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ARCHOSAUR GAMES INC.

祖龙娱乐有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9990)

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

The Board hereby announces that, as each of the existing Tencent Game Cooperation Framework Agreement, the Cloud Services Agreement and the Perfect World Game Cooperation Framework Agreement will expire on 31 December 2025, the parties renewed and amended such agreements on 3 November 2025, each for a term of three years from 1 January 2026 to 31 December 2028, and set the annual caps for the transactions contemplated under each of the CCT Framework Agreements for the three years ending 31 December 2028.

LISTING RULES IMPLICATIONS

As at the date of this announcement, each of Tencent and Perfect World is a substantial shareholder of the Company holding approximately 17.19% and 16.55% of the total issued shares of the Company respectively through their wholly-owned subsidiaries. Tencent Cloud is a wholly-owned subsidiary of Tencent. Therefore, each of the Tencent Group, Tencent Cloud and the Perfect World Group is a connected person of the Company, and the renewed Tencent Game Cooperation Framework Agreement, the renewed Cloud Services Agreement and the renewed Perfect World Game Cooperation Framework Agreement, and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As each of the highest applicable percentage ratios in respect of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group exceeds 5%, each of such transactions contemplated thereunder is subject to reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As each of the highest applicable percentage ratios in respect of publishing of games on Tencent platforms under the Tencent Game Cooperation Framework Agreement and transactions contemplated under the Cloud Services Agreement and the Perfect World Game Cooperation Framework Agreement exceeds 0.1% but is less than 5%, each of such transactions contemplated thereunder is subject to reporting, announcement and annual review requirements but is exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

EGM

An EGM of the Company will be convened to seek the approval by the Independent Shareholders of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group, and the proposed annual caps for the transactions for the three years ending 31 December 2028. Tencent and its associates will abstain from voting in respect of the relevant resolutions at the EGM.

An Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in relation to the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps), and Somerley Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, details of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps), a letter from the Independent Board Committee and the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with a notice convening the EGM of the Company, will be despatched to the Shareholders in due course. As additional time is required for the preparation and finalisation of certain information to be included in the circular, the Company expects to despatch the circular on or before 30 November 2025.

I. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Reference is made to (i) the announcement of the Company dated 4 November 2022 in relation to, among others, the renewal of continuing connected transactions, including the Tencent Game Cooperation Framework Agreement, the Cloud Services Agreement and the Perfect World Game Cooperation Framework Agreement; (ii) the circular of the Company dated 22 November 2022 in relation to, among others, the proposed renewal of the Tencent Game Cooperation Framework Agreement; and (iii) the announcement of the Company dated 1 December 2023 in relation to revision of annual caps for the continuing connected transactions contemplated under the existing Perfect World Game Cooperation Framework Agreement.

As disclosed in the above documents, the Company entered into the existing Tencent Game Cooperation Framework Agreement with Tencent Computer in relation to, among others, (i) licensing of certain IP rights by the Tencent Group to the Group to adapt and develop such IP into games and use the related contents for advertising, promotion and operation of such games, (ii) exclusive publishing and operation of the Group's games by the Tencent Group, and (iii) publishing of games on Tencent platforms; Tianjin Loong entered into the existing Cloud Services Agreement with Tencent Cloud in relation to cloud services provided by Tencent Cloud; and the Company entered into the existing Perfect World Game Cooperation Framework Agreement with Perfect World Games in relation to (i) certain game(s) cooperation in the development and operation with the Perfect World Group, and (ii) graphic design services provided by the Perfect World Group.

The Board hereby announces that, as each of the existing Tencent Game Cooperation Framework Agreement, the Cloud Services Agreement and the Perfect World Game Cooperation Framework Agreement will expire on 31 December 2025, the parties renewed and amended such agreements on 3 November 2025, each for a term of three years from 1 January 2026 to 31 December 2028, and set the annual caps for the transactions contemplated under each of the CCT Framework Agreements for the three years ending 31 December 2028.

(A) Tencent Game Cooperation Framework Agreement

Renewal date:	3 November 2025
Parties:	(i) the Company (for itself and on behalf of the Group) (ii) Tencent Computer (for itself and on behalf of the Tencent Group)
Term of the agreement:	Subject to the approval by the Independent Shareholders at the EGM, the renewed Tencent Game Cooperation Framework Agreement is for a term of three years from 1 January 2026 to 31 December 2028.

1. IP Rights Licensing

Subject matter:	Pursuant to the renewed Tencent Game Cooperation Framework Agreement, the Tencent Group shall license certain IP rights to the Group to adapt and develop such IP into games and use the related contents for advertising, promotion and operation of such games; or the Tencent Group shall license the Company to use the IP for promotion, or to use the IP to develop related in-game items in existing games.
Fee arrangement and settlement:	The fees payable by the Group to the Tencent Group for the licensing of certain IP rights shall comprise the following: • fixed licensing fees; and/or • revenue sharing between the parties; and/or • prepaid revenue/profit sharing between the parties.
Pricing policy:	The licensing fees and/or revenue sharing arrangement (including revenue sharing and/or prepaid revenue/profit sharing) to be incurred by the Group to the Tencent Group shall be determined upon arm's length negotiation between the parties with reference to (i) the quality and popularity of the original IP(s); (ii) the prevailing fee structures and pricing terms of comparable IPs in the market; and (iii) the potential revenue and profitability from the games. Based on the historical licensing fees paid for original IPs from independent third-party licensors and the fee quotes provided by at least two independent third-party licensors for similar IPs, the Company will be able to ensure that the fees to be incurred to the Tencent Group by the Group represent the prevailing market price and on normal commercial terms that are no less favorable to the Group.

Proposed Annual Caps and the Basis of Determination

Historical Transaction Amounts

The historical transaction amounts of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to IP Rights Licensing for the two years ended 31 December 2024 and the nine months ended 30 September 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	–	13.21	35.45

Note: Since the launch date of the games under the Tencent Game Cooperation Framework Agreement was adjusted based on the actual circumstances, there was no transaction in 2023 in relation to IP Rights Licensing and the utilization rate of the annual cap in 2024 was relatively low under the Tencent Game Cooperation Framework Agreement.

Historical Annual Caps

The annual caps for the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to IP Rights Licensing for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	8.62	39.74	42.96

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to IP Rights Licensing did not and are not expected to exceed the annual cap for the year ending 31 December 2025.

Proposed Annual Caps

The proposed annual caps for the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to IP Rights Licensing for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Proposed annual caps	68.40	121.60	166.70

The above proposed annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the terms of the renewed Tencent Game Cooperation Framework Agreement in relation to IP right licensing fee, including fixed licensing fee and the revenue sharing arrangement;

(ii) the projected demand for the games considering the increase in the number of IP cooperation projects and the quality and popularity of the original IP(s); and

(iii) the revenue sharing arrangement and prevailing licensing fees payable by the Group to the independent third parties in respect of licensing for similar and comparable IP rights in the market.

Reasons for and Benefits of the Transaction

The Tencent Group owns certain IP rights suitable for adaptation into mobile or PC games. Such IPs in the form of videos, literary works, etc., have a wide audience, and animations and videos related to such IPs will be released on Tencent platforms from time to time to attract more potential players and thus generate traffic for the related games. It is expected that the Tencent Group and the Group can leverage each other's competitive advantages in game development and promotion.

2. Exclusive Publishing and Operation of Games

Subject matter: Pursuant to the renewed Tencent Game Cooperation Framework Agreement, the Group shall engage the Tencent Group to publish, operate and promote certain games self-developed by the Group in designated regions. The Tencent Group shall have the exclusive rights to publish and operate the Group's games in designated regions. The Group agreed to participate in certain aspects of the operation of the games licensed to the exclusive publishing and operation of the Tencent Group, which includes external maintenance, customer service (such as, attending to game enquiries, in-game speech and image reviews), production of graphics, theme songs and advertising images, operation of the users' community, marketing and public relations.

Fee arrangement and settlement: The fees incurred by the Tencent Group for the exclusive publishing and operation of games shall be calculated by the following basis:

- fixed licensing fees;
- revenue/profit sharing;
- prepaid revenue/profit sharing between the parties; and/or
- game performance bonus, which will be determined by assessing one or more aspects of the Group's games, including but not limited to the revenue/profit generated by the games, the popularity and rating of the games on various platforms.

Pricing policy: The pricing of the transactions will be determined with reference to (i) the test results of the Group's games based on Tencent's internal evaluation system with regards to the nature, quality and the expected popularity in the market; (ii) potential user traffic and gross billings arising from the platforms operated by the Tencent Group; and (iii) the fee arrangements at the prevailing terms in the market. Based on the fee quotes provided by at least two independent third-party service providers, the Company will be able to ensure that the fees and revenue to be incurred by the Tencent Group to the Group represent the prevailing market price and on normal commercial terms that are no less favorable to the Group.

The fee arrangements of such transactions may consist of any of the following: (i) fixed licensing fees that may be paid by separate instalments that are hedged against the progression of the commercial operation of the game; (ii) revenue sharing at a fixed proportion; and (iii) initial prepaid fees that shall be deductible for the subsequent revenue sharing.

Proposed Annual Caps and the Basis of Determination

Historical Transaction Amounts

Historical transaction amount of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the exclusive publishing and operation of the Group's games by the Tencent Group for the two years ended 31 December 2024 and for the nine months ended 30 September 2025 is set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	145.14	81.77	55.71

Note: Due to the adjustment in the number of cooperation projects, the utilization rates of the annual caps for the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the exclusive publishing and operation of the Group's games by the Tencent Group were relatively low for the two years ended 31 December 2024 and for the nine months ended 30 September 2025.

Historical Annual Caps

The annual caps for the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the exclusive publishing and operation of the Group's games by the Tencent Group for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	814.21	494.09	308.68

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the exclusive publishing and operation of the Group's games by the Tencent Group did not and are not expected to exceed the annual cap for the year ending 31 December 2025.

Proposed Annual Caps

The proposed annual caps for the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to the exclusive publishing and operation of the Group's games by the Tencent Group for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Proposed annual caps	73.90	70.70	65.50

The above proposed annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the anticipated gross billings of the existing games in operation given the popularity and life cycles of such games that have been signed with the Tencent Group;

(ii) the expected number of games to be exclusively published and operated by Tencent in the future; and

(iii) the evaluation in relation to the respective projected performance in gross billings of the games.

Reasons for and Benefits of the Transaction

Publishing the Group's games in cooperation with third-party game publishers is one of the Group's means of game publishing, and the Group has the commercial liberty to engage third-party publishers to maximise the Group's earnings from each game that the Group self-developed. As Tencent is a leading mobile game publisher in the PRC that operates a game platform for a large number of high-paying game players, the collaborations allow the Group to leverage on the current market information provided by Tencent and adapt the Group's games to the prevailing preference of the market. As a result, the Group has been able to enhance the popularity and the commercial potential of the games.

Games that are published and operated by the Tencent Group typically demonstrate Tencent's strong confidence and endorsement of the games. The Group generally enters into such agreements with game publishers, including the Tencent Group at an early stage of the game development process in order to optimize marketing effectiveness of the Group's games. As a result, it is expected that the Group's games will be better received by players from such collaboration with the Tencent Group, which facilitates word-of-mouth marketing. As at the date of this announcement, the Group had collaborated with the Tencent Group to publish a wide range of games, most of which had achieved widespread acceptance among game players.

3. Publishing of Games on Tencent Platforms

Subject matter:	Pursuant to the renewed Tencent Game Cooperation Framework Agreement, the Group shall engage the Tencent Group as a distribution channel partner for the publishing of the Group's games on the platforms operated by the Tencent Group, such as Tencent MyApp (騰訊應用寶). The Group is entitled to determine the pricing of the virtual items for the games it publishes.
Fee arrangement and settlement:	The expenses incurred by the Group as the game developer and publisher from the games are calculated based on monthly commissions at a fixed proportion, which shall be agreed in separate underlying agreements.
Pricing policy:	The commission to be incurred by the Group to the Tencent Group in relation to the publishing of games on Tencent platforms shall be determined after arm's length negotiation between the parties with reference to (i) the prevailing market rate; and (ii) the standard commission rate charged by the Tencent Group to game publishers, including the Group. Based on the fee quotes provided by at least two independent third-party game publishers, the Company will be able to ensure that the commission to be incurred by the Group to the Tencent Group represents the prevailing market price and on normal commercial terms that are no less favorable to the Group.

Annual Caps and the Basis of Determination

Historical Transaction Amounts

Historical transaction amount of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the publishing of the Group's games on the multiple platforms operated by the Tencent Group (as a distribution channel partner) for the two years ended 31 December 2024 and for the nine months ended 30 September 2025 is set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	2.98	7.34	5.42

Historical Annual Caps

The annual caps for the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the publishing of the Group's games on the multiple platforms operated by the Tencent Group (as a distribution channel partner) for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	27.23	22.73	18.09

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Tencent Game Cooperation Framework Agreement in relation to the publishing of the Group's games on the multiple platforms operated by the Tencent Group (as a distribution channel partner) did not and are not expected to exceed the annual cap for the year ending 31 December 2025.

Annual Caps

The annual caps for the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to the publishing of the Group's games on the multiple platforms operated by the Tencent Group (as a distribution channel partner) for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Annual caps	26.60	40.60	33.80

The above annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the anticipated gross billings of the existing transactions given the popularity and life cycles of the games; and

(ii) the anticipated gross billings of the new transactions based on the expected game pipeline.

Reasons for and Benefits of the Transaction

When the Group publishes its own games, the Group generally engages different distribution channel partners to achieve better market penetration during the publishing process, thereby allowing the Group's games to reach paying players. Tencent MyApp (騰訊應用寶) is one of the largest first-tier game distribution channel partners in the PRC. As Tencent MyApp (騰訊應用寶) is a leading market player in this regard, the Group is able to leverage Tencent's extensive coverage of Android users and game players in the PRC through Tencent MyApp (騰訊應用寶) to reach and attract a large number of paying players, thereby enhancing the monetization capabilities of the Group's games.

(B) Cloud Services Agreement

Renewal date:	3 November 2025
Parties:	(i) Tianjin Loong (for itself and on behalf of the Group) (ii) Tencent Cloud
Term of the agreement:	The renewed Cloud Services Agreement is for a term of three years from 1 January 2026 to 31 December 2028.
Subject matter:	Pursuant to the renewed Cloud Services Agreement, Tencent Cloud shall provide cloud services to the Group in the PRC and the Group shall pay fees for such services provided by Tencent Cloud. The provision of services include: (i) cloud services ranging from cloud computing, data storage and CDN (Content Delivery Network) services, cloud security services, domain name services, mobility and communications services, video services and artificial intelligence products and/or services; and (ii) 24-hour/7 days per week after-sales services as well as assistance in addressing issues encountered during the use of Tencent Cloud services by the Group. The precise scope shall be agreed in separate underlying orders to be placed by the Group depending on the Group's business needs through the online platform of Tencent Cloud.

Fee arrangement and settlement:	Product usage fees may be in the form of monthly or annual fixed fees or calculated by traffic volume; and method of payment may be pre-payment or invoicing, which shall be agreed in separate underlying orders. Volume discount on a progressive basis has been agreed between Tencent Cloud and the Group.
Pricing policy:	Before entering into any separate underlying orders under the renewed Cloud Services Agreement, the Group will assess its needs, evaluate the quality of cloud services of different service providers and compare the rates of product usage fees proposed by Tencent Cloud with the rates offered by other independent competent service providers. Based on the fee quotes provided by at least two independent third-party service providers, the Company will be able to ensure that the product usage fees to be paid by the Group to Tencent Cloud represent the prevailing market price and on normal commercial terms that are no less favorable to the Group. Based on this agreement, the Group has enjoyed and will continue to enjoy a volume discount for the cloud services that are engaged in a calendar month on a progressive basis. The Group will only place an underlying order with Tencent Cloud when such order is in the best interests of the Company and Shareholders as a whole.

Annual Caps and the Basis of Determination

Historical Transaction Amounts

Historical transaction amount of the transactions conducted under the Cloud Services Agreement in relation to the cloud services for the two years ended 31 December 2024 and for the nine months ended 30 September 2025 is set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	9.42	15.55	14.41

Historical Annual Caps

The annual caps for the transactions conducted under the Cloud Services Agreement in relation to the cloud services for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	33.43	34.21	34.55

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Cloud Services Agreement in relation to the cloud services did not been and are not expected to exceed the annual cap for the year ending 31 December 2025.

Annual Caps

The annual caps for the transactions contemplated under the renewed Cloud Services Agreement in relation to the cloud services for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Annual caps	25.60	40.70	40.60

The above annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the anticipated procurement needs for cloud services given the assumed growth in the Group's business and operational capacity; and

(ii) the usage allocated to Tencent Cloud among the Group's cloud services suppliers.

Reasons for and Benefits of the Transaction

The Group has migrated part of the servers and computing infrastructure to the Group's suppliers of cloud services since 2015 and became one of the few game publishers in the PRC integrating cloud technology into game infrastructure. Through such cloud-based infrastructure, the Group is able to utilize the diversified resources of the Group's suppliers of cloud services, including using Tencent Cloud for games the Group published through the distribution channel partners which offers unparalleled data storage reliability and stability in China. Leveraging on cloud services, part of the Group's servers have become cloud-based, allowing a high degree of flexibility in managing the number of the Group's servers on an as needed basis, which has largely saved the Group's game infrastructure costs. In addition, the Group has substantial flexibility in game operating capacities by scaling up or down the number of the Group's servers effortlessly through cloud technology, as well as reliable data storage through establishing three sets of data backups, and enhanced batch processing capabilities in computing large amounts of user data at one time.

Tencent Cloud is a leading integrated service provider for a wide range of cloud services in the PRC and overseas and is able to provide reliable and cost-effective services. Taking into account the wide spectrum of cloud services required for the Group's operations, the Company believes that procuring such services from Tencent Cloud among the Group's other suppliers of cloud services will be able to diversify the Group's supplier base of cloud services.

(C) Perfect World Game Cooperation Framework Agreement

Renewal date: 3 November 2025

Parties: (i) the Company (for itself and on behalf of the Group)

(ii) Perfect World Games (for itself and on behalf of the Perfect World Group)

Term of the agreement: The renewed Perfect World Game Cooperation Framework Agreement is for a term of three years from 1 January 2026 to 31 December 2028.

1. Game Cooperation with Perfect World Group

Subject matter: Pursuant to the renewed Perfect World Game Cooperation Framework Agreement, the Perfect World Group shall license certain IP rights on a non-exclusive basis to the Group to adapt and develop such IP to mobile or PC version of games, grant publishing rights of such games to the Group on an exclusive basis, and cooperate in the operation of such games.

Fee arrangement and settlement: The fees payable by the Group for the cooperation in the development and operation of game(s) shall be calculated by the following basis:

- fixed licensing fees;
- revenue/profit sharing between the parties;
- prepaid royalty between the parties; and/or
- game performance bonus.

Pricing policy: The licensing fees and/or revenue sharing to be incurred by the Group to the Perfect World Group shall be determined upon arm's length negotiation between the parties with reference to (i) the quality and popularity of the original IP; (ii) the prevailing fee structure and pricing terms of comparable IPs in the market; and (iii) the potential revenue and profitability from the game.

Based on the historical licensing fees paid for original IPs from independent licensors and the fee quotes provided by at least two independent licensors of similar IPs, the Company will be able to ensure that the fees to be incurred to the Perfect World Group by the Group represent the prevailing market price and are entered into on normal commercial terms that are no less favorable to the Group.

Annual Caps and the Basis of Determination

Historical Transaction Amounts

Historical transaction amount of the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to game cooperation for the two years ended 31 December 2024 and for the nine months ended 30 September 2025 is set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	6.84	6.74	5.47

Historical Annual Caps

The annual caps for the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to game cooperation for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	7.50	7.20	7.00

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to game cooperation did not and are not expected to exceed the annual cap for the year ending 31 December 2025.

Annual Caps

The annual caps for the transactions contemplated under the renewed Perfect World Game Cooperation Framework Agreement in relation to game cooperation for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Annual caps	7.30	7.20	7.10

The above annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the anticipated gross billing of the cooperative games given their popularity in different stages; and

(ii) the trend of the anticipated gross billing of the cooperative games, which is in line with the normal game life cycles.

Reasons for and Benefits of the Transaction

The Perfect World Group owns certain exclusive IP rights which are suitable to be adapted into mobile or PC games and has a proven track record of producing top turn-based game with a loyal following of game players in the PRC. It is expected that the Group can leverage on each other's competitive advantages in game development.

2. Art Resources Cooperation with Perfect World Group

Subject matter:	Pursuant to the renewed Perfect World Game Cooperation Framework Agreement, the Group engages the Perfect World Group to collaborate on the creation of art resources during game development and publishing and operation, including but not limited to commissioned video production, creation of original artwork, models, game interfaces, promotional images, etc., and the Perfect World Group shall receive service fees for providing such services.
Fee arrangement and settlement:	The fees payable by the Group for the art resources cooperation with the Perfect World Group shall be calculated by the following basis: • hourly rate; and • quotation by items.
Pricing policy:	The service fees to be incurred by the Group for the art resources cooperation with the Perfect World Group shall be determined after arm's length negotiation between the parties with reference to (i) the complexity of the design requirements; and (ii) the prevailing fee structure and pricing terms for similar services in the market. Based on fee quotes provided by at least two independent third-party service providers, the Company will be able to ensure that the fees to be incurred by the Group for the art resources cooperation with the Perfect World Group represent the prevailing market price and are entered into on normal commercial terms that are no less favorable to the Group.

Annual Caps and the Basis of Determination

Historical Transaction Amounts

Historical transaction amount of the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to art resources cooperation with the Perfect World Group for the two years ended 31 December 2024 and for the nine months ended 30 September 2025 is set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Nine months ended 30 September 2025** *(RMB million)*
Historical transaction amount	–	–	0.14

Note: Taking into account factors such as business needs and quotation, no relevant transactions were carried out for art resources cooperation with the Perfect World Group under the Perfect World Game Cooperation Framework Agreement for the two years ended 31 December 2024.

Historical Annual Caps

The annual caps for the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to art resources cooperation with the Perfect World Group for the three years ending 31 December 2025 are set out below:

	Year ended 31 December 2023 *(RMB million)*	**Year ended 31 December 2024** *(RMB million)*	**Year ending 31 December 2025** *(RMB million)*
Historical annual caps	3.02	2.80	2.46

As at the date of this announcement and for the year ending 31 December 2025, the transaction amounts of the transactions conducted under the Perfect World Game Cooperation Framework Agreement in relation to art resources cooperation with the Perfect World Group did not and are not expected to exceed the annual cap for the year ending 31 December 2025.

Annual Caps

The annual caps for the transactions contemplated under the renewed Perfect World Game Cooperation Framework Agreement in relation to art resources cooperation with the Perfect World Group for the three years ending 31 December 2028 are set out below:

	Year ending 31 December 2026 *(RMB million)*	**Year ending 31 December 2027** *(RMB million)*	**Year ending 31 December 2028** *(RMB million)*
Annual caps	3.20	3.10	3.00

The above annual caps were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

(i) the scale of art resources cooperation between the Group and the Perfect World Group; and

(ii) the number of art resources that may have adaptation potentials.

Reasons for and Benefits of the Transaction

The Group outsources certain labor-intensive production and processing tasks, such as graphic, animation and motion design, to third-party studios during the game development process, and collaborates with third-party teams during the game promotion. The Perfect World Group has a specialized and stable team in design and graphic production, which can complement the Group's in-house graphic design team in managing mass production work for the Group's games, and/or can collaborate with the Group on art resources during the game promotion. The Company believes that the Group's engagement of the Perfect World Group for cooperation in the creation of art resources during game development and publishing and operation will enable the Group to enhance production efficiency in the game development process, and improve promotional effectiveness during the game promotion.

II. INTERNAL CONTROL MEASURES

The Company has adopted the following internal control measures to ensure that the terms of the transactions contemplated under the CCT Framework Agreements are fair and reasonable and in compliance with the annual caps of the transactions contemplated under the CCT Framework Agreements:

(i) The finance department of the Company, which is responsible for overseeing the connected transactions of the Group, will regularly monitor and collect detailed information on the connected transactions, including but not limited to the payment arrangements and the actual transaction amounts, to ensure that the continuing connected transactions are conducted in accordance with the CCT Framework Agreements. In addition, the finance department of the Company is responsible for monitoring and reviewing the balance of annual caps of the continuing connected transactions on a monthly basis. If the annual caps for the continuing connected transactions are expected to be exceeded in a particular year, the finance department of the Company will report to the management of the Company and take appropriate actions in accordance with the relevant requirements of the Listing Rules.

(ii) The senior management of the Company is responsible for overseeing and monitoring the internal control procedures adopted by the Group to ensure that the actual transaction amounts fall within the relevant annual caps. The senior management of the Company also monitors the utilization of the annual caps on an annual basis.

(iii) The external auditors of the Company will review the continuing connected transactions contemplated under the CCT Framework Agreements on an annual basis to check and confirm, among other things, whether the relevant annual caps have been exceeded.

(iv) The independent non-executive Directors and the risk management committee of the Company will review the continuing connected transactions under the CCT Framework Agreements on an annual basis to check and confirm whether the continuing connected transactions are conducted in the ordinary and usual course of business of the Group, on normal or better commercial terms and on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole in accordance with the CCT Framework Agreements.

In order to ensure that the consideration or product usage fees or service fees for transactions under the CCT Framework Agreements is based on prevailing market prices and entered into no less favourable terms than those generally available to the Group, each of the Company's business units, in accordance with the Company's internal requirements, shall select suppliers or partners, after fully considering the business needs and the pricing of at least two independent third-party service providers of similar products and/or services, obtain the approval of the business units in accordance with the Company's internal procedures, and then submit the selection to the procurement committee of the Company for final approval.

III. INFORMATION ON THE PARTIES

The Group

The Group is a pioneer in China's mobile game industry with more than 20 years of research and development experience, focusing on developing high-quality mobile MMORPGs, female-oriented, strategy card games, SLGs and other genres.

Tianjin Loong

Tianjin Loong is a joint stock company established under the laws of the PRC with limited liability, which is accounted for as a subsidiary of the Company by virtue of certain contractual arrangements. Tianjin Loong is principally engaged in mobile game operations.

The Tencent Group

The Tencent Group principally provides value-added services, online advertising and FinTech and business services to users.

Tencent Cloud

Tencent Cloud is a wholly-owned subsidiary of Tencent and principally provides cloud services in the PRC.

The Perfect World Group

The Perfect World Group is principally engaged in game development and publishing, and film production.

IV. LISTING RULES IMPLICATIONS

As at the date of this announcement, each of Tencent and Perfect World is a substantial shareholder of the Company holding approximately 17.19% and 16.55% of the total issued shares of the Company respectively through their wholly-owned subsidiaries. Tencent Cloud is a wholly-owned subsidiary of Tencent. Therefore, each of the Tencent Group, Tencent Cloud and the Perfect World Group is a connected person of the Company, and the renewed Tencent Game Cooperation Framework Agreement, the renewed Cloud Services Agreement and the renewed Perfect World Game Cooperation Framework Agreement, and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As each of the highest applicable percentage ratios in respect of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group exceeds 5%, each of such transactions contemplated thereunder is subject to reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As each of the highest applicable percentage ratios in respect of publishing of games on Tencent platforms under the Tencent Game Cooperation Framework Agreement and transactions contemplated under the Cloud Services Agreement and the Perfect World Game Cooperation Framework Agreement exceeds 0.1% but is less than 5%, each of such transactions contemplated thereunder is subject to reporting, announcement and annual review requirements but is exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Li Nachuan, a non-executive Director, is an employee of the Tencent Group and therefore has abstained from voting on the Board resolutions approving the renewed Tencent Game Cooperation Framework Agreement and the renewed Cloud Services Agreement and the transactions contemplated thereunder. Mr. Lu Xiaoyin, a non-executive Director, is an employee of the Perfect World Group and therefore has abstained from voting on the Board resolution approving the renewed Perfect World Game Cooperation Framework Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has or is considered to have material interests in the CCT Framework Agreements and the transactions contemplated thereunder.

The Directors (excluding the independent non-executive Directors with respect to the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group, who will form their opinion after reviewing the advice from the Independent Financial Adviser) are of the view that the terms of the CCT Framework Agreements were determined after arm's length negotiation and are fair and reasonable, and the transactions contemplated thereunder (including the proposed annual caps) are conducted in the ordinary and usual business of the Group, are on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

EGM

An EGM of the Company will be convened to seek the approval by the Independent Shareholders of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group, and the proposed annual caps for the transactions for the three years ending 31 December 2028. Tencent and its associates will abstain from voting in respect of the relevant resolutions at the EGM.

An Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in relation to the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps), and Somerley Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, details of the transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps), a letter from the Independent Board Committee and the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with a notice convening the EGM of the Company, will be despatched to the Shareholders in due course. As additional time is required for the preparation and finalisation of certain information to be included in the circular, the Company expects to despatch the circular on or before 30 November 2025.

V. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of directors of the Company
"CCT Framework Agreements"	the renewed Tencent Game Cooperation Framework Agreement, the renewed Cloud Services Agreement and the renewed Perfect World Game Cooperation Framework Agreement
"China" or "PRC"	the People's Republic of China
"Cloud Services Agreement"	a cloud services agreement entered into between Tianjin Loong and Tencent Cloud on 30 March 2016 (as supplemented by three supplemental agreements on 13 June 2016, 1 January 2020 and 4 November 2022, respectively) and renewed by the parties on 3 November 2025
"Company"	Archosaur Games Inc. 祖龙娱乐有限公司, an exempted company incorporated under the laws of the Cayman Islands with limited liability whose Shares are listed and traded on the Main Board of the Stock Exchange (stock code: 9990)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the resolutions in respect of the renewed Tencent Game Cooperation Framework Agreement and the continuing connected transactions contemplated thereunder in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps)

"Group"	the Company and its subsidiaries and companies whose financial results have been consolidated and accounted as the subsidiaries of the Company by virtue of certain contractual arrangements, or, where the context so requires, in respect of the period before the Company became the holding company of our current subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee comprising all independent non-executive Directors, namely Ms. Wang Jing, Mr. Zhu Lin and Mr. Ding Zhiping, which was established to advise the Independent Shareholders in relation to the renewed Tencent Game Cooperation Framework Agreement and the continuing connected transactions contemplated thereunder in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps)
"Independent Financial Adviser" or "Somerley Capital"	Somerley Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in relation to the continuing connected transactions contemplated under the renewed Tencent Game Cooperation Framework Agreement in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps)
"Independent Shareholders"	Shareholders other than Tencent and its associates
"IP"	intellectual property
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MMORPG"	a genre of games that combine role-playing games and massively multiplayer online games in which a large number of players interact with one another within a virtual world
"Perfect World"	Perfect World Co., Ltd.* (完美世界股份有限公司), a joint stock company established under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002624)

"Perfect World Game Cooperation Framework Agreement"	a game cooperation framework agreement entered into between the Company and Perfect World Games on 10 June 2020 and renewed by the parties on 4 November 2022 and 3 November 2025
"Perfect World Games"	Perfect World Games Co., Ltd.* (完美世界遊戲有限責任公司), a company established under the laws of the PRC with limited liability
"Perfect World Group"	Perfect World and/or its respective affiliate(s) and/or subsidiaries
"percentage ratios"	has the meaning ascribed to it under the Listing Rules
"RMB"	Renminbi, legal currency of the PRC
"Share(s)"	ordinary share(s) with par value of US$0.00001 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of share(s) of the Company
"SLG"	simulation games, a genre of games that attempt to emulate various activities from real life in the game format
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"Tencent"	Tencent Holdings Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 700)
"Tencent Cloud"	Tencent Cloud Computing (Beijing) Company Limited* (騰訊雲計算(北京)有限責任公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Tencent
"Tencent Computer"	Shenzhen Tencent Computer Systems Company Limited* (深圳市騰訊計算機系統有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Tencent
"Tencent Game Cooperation Framework Agreement"	a game cooperation framework agreement entered into between the Company and Tencent Computer on 22 June 2020 and renewed by the parties on 4 November 2022 and 3 November 2025, the transactions contemplated thereunder in relation to (i) IP Rights Licensing; and (ii) exclusive publishing and operation of the Group's games by the Tencent Group (including the proposed annual caps) are still subject to the approval by the Independent Shareholders at the EGM

"Tencent Group"	Tencent and/or its subsidiaries from time to time
"Tianjin Loong"	Tianjin Loong Technology Co., Ltd.* (祖龍(天津)科技股份有限公司), a joint stock company established under the laws of the PRC with limited liability on 15 April 2015, and by virtue of some contractual arrangements, accounted for as a subsidiary of the Company
"%"	per cent

* *For identification purpose only*

By order of the Board
Archosaur Games Inc.
Mr. Li Qing
Chairman and Executive Director

Beijing, China, 3 November 2025

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Li Qing as Chairman and an Executive Director, Mr. Bai Wei as an Executive Director, Mr. Li Nachuan and Mr. Lu Xiaoyin as Non-executive Directors, and Ms. Wang Jing, Mr. Zhu Lin and Mr. Ding Zhiping as Independent Non-executive Directors.