exempted company incorporated in the Cayman Islands on January 4, 2012, and its sole management shareholder is Prime Profit Capital Limited (“**PPC**”, an investment company incorporated in the British Virgin Islands wholly owned by Ms. KONG Rong). YRGE is a hedge fund registered with the Cayman Islands Monetary Authority, with an investment focus on stock markets of the United States, mainland China and Hong Kong. The investment manager of YRGE is Yong Rong (HK) Asset Management Limited (“**Yong Rong HK**”), which is wholly owned by Mr. HUANG Yong (黃勇). Yong Rong HK is licensed to carry out type 9 (asset management) regulated activities under the SFO.

EverFund is an exempted company incorporated in the Cayman Islands on October 24, 2017, whose sole management shareholder is PPC while investment manager is Yong Rong HK. EverFund is a hedge fund registered with the Cayman Islands Monetary Authority and primarily invests in stock markets of the United States, Mainland China and Hong Kong.

YRZY No. 1 is a PRC privately offered fund registered with Asset Management Association of China on January 12, 2021, with an investment focus on stock markets of the United States, Mainland China and Hong Kong. The fund manager of YRZY No. 1 is Shenzhen Yong Rong Asset Management Limited (深圳市涌容資產管理有限公司), which is a registered fund management company incorporated in the PRC controlled by Ms. KONG Rong as to 99% interest therein.

To the best of the knowledge, information and belief of the Directors, the Places procured by the Placing Agent and their ultimate beneficiary owners are third parties independent of the Company and are not connected persons of the Company. None of the Places has become a substantial shareholder immediately following the completion of the Placing.

## EFFECTS ON SHAREHOLDING STRUCTURE

The 72,280,000 Placing Shares represent (i) approximately 5.50% of the existing issued share capital of the Company immediately before the completion of the Placing; and (ii) approximately 5.21% of the issued share capital of the Company as enlarged by the Placing.

Name of shareholders	Immediately before the completion of Placing		Immediately after the completion of Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>Non-public Shareholders</b>				
Mr. Chen Xiangyu <sup>(1)</sup>	3,682,400	0.28	3,682,400	0.27
Brilliant Seed <sup>(1)</sup>	243,560,830	18.52	243,560,830	17.55
Tencent Mobility	235,999,300	17.94	235,999,300	17.01
Mr. Lei Junwen <sup>(2)</sup>	686,000	0.05	686,000	0.05
Instant Sparkle <sup>(2)</sup>	27,423,760	2.09	27,423,760	1.98
Bubble Sky Limited <sup>(3)</sup>	47,337,220	3.60	47,337,220	3.41
Shipshape Holdings Limited <sup>(4)</sup>	13,965,000	1.06	13,965,000	1.01
<b>Public Shareholders</b>				
Places	—	—	72,280,000	5.21
Other Public Shareholders	742,541,105	56.46	742,541,105	53.52
<b>Total</b>	<b><u>1,315,195,615</u></b>	<b><u>100.00</u></b>	<b><u>1,387,475,615</u></b>	<b><u>100.00</u></b>

Notes:

- Mr. Chen Xiangyu directly holds 3,682,400 Shares and indirectly holds 243,560,830 Shares through Brilliant Seed as at the date of this announcement.
- Mr. Lei Junwen directly holds 686,000 Shares and indirectly holds 27,423,760 Shares through Instant Sparkle as at the date of this announcement.
- Bubble Sky Limited is wholly owned by Mr. Guan Song, an executive Director, as at the date of this announcement.
- Shipshape Holdings Limited is wholly owned by Mr. Jeffrey Lyndon Ko, an executive Director, as at the date of this announcement.
- Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

## USE OF PROCEEDS FROM THE PLACING AND THE SUBSCRIPTION

The sum of the total net proceeds to be received by the Company from the Placing and the total net proceeds expected to be received by the Company from the Subscription (the “**Total Net Proceeds**”) is HK\$621.54 million (being the net proceeds from the Placing of approximately HK\$427.04 million (the “**Placing Proceeds**”) and the net proceeds from the Subscription of approximately HK\$194.50 million (the “**Subscription Proceeds**”), being the equivalent of approximately RMB508.30 million using the conversion rate of RMB0.8178 to HK\$1.00. The Company intends to use the Total Net Proceeds for the following purpose detailed below:

<b>Purpose</b>	<b>Relevant Amount in the Total Net Proceeds RMB million</b>	<b>Approximate % of the Total Net Proceeds</b>
General working capital	50.00 <sup>(1)</sup>	9.8%
Research and development to further expand the Company’s portfolio of self-developed games	303.00 <sup>(2)</sup>	59.6%
Expansion of the Group’s offline stores <sup>(3)</sup>	106.20 <sup>(4)</sup>	20.9%
Other possible investment in the future <sup>(5)</sup>	49.10 <sup>(6)</sup>	9.7%
<b>Total</b>	<b>508.30</b>	<b>100%</b>

*Notes:*

- (1) Being RMB32.00 million from the Placing Proceeds and expected RMB18.00 million from the Subscription Proceeds.
- (2) Being RMB210.00 million from the Placing Proceeds and expected RMB93.00 million from the Subscription Proceeds.
- (3) The Company proposes to use such amount in establishment and launch of QQfamily offline stores in popular commercial districts of the first and second-tier cities across the mainland China as previously disclosed in the Company’s annual report for financial year ended December 31, 2020.
- (4) Being RMB70.00 million from the Placing Proceeds and expected RMB36.20 million from the Subscription Proceeds.
- (5) The Company intends to electively pursue other possible investment opportunities in the future, including but not limited to form strategic alliances and partnerships and pursue investments and acquisitions in businesses that are synergistic and complementary to the Group’s ecosystem, including those businesses or assets that can enhance the Company’s game research and development capabilities and offline entertainment business. As of the date of this announcement, the Company has not identified any specific target of potential merger or acquisition.

- (6) Being RMB37.23 million from the Placing Proceeds and expected RMB11.87 million from the Subscription Proceeds.
- (7) Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

By order of the Board  
**iDreamSky Technology Holdings Limited**  
**Chen Xiangyu**  
*Chairman of the Board*

Shenzhen, the PRC, December 13, 2021

*As at the date of this announcement, the Board of the Company comprises Mr. Chen Xiangyu as chairman and executive Director; Mr. Guan Song and Mr. Jeffrey Lyndon Ko as executive Directors, Mr. Ma Xiaoyi, Mr. Zhang Han, Mr. Yao Xiaoguang and Mr. Chen Yu as non-executive Directors, and Ms. Yu Bin, Mr. Li Xintian, Mr. Zhang Weining and Mr. Mao Rui as independent non-executive Directors.*