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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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2025

Reference is made to the annual report of Archosaur Games Inc. (the "**Company**") for the year ended 31 December 2025 published on 22 April 2026 (the "**2025 Annual Report**"). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the 2025 Annual Report.

In addition to the information disclosed in the 2025 Annual Report, the Company provides supplementary information on the significant investments held by the Group as at 31 December 2025. This good-practice initiative is intended to further enhance transparency and accountability and provide investors with additional disclosure on the Company's significant investments, having regard to the recommended disclosure guidance set out in section 2.4 of the Stock Exchange's "Guide on Preparation of Annual Report". The Company wishes to inform investors that these investments form part of the Group's treasury management activities aimed at optimising the Group's overall funding and capital efficiency. These investments recorded an overall positive financial performance for the year ended 31 December 2025. The Group remains focused on, and continues to actively conduct, its principal business. Save as disclosed in this announcement, all other information contained in the 2025 Annual Report remains unchanged.

I. DETAILS OF SIGNIFICANT INVESTMENT PORTFOLIO

As at 31 December 2025, the Group held (i) financial assets at fair value through profit or loss ("**FVTPL**") of approximately RMB874.3 million, which were presented under notes 3.3 and 21 to the consolidated financial statements in the 2025 Annual Report; and (ii) other financial assets at amortised cost of approximately RMB143.2 million, which were presented under note 22 to the consolidated financial statements in the 2025 Annual Report. Such investments represented in aggregate approximately 38.2% of the Group's total assets as at 31 December 2025.

Financial assets at FVTPL

As at 31 December 2025, the Group's financial assets at FVTPL amounted to approximately RMB874.3 million, mainly including structured investments, private equity and venture capital ("**PE/VC**") fund investments, other fund investments, wealth management product investments, preferred share investments and other ordinary share investments. For the year ended 31 December 2025, the Group recorded gains on financial assets at FVTPL of approximately RMB35.5 million, which mainly comprised realised gains from maturities of financial products and distributions from fund investments, as well as unrealised fair value gains on outstanding investments.

Details of structured investments

As at 31 December 2025, the Group's structured investments presented as financial assets at FVTPL amounted to approximately RMB313.6 million, and such structured investments represented structured products purchased by the Group which were issued by several international financial institutions. For further details, please refer to the paragraphs headed "Subscription of Wealth Management Products through UBS AG, Singapore Branch" and "Subscription of Wealth Management Products through Standard Chartered Hong Kong" under the section "SIGNIFICANT INVESTMENTS HELD/FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS" in the 2025 Annual Report, which set out the Group's structured investments through UBS Singapore and Standard Chartered Hong Kong, respectively, each representing 5% or more of the Group's total assets as at 31 December 2025, as well as notes 3.3 and 21 to the consolidated financial statements in the 2025 Annual Report.

Details of PE/VC fund investments

As at 31 December 2025, the Group's PE/VC fund investments presented as financial assets at FVTPL amounted to approximately RMB140.7 million, and the PE/VC fund investments primarily targeted high-growth unlisted enterprises operating in AI, advanced manufacturing, new energy, next-generation information technology and other technology-related sectors. Details of such investments at 31 December 2025 are set out below:

Fund name	**Underlying assets**	**Fund strategies**	**Fund manager**	**Fund gain/(loss) incurred for the year ended 31 December 2025** *(RMB'000)*	**Fair value as at 31 December 2025** *(RMB'000)*
Pagoda Innovation Partners L.P.	Equity interest in a company operating within the 3D perception and physical AI infrastructure sector	Project-specific investments in a company operating within the 3D perception and physical AI infrastructure sector	Pagoda Innovation Pte. Ltd. ("**Pagoda Innovation**") (1)	2,965	8,825
Beijing Dinghe Chelian Technology Center (Limited Partnership) (北京鼎和車聯科技中心(有限合夥))	Equity interest in a company operating within smart cockpit, automotive computing and intelligent driving sector	Project-specific investment in a company operating within smart cockpit, automotive computing and intelligent driving sector	Beijing Dinghe Gaoda Investment Management Co., Ltd. (北京鼎和高達投資管理有限公司) ("**Dinghe Gaoda Investment**") (2)	(2,023)	7,945
Jiaxing Dinghe Xinyu Investment Partnership Enterprise (Limited Partnership) (嘉興鼎和欣宇投資合夥企業(有限合夥))	Equity interest in a company operating within high-precision positioning and spatial intelligence sector	Project-specific investment in a company operating within high-precision positioning and spatial intelligence sector	Dinghe Gaoda Investment	0	17,136

Fund name	Underlying assets	Fund strategies	Fund manager	Fund gain/(loss) incurred for the year ended 31 December 2025 *(RMB'000)*	Fair value as at 31 December 2025 *(RMB'000)*
Jiaxing Gaoda Zulong Equity Investment Partnership (Limited Partnership) (嘉興高達祖龍股權投資合夥企業(有限合夥))	Equity interest in a company operating within commercial aerospace sector	Project-specific investment in a company operating within commercial aerospace sector	Dinghe Gaoda Investment	2,583	12,733
Jiaxing Dinghe Shenqian Investment Partnership (Limited Partnership) (嘉興鼎和深潛投資合夥企業(有限合夥))	Equity interest in a company operating within underwater intelligent equipment and robotics sector	Project-specific investment in a company operating within underwater intelligent equipment and robotics sector	Dinghe Gaoda Investment	(26)	4,099
Xiamen Dinghui Jingchun Equity Investment Partnership (Limited Partnership) (廈門鼎暉景淳股權投資合夥企業(有限合夥))	Equity interests in a diversified portfolio of companies operating across sectors including but not limited to healthcare, advanced manufacturing, new energy, technology and consumption	Primarily focus on diversified M&A projects, alongside minority investments in large growth-stage enterprises, focusing on global industrial chain integration, overseas technology M&A and industry leaders	Dinghui Equity Investment Management (Tianjin) Co., Ltd. (鼎暉股權投資管理(天津)有限公司) ("**CDH Investments**") [(3)]	3,744	40,946
Tianjin Dinghui Hongli Equity Investment Partnership Enterprise (Limited Partnership) (天津鼎暉洪立股權投資合夥企業(有限合夥))	Equity interest in a company operating within new energy, power battery and energy storage sector	Project-specific investment in a company operating within new energy, power battery and energy storage sector	CDH Investments	(5)	39,962
Tianjin Dinghui Yuanju Equity Investment Partnership Enterprise (Limited Partnership) (天津鼎暉源聚股權投資合夥企業(有限合夥))	Equity interest in one portfolio company operating within high-end equipment and intelligent manufacturing sector	Focuses on domestic and overseas quality targets, mainly through industrial integration and M&A, covering high-end equipment manufacturing, new materials, AI and smart home appliances, new energy and new energy vehicles, life sciences, next-generation information technology, etc.	CDH Investments	(937)	9,063
			Total:	**6,301**	**140,709**

Notes:

(1) Pagoda Innovation was incorporated in 2018 and holds a Capital Markets Services Licence issued by the Monetary Authority of Singapore, and is authorised to conduct venture capital fund management. As at the date of this announcement, it manages approximately SGD 90 million of assets, and its core team has over 20 years of investment and finance experience.

(2) Dinghe Gaoda Investment was established in 2018 and is a professional institution registered with the Asset Management Association of China ("**AMAC**"). As at the date of this announcement, it manages approximately RMB1 billion of assets, and its core team has over 20 years of investment and finance experience.

(3) CDH Investments was established in 2008 and is a professional institution registered with the AMAC. As at the date of this announcement, it manages over RMB10 billion of assets, and its core team has over 20 years of investment and finance experience.

Details of other fund investments

As at 31 December 2025, the Group's other fund investments presented as financial assets at FVTPL amounted to approximately RMB205.5 million, and the other fund investments represented investments in various securities funds, which were offered by several PRC and international financial institutions. Details of such investments at 31 December 2025 are set out below:

Fund category	Underlying assets	Fund strategies	Fund manager	Fund gain incurred for the year ended 31 December 2025 *(RMB'000)*	Fair value as at 31 December 2025 *(RMB'000)*
CICC Multi-Strategy Fixed Income Fund SP	China onshore government bonds, policy bank bonds, tier-2 capital bonds, NCDs, corporate credit bonds, etc.	Multi-strategy fixed income covering macro trends, event-driven, capital structure and new bond investment strategies, investing in quality Chinese USD bonds alongside a global fixed income portfolio	CICC Hong Kong Asset Management Limited, a professional institution to carry out Types 1, 4 and 9 regulated activities under the SFO	9,336	114,236
HSBC Asian Bond Fund	Pan-Asian government bonds, financial institution bonds, primarily investment grade corporate credit bonds, etc.	Primarily invests in Asian fixed income securities with a focus on prudent capital preservation and reasonable high yield	HSBC Investment Funds (Hong Kong) Limited, a professional institution to carry out Types 1, 4, 5 and 9 regulated activities under the SFO	2,427	34,028
HSBC Asia High Income Bond Fund	Asian high-yield corporate bonds, sovereign bonds, financial institution bonds, Chinese financial bonds, etc.	Invests in fixed income securities offering high yield and medium to long-term capital appreciation, actively allocating between investment grade and non-investment grade bonds	HSBC Investment Funds (Hong Kong) Limited, a professional institution to carry out Types 1, 4, 5 and 9 regulated activities under the SFO	2,456	32,272

Fund category	Underlying assets	Fund strategies	Fund manager	Fund gain incurred for the year ended 31 December 2025 *(RMB'000)*	Fair value as at 31 December 2025 *(RMB'000)*
Taikang Kaitai HKD Money Market Fund	Short-term money market instruments	Invests in short-term money market instruments to generate stable returns aligned with HKD money market rates	Taikang Asset Management (Hong Kong) Company Limited, a professional institution to carry out Types 1, 4 and 9 regulated activities under the SFO	417	18,727
Ruyi No. 29 Private Securities Investment Fund (儒憶 29 號私募證券投資基金)	Listed equities, bonds and other securities in Mainland China and Hong Kong (including through Hong Kong Stock Connect), with diversified holdings across pharmaceuticals, power equipment, home appliances, internet technology, non-ferrous metals, automobiles, etc.	Primarily invests in a diversified equity portfolio for capital appreciation, with flexible allocation to bonds and treasury futures for risk management	Beijing Ru Yi Asset Management Co., Ltd. (北京儒憶資產管理有限公司) ("**Ru Yi Asset Management**")[(1)]	1,248	6,248
			Total:	**15,884**	**205,511**

Note:

(1) Ru Yi Asset Management was established in 2015 and is a professional institution registered with the AMAC. As at the date of this announcement, it manages approximately RMB500 million of assets, and its core team possesses 17 years of experience in the securities industry and 9 years of experience in private fund investment management.

Details of other investments

As at 31 December 2025, the Group's other investments presented as financial assets at FVTPL mainly comprised investments in wealth management products issued by certain major commercial banks in the PRC of approximately RMB174.1 million, preferred share investments of approximately RMB31.0 million and other ordinary share investments of approximately RMB9.4 million. For further details, please refer to notes 3.3 and 21 to the consolidated financial statements in the 2025 Annual Report.

Other financial assets at amortised cost

As at 31 December 2025, the Group's investments measured at amortised cost, which were presented under "other financial assets at amortised cost" in the consolidated financial statements in the 2025 Annual Report, amounted to approximately RMB143.2 million and mainly comprised US Treasury Notes and fixed-rate notes. For further details, please refer to the paragraphs headed "Subscription of Wealth Management Products through Morgan Stanley Bank Asia Limited" under "SIGNIFICANT INVESTMENTS HELD/FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS" in the 2025 Annual Report, which set out the Group's significant investments in wealth management products through Morgan Stanley Asia, representing 5% or more of the Group's total assets as at 31 December 2025, as well as note 22 to the consolidated financial statements in the 2025 Annual Report.

Save as disclosed in the paragraphs headed "SIGNIFICANT INVESTMENTS HELD/ FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS" in the 2025 Annual Report, as at 31 December 2025, there were no significant investments held by the Group or future plans for material investments or capital assets, and none of each individual investment held by the Group constituted 5% or above of the total assets of the Group as at 31 December 2025.

II. INVESTMENT POLICY AND OBJECTIVES

The Group's investment purposes are multi-faceted: (i) financial investments are intended to optimise the Group's asset allocation and generate reasonable financial returns. Amongst them, financial product investments aim to enhance the utilisation efficiency of the Group's funds and, subject to capital safety and sufficient liquidity, seek to strike a balance between risks and returns; PE/VC fund investments aim to capture growth opportunities in emerging industries and achieve long-term capital appreciation of the investment portfolio; (ii) strategic investments, namely minority equity investments in experienced and promising unlisted game development enterprises that are synergistic with the Group's core business, pursue both business synergy and financial returns. Overall, guided by a prudent investment philosophy that balances risks and returns, the Group conducts investment activities to preserve and enhance asset value whilst maintaining sufficient liquidity to meet daily operational and capital requirements. It seeks to generate sustainable and reasonable returns within manageable risks and underpin the Group's overall business development. When evaluating each investment, the Group takes a holistic set of factors into account, including available financial resources, expected returns and risk levels, impacts on the Group's liquidity, strategic-synergy value and market conditions, to determine whether the relevant investment is in the overall interests of the Group.

The Group's permissible investment scope is principally divided into two main categories by investment purpose, namely financial investments for treasury management purposes and strategic investments for the Group's business synergy purposes.

Permissible financial investments comprise principally the following:

(i) cash management instruments;

(ii) wealth management products issued by banks and bank wealth management subsidiaries with a risk rating no higher than R2 (medium-to-low risk);

(iii) debt securities and bond funds, including investment-grade debt securities and bond funds whose predominant underlying assets are investment-grade securities. While investment-grade debt securities constitute the predominant underlying assets, certain funds may allocate a modest portion of their portfolio to non-investment-grade debt securities within contractually permitted limits to enhance returns. To ensure that these investments are consistent with the Group's medium-to-low risk appetite, the Group carries out comprehensive due diligence covering the fund's investment strategy, scope of underlying assets, the manager's credit risk control framework, weighted average credit rating, underlying liquidity, redemption terms, look-through monitoring capabilities and historical drawdown performance. The Group applies strict internal risk monitoring and credit rating thresholds to these investments. Specifically, the overall average credit rating of the invested bond funds must be maintained at or above the BBB-/BB+ boundary (with an absolute floor of BB+). If the rating falls below BB+, the Group will immediately restrict further subscriptions and compulsorily commence an assessment for divestment or full redemption.

(iv) structured investment products with principal protection as primary principle: Their underlying reference assets are mainly public market benchmarks such as interest rates (including treasury bond yields), foreign exchange rates and gold. Where reference is made to other asset classes including equities and equity indices, a look-through review must be conducted to verify that the structures contain no leverage amplification mechanisms and do not expose the Group to single-counterparty credit risk; and the derivative component shall be used solely for yield enhancement rather than directional speculation;

(v) hedging-oriented derivative transactions: Such transactions are restricted to hedging interest-rate and foreign-exchange fluctuation risks arising from the Group's day-to-day business operations and revenue-generating activities, including but not limited to foreign currency-denominated revenue, purchases, operating expenses, borrowings and other ordinary course transactions;

(vi) private securities investment funds: As a fund unit holder, the Group utilises professional fund managers' investment expertise to secure relatively stable secondary market returns while maintaining sufficient liquidity. In screening these funds, the Group does not restrict investments to any particular industry and assesses the following factors: (a) the fund manager's regulatory status and compliance track record, including registration with the AMAC and no material regulatory penalties or disciplinary actions; (b) assets under management and institutional stability, preferring mid-sized managers capable of flexible operations to meet the Group's liquidity and exit requirements; (c) historical performance and risk control capabilities, with focus placed not merely on returns but on performance stability and drawdown control over a full market cycle; (d) alignment of the fund's investment strategy, portfolio structure and market positioning with the Group's liquidity management objectives and risk appetite; and (e) flexibility of holding periods and exit arrangements, favouring funds with periodic redemption terms matching the Group's liquidity needs.

Unless approved by the Board on justifiable grounds, the Group strictly prohibits investments in high-risk and highly speculative private securities investment funds, including but not limited to funds that are: (a) unregistered with the relevant regulatory authorities or that invest primarily in purely speculative instruments with no intrinsic value; (b) subject to excessive leverage or complex derivatives whose structure, risks or valuation cannot be reasonably assessed by management; (c) pursuing highly speculative equity strategies (such as concentrated investments in illiquid micro-cap or ST stocks); or (d) investing in industries classified as "eliminated" under national industrial policies or industries subject to material ESG controversies.

(vii) PE/VC fund investments where the Group acts as a limited partner: The Group makes capital contributions as a limited partner to PE/VC funds managed by professionally qualified and experienced fund managers. In selecting these funds, the Group does not restrict investments to any specific industry and prioritises the fund's investment strategy, underlying asset quality, the manager's professional competence and the feasibility of exit arrangements. The Group evaluates the following criteria: (a) whether the fund's investment strategy is clear, implementable and consistent with the Group's financial return objectives; (b) whether underlying assets demonstrate verifiable growth potential, including without limitation technological maturity, commercialisation progress, competitive landscape and scalability; (c) whether the manager holds professional qualifications and relevant extensive experience; and (d) whether the fund term and exit arrangements align with the Group's capital allocation plans. The Group conducts a holistic assessment of fund managers' qualifications and experience by considering: (a) assets under management and historical performance, including internal rate of return, return multiples and distributions to paid-in capital for existing and exited projects; (b) the core team's years of industry and project experience in leading or participating in representative investments; (c) compliance and regulatory track record; and (d) alignment between the manager's proposed investment strategy, target industries, investment stages and fund term and the Group's financial return objectives and capital allocation arrangements as a limited partner.

Unless approved by the Board on justifiable grounds, the Group strictly prohibits investments in PE/VC funds falling into the following categories: (a) engaging in non-equity activities, such as providing entrusted loans, mezzanine debt with fixed returns, or operating as a capital pool; (b) investing primarily in pure real estate development projects or highly speculative real estate assets; (c) holding complex, multi-layered underlying assets whose structure, risks or valuation methodologies cannot be reasonably understood or adequately assessed by management; or (d) investing in industries classified as "eliminated" under national industrial policies or sectors subject to material ESG controversies.

Permissible strategic investments comprise principally the following:

(i) PE/VC fund investments where the Group acts as a general partner: The Group sponsors and establishes PE/VC funds in its capacity as a general partner, investing through such fund platforms in sectors synergistic with the Group's core business or emerging industries linked to its core business that feature cutting-edge technological iteration or business model innovation. Target investment areas include gaming-related frontier technologies, hard technology and intelligent manufacturing, and high-quality

entertainment content and IP with robust growth potential. The investment screening criteria for evaluating such growth potential are as follows: for gaming-related frontier technologies, hard technology and intelligent manufacturing, whether the technology has progressed beyond proof-of-concept to industrial application with a predictable revenue model, whether the competitive landscape supports a defensible market position, and whether the business model is scalable; for entertainment content and IP, whether the content or IP has cross-media development potential, sustainable user engagement and community stickiness, diversified licensing and monetisation channels, and repeatable content production capability.

(ii) strategic equity investments: These are equity investments in unlisted enterprises with synergies to the Group's core business. Investment targets include without limitation, enterprises operating in core business-related areas such as game development and AI applications.

The Board is of the view that the Group's investment portfolio held as at 31 December 2025 was consistent with the investment principles set out above, and the investment strategy aligns with the Group's corporate strategy and principal business activities. In particular, financial investments, comprising financial product investments and PE/VC fund investments, serve as part of the Group's treasury management and capital appreciation arrangements aimed at optimising the utilisation of internal funds, boosting investment returns and maintaining adequate liquidity for core-business operations. By contrast, strategic investments, which refer to minority equity investments in synergistic upstream and downstream enterprises in AI and game related sectors, pursue both reasonable financial returns and potential business synergies with the Group's game development and publishing and operation businesses. None of the aforesaid investments has diverted the Group's focus from its principal business activities.

III. RISK MANAGEMENT AND CONTROL MEASURES

Differentiated risk control frameworks are adopted for various investment categories based on functional responsibilities. The Group maintains a holistic risk management framework for investment activities covering risk identification, assessment, monitoring, reporting, escalation and disposal. Prior to any investment, relevant departments identify and assess risks including, without limitation, credit/counterparty risk, market risk, interest rate risk, foreign exchange risk, liquidity risk, concentration risk, valuation risk, operational risk and compliance risk. Such assessment considers the investment nature, underlying assets, credit ratings, maturity, liquidity, valuation frequency and counterparty strength. All proposed investments are subject to the Group's authorisation and risk limit framework. Relevant departments continuously monitor the risk profile of individual investments and the overall portfolio, and report material risk developments to the chief financial officer and management. Periodic risk reviews are performed to verify whether risk exposure remains within the Group's risk appetite and whether remedial or disposal actions are required.

The following arrangements apply to the risk management framework covering all investment categories:

(i) **Counterparty and limit management:** In assessing counterparty risk, the Group considers the counterparty's credit rating, where available, scale, reputation, regulatory status and financial strength. For counterparties to PE/VC fund investments and strategic investments, which typically have no external credit ratings, the Group evaluates the fund manager's or investee's compliance track record, financial strength and operational capability, as further set out below. The Group sets default upper limits on risk exposure to each single counterparty and dynamically monitors counterparties' credit standing, triggering risk reassessment upon any credit rating downgrade.

(ii) **Liquidity management:** The Group's liquidity risk management framework centres on rolling dynamic cash-flow forecasting, tiered liquidity classification and standby financing arrangements. The Group maintains a buffer of readily available funds to mitigate short-term cash-flow fluctuations. As internal monitoring reference benchmarks, the Group aims to maintain approximately 10% of its available financial resources as readily available funds and around 30% of its portfolio in assets that mature, are redeemable or realisable within three months. The Group prepares a rolling 12-month cash-flow forecast and assesses liquidity adequacy by reference to available cash, undrawn committed financing facilities and forecast operating cash flows.

(iii) **Early warning and disposal:** Where the fair value of a single investment falls by a specified percentage below cost, the investment will be placed on a watchlist and kept under continuous monitoring by the finance department and the investment and M&A department. Specifically, where the fair value of a single investment falls by 5% below cost, the investment will be placed on a watchlist; where the decline reaches 10%, the matter will be reported to the chief financial officer. If the chief financial officer judges that further downside risks exist, the matter will be escalated to management. If the risks are deemed controllable, the assessment shall be documented in writing and monitoring will continue. Where the decline reaches 15% or more, the matter will be reported to management, and management shall decide whether to reduce the holding, redeem, hedge or adopt other disposal measures, with the decision and supporting reasons documented.

The arrangements below relate to risk management for respective investment categories:

(i) **Financial product investments.** The finance department leads risk management for financial product investments. For valuation and mark-to-market purposes, bank wealth management products, money market funds, US treasury bonds and SFC-authorised bond funds are monitored using their daily net asset values or market prices. Private funds and structured investment products are monitored monthly in line with the fund manager's valuation frequency; valuations are cross-checked against third-party data to ensure carrying values fairly reflect prevailing market conditions. Any valuation deviation exceeding the prescribed threshold triggers a review. The finance department also monitors updates to domestic and overseas investment-related regulatory rules, tracks foreign exchange exposure arising from foreign-currency-denominated assets, and implements mitigation measures for foreign exchange volatility where appropriate.

(ii) **PE/VC fund investments.** The investment and M&A department leads risk management for PE/VC fund investments under the following specific arrangements:

(a) **Pre-investment stage:** The Company applies comprehensive screening criteria for fund managers, covering assets under management and historical performance (including internal rate of return, return multiples and distributions to paid-in capital for existing and exited projects), the core team's industry and project experience in leading or participating in representative investments, compliance and regulatory track record, and alignment between the manager's proposed investment strategy, target industries, investment stages, fund term and the Group's investment objectives. At fund level, for blind pool funds, the Company reviews key terms in the limited partner agreement such as investment scope and strategy, management fees, carried interest and key person clauses. For project-specific funds, it conducts full commercial, financial and legal due diligence on underlying assets.

(b) **Investment stage:** Investment decisions are subject to approval thresholds based on investment size. Proposals are normally reviewed by the investment and M&A department and legal department before submission to the chief financial officer and chief executive officer, and referred to the Board if the Listing Rules disclosure threshold is exceeded.

(c) **Post-investment stage:** The Company receives quarterly fund reports, annual audit reports and semi-annual underlying asset valuation information from fund managers, and verifies exit distributions against the distribution provisions in limited partner agreements. Regular follow-up and review procedures are maintained. While fund managers perform valuations for underlying assets, the investment and M&A department reviews the valuation methodologies adopted for each underlying investment semi-annually, assesses their reasonableness against industry practice and comparable market data, and seeks clarifications from fund managers for any material deviation or inconsistency identified.

(iii) **Strategic investments.** The investment and M&A department leads risk management for strategic investments under the following specific arrangements:

(a) **Pre-investment stage:** Strategic investments are limited to targets demonstrating clear synergies with the Group's core business. The strategic cooperation, investment and M&A, finance and legal departments jointly conduct commercial, financial and legal due diligence, select appropriate valuation methodologies, and engage independent valuation specialists where necessary.

(b) **Investment stage:** Key terms including liquidation preference, redemption rights, board representation and valuation adjustment mechanisms are agreed in the investment agreement, which may only be signed after passing the relevant approval levels. Prior to completion, relevant departments confirm satisfaction of all closing conditions, post-completion, equity ownership is duly registered.

(c) **Post-investment stage:** Investees provide quarterly financial statements, operational updates and annual audited financial reports for review by the investment and M&A department. Material adverse developments such as sustained revenue declines, core team material changes, major R&D delays or cash flow disruptions are promptly reported to the chief financial officer. Valuations for strategic investments are prepared jointly by the investment and M&A department and finance department and reviewed semi-annually. For investments with active market quotations, market prices form the fair value measurement basis. The finance department reviews key valuation assumptions and inputs. For material strategic investments or where there is a material valuation change, an independent valuation specialist is engaged at year-end to issue a valuation report. When exit conditions are met, the investment and M&A department proposes an exit plan, the finance department carries out tax planning, the legal department reviews transaction documents, and approval is obtained from management or the Board under the applicable authorisation matrix.

IV. APPROVAL AND OVERSIGHT MECHANISM

The Company has implemented a tiered approval and oversight mechanism for financial and strategic investments, ensuring all investments undergo proper evaluation and authorisation before execution, together with ongoing monitoring throughout the investment lifecycle.

The Board oversees the Group's investment policies and activities, including review of investment matters requiring Board approval under applicable authority limits and internal procedures. Prior to any investment, a size test is performed to identify applicable approval and disclosure obligations under the Listing Rules. Investment proposals are assessed for approval by reference to transaction nature, investment amount, risk profile, funding source, Listing Rules requirements and the Company's internal authorisation framework.

Approval workflows are set out below:

(i) **Initiation and pre-approval assessment:** Financial product investments are initiated by the finance department, while PE/VC fund investments and strategic equity investments are initiated by the investment and M&A department. The initiating department conducts preliminary due diligence, investment analysis and risk assessment tailored to the investment type. Such assessment considers the investment's nature, purpose, key terms, expected returns and material risks, prevailing market conditions and the Group's financial and liquidity position, and verifies compliance with the Group's internal risk management framework and applicable regulatory requirements. All PE/VC fund investments and strategic equity investments are subject to an independent financial review and risk assessment by the finance department. Where investment contracts are involved, the legal department undertakes legal and compliance review. Completion of these pre-approval assessments and reviews is a prerequisite for escalating an investment proposal for decision-making under the established authorisation matrix. Initiating departments are solely responsible for proposal preparation and assessment and hold no final approval authority.

(ii) **Authorisation thresholds:** Under the Group's internal authorisation framework, investments that do not trigger disclosure, shareholder approval or other obligations under the Listing Rules require prior joint approval from the chief financial officer and chief executive officer before implementation. Investments triggering reporting, announcement or shareholder approval requirements under the Listing Rules are submitted to the Board or general meeting for approval in compliance with the Listing Rules and the Company's articles of association. Where a proposed investment constitutes a connected transaction, major transaction or falls within other special circumstances, the relevant specific procedures under applicable laws, regulatory requirements and the Listing Rules shall apply.

Additionally, the Board reviews the overall performance and risk profile of the investment portfolio at its regular meetings and makes timely adjustments to investment policies to maintain robust and well-controlled investment activities across the Group.

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

Beijing, China, 18 November 2026

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.