

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

SUPPLEMENTAL ANNOUNCEMENT TO 2022 ANNUAL REPORT AND CONNECTED TRANSACTIONS

Reference is made to the annual report for the year ended 31 December 2022 published by the Company on 27 April 2023 (the “**2022 Annual Report**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the 2022 Annual Report. This announcement provides supplemental information to the 2022 Annual Report and should be read in conjunction with the 2022 Annual Report. This announcement also provides information on the connected transactions during the Year which had not been published in accordance with the requirements of the Listing Rules.

The Directors noted that there was error under the paragraph headed “Connected Transactions” in the Report of Directors appeared on page 17 of the 2022 Annual Report. In addition to the continuing connected transactions under the Contractual Arrangements as described in that paragraph, there were financial assistance received by the Group from a connected person at the subsidiary level of the Company during the Year, particulars of which are as follows:

RECEIPT OF FINANCIAL ASSISTANCE FROM A CONNECTED PERSON AT THE SUBSIDIARY LEVEL

A. Financial assistance in cash

On 21 March 2022, SimpliFi Limited (now known as “Luocheng Dinglian (International) Limited”, a non-wholly owned subsidiary of the Group. “**SimpliFi**”) and DeFiner Limited, a shareholder holding 49% equity interest in SimpliFi and a connected person at the subsidiary level (as defined in the Listing Rules) of the

Company (“**DeFiner**”) entered into a loan agreement, pursuant to which DeFiner granted loans of not exceeding HK\$26,000,000 in aggregate to SimpliFi (the “**DeFiner’s Loans**”). The salient terms of the loan agreement are as follows:

Date	:	21 March 2022
Lender	:	DeFiner
Borrower	:	SimpliFi
Amount of the loan	:	not exceeding HK\$26,000,000 in total
Purpose	:	for financing SimpliFi’s business development expenses
Interest rate	:	the prevalent loan interest rate charged by the bank
Repayment term	:	one year from the respective loan instalments
Security	:	all assets of SimpliFi

Information on the Group and the parties

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

SimpliFi is a company incorporated under the laws of Hong Kong with limited liability which is principally engaged in providing digital services to liquidity pools operating on the leading blockchain protocols and is a non-wholly owned subsidiary of the Group.

DeFiner is a company incorporated under the laws of the British Virgin Islands with limited liability which is principally engaged in research and implementation of technologies that are applicable to the blockchain services. It holds 49% equity interest in SimpliFi and is a connected person at the subsidiary level of the Company. To the best knowledge, information and belief of the Directors, except their indirect interest in SimpliFi through DeFiner, the ultimate beneficial owners of DeFiner are independent from the connected persons (as defined in the Listing Rules) of the Group.

Reasons for and benefits of the DeFiner's Loans

Leveraged on DeFiner's research and technological capabilities in blockchain services, SimpliFi has great prospect in developing the digital services to liquidity pools operating on the leading blockchain protocols. The loans from DeFiner provided a strong funding support for SimpliFi to quickly commence the business. As such, the Board believes that the DeFiner's Loans are in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

As the applicable percentage ratios under Rule 14.07 of the Listing Rules for the DeFiner's Loans exceed 5% but less than 25% and there were security on SimpliFi's assets, the DeFiner's Loans constituted a non-exempt connected transaction for the Company under Chapter 14A of the Listing Rules. Since DeFiner is a connected person at the subsidiary level of the Company and the Directors (including the independent non-executive Directors) had approved the DeFiner's Loans and confirmed that the terms of the DeFiner's Loans were arrived at after arm's length negotiations among the parties, and were on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, such non-exempt connected transaction is subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempted from circular, independent financial advice and Shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

Due to oversight on the condition for the full exempt requirements of Rule 14A.90 of the Listing Rules which requires absence of security on the assets of the listed issuer's group, the Company did not publish an announcement on the DeFiner's Loans until this announcement.

As none of the Directors are regarded as having a material interest in the loan agreement, none of the Directors are required under the Listing Rules to abstain from voting on the relevant Board resolutions.

B. Financial assistance in cryptocurrency

On 9 November 2022, SimpliFi and DeFiner entered into a loan agreement, pursuant to which DeFiner granted a loan facility for the sum of BUSD11,270,000 to SimpliFi. The salient terms of the loan agreement are as follows:

Date : 9 November 2022

Lender : DeFiner

Borrower	:	SimpliFi
Amount of the loan facility	:	BUSD11,270,000
Purpose	:	general operating use
Interest rate	:	interest rate of 2% per annum
Repayment term	:	on demand
Security	:	nil

Implications under the Listing Rules

The Directors (including the independent non-executive Directors) confirmed that the loan agreement was on normal commercial terms and there was no security on the Group's assets under such loan agreement. The financial assistance received by SimpliFi under the loan agreement is fully exempt from the requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.90 of the Listing Rules.

As none of the Directors are regarded as having a material interest in the loan agreement, none of the Directors are required under the Listing Rules to abstain from voting on the relevant Board resolutions.

The information contained in this supplemental announcement does not affect the other information contained in the 2022 Annual Report. Save as disclosed in this announcement, all the other information and contents in the 2022 Annual Report remain unchanged.

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

Hong Kong, 30 May 2023

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