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Lajin Entertainment Network Group Limited
拉近網娛集團有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8172)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO
(1) MERCHANDISE SALES FRAMEWORK AGREEMENT;
(2) CONTENT PRODUCTION FRAMEWORK AGREEMENT; AND
(3) MERCHANDISE PURCHASE FRAMEWORK AGREEMENT

CONTINUING CONNECTED TRANSACTIONS

Merchandise Sales Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Sales Transaction with GOME Appliance pursuant to the Merchandise Sales Framework Agreement. Pursuant to the Merchandise Sales Framework Agreement, the Group will supply various merchandises to the GOME Retail Group.

Content Production Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Content Production Transaction with GOME Appliance pursuant to the Content Production Framework Agreement. Pursuant to the Content Production Framework Agreement, the Group will provide content production services associated with e-commerce to the GOME Retail Group.

Merchandise Purchase Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Purchase Transaction with The Space VIP (Beijing) pursuant to the Merchandise Purchase Framework Agreement. Pursuant to the Merchandise Purchase Framework Agreement, the Group will procure various merchandises from The Space VIP (Beijing) Group for sale or resale to other third parties.

GEM LISTING RULES IMPLICATIONS

Sales Transaction

Mr. Wong Kwong Yu, being a controlling shareholder of the Company, is a connected person of the Company. Since Mr. Wong Kwong Yu controls more than 30% of the voting power at general meetings of GOME Retail, which in turn wholly owns GOME Appliance, GOME Appliance is an associate of Mr. Wong Kwong Yu and is thus a connected person of the Company. Accordingly, the Sales Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Sales Annual Caps exceeds 25%, the Sales Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Content Production Transaction

Mr. Wong Kwong Yu, being a controlling shareholder of the Company, is a connected person of the Company. Since Mr. Wong Kwong Yu controls more than 30% of the voting power at general meetings of GOME Retail, which in turn wholly owns GOME Appliance, GOME Appliance is an associate of Mr. Wong Kwong Yu and is thus a connected person of the Company. Accordingly, the Content Production Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Content Production Annual Caps exceeds 25%, the Content Production Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Purchase Transaction

As The Space VIP (Beijing) holds 39% of the shareholding interests in Lajin Xingtū, The Space VIP (Beijing) is a substantial shareholder of Lajin Xingtū and is thus a connected person of the Company at the subsidiary level. Accordingly, the Purchase Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Purchase Annual Caps exceeds 5% and the Proposed Purchase Annual Caps are more than HK\$10 million, the Purchase Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

GENERAL

The Company will seek approval from the Independent Shareholders at the SGM in respect of the Agreements and the Transactions.

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Agreements and the Transactions. Ever-Long Securities Company Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the same.

A circular containing, among other matters, (i) further information on the Transactions; (ii) a letter from the Independent Financial Adviser; (iii) a letter from the Independent Board Committee; and (iv) a notice convening the SGM and a form of proxy will be despatched to the Shareholders as soon as possible in accordance with the GEM Listing Rules. It is expected that the circular will be despatched on or before 31 March 2021.

CONTINUING CONNECTED TRANSACTIONS

Merchandise Sales Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Sales Transaction with GOME Appliance pursuant to the Merchandise Sales Framework Agreement.

The principal terms of the Merchandise Sales Framework Agreement are set out as follows:

Date

10 March 2021

Parties

The Company (as supplier) and GOME Appliance (as purchaser)

Term

From the date of the Merchandise Sales Framework Agreement to 31 December 2023

Subject matter

The Group will supply various merchandises to the GOME Retail Group. The general types of merchandises to be supplied by the Group may include (but are not limited to) cosmetics and personal care products, clothing and accessories, shoes, headwear, luggage cases, bags, jewellery, clocks and watches, household products, food, alcohol and beverages, medicine and healthcare products, sporting goods and outdoor products. The specific brand(s), type(s), place(s) of manufacture, price(s), quantity(ies) and other specifications of the merchandises to be supplied by the Group will be subject to further written confirmation(s) between the Group and the GOME Retail Group on normal commercial terms from time to time as needed. The annual transaction amounts shall not exceed the Proposed Sales Annual Caps and if exceeded, the Company will comply with the relevant GEM Listing Rules accordingly.

Pricing basis

The prices of the merchandises to be supplied by the Group to the GOME Retail Group shall be subject to further written confirmation(s) between the Group and the GOME Retail Group on normal commercial terms from time to time, with reference to actual purchase cost and the prevailing market retail prices and terms of comparable merchandises sold through both online and offline channels. These terms shall be made on a fair and reasonable basis and in accordance with normal commercial terms, which are comparable to those of GOME Retail Group's transactions with other independent third parties.

Proposed Sales Annual Caps

The Proposed Sales Annual Caps in respect of amounts receivable by the Group from the GOME Retail Group under the Merchandise Sales Framework Agreement for the three years ending 31 December 2021 to 2023 are as follows:

| | For the year ending 31 December | | |
|---------------------------|--|------------------|------------------|
| | 2021 | 2022 | 2023 |
| | <i>(RMB'000)</i> | <i>(RMB'000)</i> | <i>(RMB'000)</i> |
| Proposed Sales Annual Cap | 50,000 | 57,500 | 66,000 |

The Group and the GOME Retail Group have small amounts of previous transactions which fall below the de minimis threshold under Chapter 20 of the GEM Listing Rules prior to the entering into of the Merchandise Sales Framework Agreement. The Proposed Sales Annual Caps for the three years ending 31 December 2023 are determined with reference to (i) the expected demand from the GOME Retail Group, taking into account the growth of business of the GOME Retail Group; and (ii) the estimated market retail prices of the goods to be supplied by the Group.

Content Production Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Content Production Transaction with GOME Appliance pursuant to the Content Production Framework Agreement.

The principal terms of the Content Production Framework Agreement are set out as follows:

Date

10 March 2021

Parties

The Company (as service provider) and GOME Appliance (as purchaser)

Term

From the date of the Content Production Framework Agreement to 31 December 2023

Subject matter

The Group will provide content production services associated with e-commerce to the GOME Retail Group, which may include arranging artists, internet celebrities and production teams under the Group's management to produce live streaming or recorded promotional videos in relation to merchandises to be sold by the GOME Retail Group, managing social media accounts created by the GOME Retail Group, and producing live streaming variety shows for the GOME Retail Group. The precise scope of services to be provided by the Group will be subject to further written agreement(s) between the Group and the GOME Retail Group on normal commercial terms from time to time as needed. The annual transaction amounts shall not exceed the Proposed Content Production Annual Caps and if exceeded, the Company will comply with the relevant GEM Listing Rules accordingly.

Pricing basis

The fees to be charged by the Group shall be subject to further written agreement(s) between the Group and the GOME Retail Group on normal commercial terms from time to time, with reference to various factors such as market prices and terms of comparable services, tender quotation submitted to third parties in similar services and market quotations of other service providers. These terms shall be made on a fair and reasonable basis and in accordance with normal commercial terms, which are comparable to those submitted to independent third parties by the Group, or those received by the GOME Retail Group from independent third parties.

Proposed Content Production Annual Caps

The Proposed Content Production Annual Caps in respect of amounts receivable by the Group from the GOME Retail Group under the Content Production Framework Agreement for the three years ending 31 December 2021 to 2023 are as follows:

| | For the year ending 31 December | | |
|--|--|------------------|------------------|
| | 2021 | 2022 | 2023 |
| | <i>(RMB'000)</i> | <i>(RMB'000)</i> | <i>(RMB'000)</i> |
| Proposed Content Production Annual Cap | 30,000 | 34,500 | 40,000 |

The Group and the GOME Retail Group have no previous transactions on content production. The Proposed Content Production Annual Caps for the three years ending 31 December 2023 are determined with reference to (i) the expected demand from the GOME Retail Group; (ii) the fair market rates for provision of similar services; and (iii) the expected growth of content production services driven by the competition of the entire market.

Merchandise Purchase Framework Agreement

On 10 March 2021 (after trading hours), the Company entered into the Purchase Transaction with The Space VIP (Beijing) pursuant to the Merchandise Purchase Framework Agreement.

The principal terms of the Merchandise Purchase Framework Agreement are set out as follows:

Date

10 March 2021

Parties

The Company (as purchaser) and The Space VIP (Beijing) (as supplier)

Term

From the date of the Merchandise Purchase Framework Agreement to 31 December 2023

Subject matter

The Group will procure various merchandises from The Space VIP (Beijing) Group for sale or resale to other third parties. The general types of merchandises to be procured by the Group may include (but are not limited to) cosmetics and personal care products, clothing and accessories, shoes, headwear, luggage cases, bags, jewellery, clocks and watches, household products, food, alcohol and beverages, medicine and healthcare

products, sporting goods and outdoor products. The specific brand(s), type(s), place(s) of manufacture, price(s), quantity(ies) and other specifications of the merchandises to be procured by the Group will be subject to further written confirmation(s) between the Group and The Space VIP (Beijing) Group on normal commercial terms from time to time as needed. The annual transaction amounts shall not exceed the Proposed Purchase Annual Caps and if exceeded, the Company will comply with the relevant GEM Listing Rules accordingly.

Pricing basis

The prices of the merchandises to be procured by the Group from The Space VIP (Beijing) Group shall be subject to further written confirmation(s) between the Group and The Space VIP (Beijing) Group on normal commercial terms from time to time, with reference to the prevailing market wholesale prices and terms of comparable merchandises sold through both online and offline channels. The Space VIP (Beijing) Group shall ensure that the prices that it offers to the Group shall not be less favourable than the prices of comparable merchandises that it offers to other third parties.

Proposed Purchase Annual Caps

The Proposed Purchase Annual Caps in respect of amounts payable by the Group to The Space VIP (Beijing) Group under the Merchandise Purchase Framework Agreement for the three years ending 31 December 2021 to 2023 are as follows:

| | For the year ending 31 December | | |
|------------------------------|--|------------------|------------------|
| | 2021 | 2022 | 2023 |
| | <i>(RMB'000)</i> | <i>(RMB'000)</i> | <i>(RMB'000)</i> |
| Proposed Purchase Annual Cap | 30,000 | 34,500 | 40,000 |

The Proposed Purchase Annual Caps for the three years ending 31 December 2023 are determined with reference to (i) the purchase volume as a result of the expected total annual sales, taking into account of the growth of business of the Group; (ii) the purchase volume from third-party suppliers; and (iii) the estimated market retail price of the goods to be purchased.

REASONS FOR AND BENEFITS IN RELATION TO THE SALES TRANSACTION, THE CONTENT PRODUCTION TRANSACTION AND THE PURCHASE TRANSACTION

Sales Transaction

The Group has secured stable supply of chic brand merchandises through its strategic relationship with The Space VIP (Beijing). The Space VIP (Beijing), being a substantial shareholder of a subsidiary of the Group, mainly provides online marketing services for chic brands, and has been cooperating with numerous international renowned brands over

the years. It has a stable supply channel for high-end consumer merchandises and the quality of goods is also guaranteed. Leveraging on the established relationships with the brands, the Group has developed its new media e-commerce business last year by marketing and promoting different merchandises through live streaming shows. In January 2021, the new online shopping platform of the GOME Retail Group was launched. In addition to appliances and consumer electronics, the online shopping platform also covers different types of products. The Group's supply chain resources of chic brands will be able to satisfy the demand of these type of goods from the GOME Retail Group, thus creating synergy between both businesses.

Having taken into consideration the reasons and factors as stated above, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the Merchandise Sales Framework Agreement, including the Proposed Sales Annual Caps, are fair and reasonable, and the Sales Transaction is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Content Production Transaction

The Group is engaged in the investment and production of film and television programmes and online content and artist management business. As the GOME Retail Group is developing its own online shopping platform, the Group's business strengths will meet the needs for the growth of the GOME Retail Group's online business. Through different forms of content supply such as short videos or live streaming shows, quality contents can drive user traffic on the online shopping platform of the GOME Retail Group, increase users addiction, improve the loyalty and trust for the GOME brand, and help promote online product sales of the GOME Retail Group.

Having taken into consideration the reasons and factors as stated above, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the Content Production Framework Agreement, including the Proposed Content Production Annual Caps, are fair and reasonable, and the Content Production Transaction is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Purchase Transaction

The Space VIP (Beijing) is a substantial shareholder of Lajin Xingtu, which is a subsidiary of the Group. Its principal business is the provision of online marketing services for chic brands. It has been cooperating with numerous international renowned brands over the years and has stable supply channels for quality high-end consumer merchandises. Through

the Purchase Transaction, the Group will be able to leverage on this advantage and utilizing these supply chain resources to secure a sizable and stable supply of chic brand merchandises for sale on the e-commerce platforms of the Group's partners including the GOME Retail Group.

Having taken into consideration the reasons and factors as stated above, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the Merchandise Purchase Framework Agreement, including the Proposed Purchase Annual Caps, are fair and reasonable, and the Purchase Transaction is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE GROUP, GOME APPLIANCE AND THE SPACE VIP (BEIJING)

The Group

The Company's principal activity is investment holding and the principal activities of the Group are conducting new media e-commerce business and the provision of artists management services, and investment in movies, TV programmes and internet contents.

GOME Appliance

The main business of GOME Appliance (a wholly-owned subsidiary of GOME Retail) is the operating and managing of retail stores for electrical appliances, consumer electronic products and general merchandise, as well as a full-category of online sales network focusing on electronic products in the PRC through self-operated and platform models.

The Space VIP (Beijing)

The principal activities of The Space VIP (Beijing) are to supply all kinds of chic consumer merchandises to domestic mainstream Internet platforms, to support online operation as an agent, as well as provide market and digital marketing services for international chic brands in China, and to incubate new chic brands to operate all across China. To the best of the knowledge of the Company, the shareholding interests of The Space VIP (Beijing) is owned as to 46% by Gongqingcheng Hanen Investment Partnership* (共青城涵恩投資合夥企業), 20% by Shanghai Qingcheng Network Technology Partnership* (上海擎承網絡科技合夥企業), 10% by Gongqingcheng Huize Investment Partnership* (共青城匯澤投資合夥企業), 10% by Mr. He Yuanding (何元鼎), together with other minority shareholders; the ultimate beneficial owner of Gongqingcheng Hanen Investment Partnership* (共青城涵恩投資合夥企業) is Mr. Jin Cong (金聰); Shanghai Qingcheng Network Technology Partnership* (上海擎承網絡科技合夥企業) is ultimately beneficially owned as to 50% by Ms. Lian Lian (連蓮) and 50% by Ms. Yang Jing (楊靜); and Gongqingcheng Huize Investment Partnership* (共青城匯澤投資合夥企業) is ultimately majority-owned by Mr. Zhang Shixue (張世學).

GEM LISTING RULES IMPLICATIONS

Sales Transaction

Mr. Wong Kwong Yu, being a controlling shareholder of the Company, is a connected person of the Company. Since Mr. Wong Kwong Yu controls more than 30% of the voting power at general meetings of GOME Retail, which in turn wholly owns GOME Appliance, GOME Appliance is an associate of Mr. Wong Kwong Yu and is thus a connected person of the Company. Accordingly, the Sales Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Sales Annual Caps exceeds 25%, the Sales Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Content Production Transaction

Mr. Wong Kwong Yu, being a controlling shareholder of the Company, is a connected person of the Company. Since Mr. Wong Kwong Yu controls more than 30% of the voting power at general meetings of GOME Retail, which in turn wholly owns GOME Appliance, GOME Appliance is an associate of Mr. Wong Kwong Yu and is thus a connected person of the Company. Accordingly, the Content Production Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Content Production Annual Caps exceeds 25%, the Content Production Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Purchase Transaction

As The Space VIP (Beijing) holds 39% of the shareholding interests in Lajin Xingtuo, The Space VIP (Beijing) is a substantial shareholder of Lajin Xingtuo and is thus a connected person of the Company at the subsidiary level. Accordingly, the Purchase Transaction constitutes a continuing connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated based on the Proposed Purchase Annual Caps exceeds 5% and the Proposed Purchase Annual Caps are more than HK\$10 million, the Purchase Transaction is subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

GENERAL

The Company will seek approval from the Independent Shareholders at the SGM in respect of the Agreements and the Transactions.

The Agreements and the Transactions are subject to ordinary resolutions to be proposed for approval by the Independent Shareholders at the SGM. Given that Mr. Wong Kwong Yu beneficially owns more than 30% of GOME Retail, which in turn wholly owns GOME Appliance, Mr. Wong Kwong Yu has a material interest in the Sales Transaction and the Content Production Transaction. Jiakuan Group Company Limited, being a Shareholder which is ultimately beneficially owned as to 55% by Mr. Wong Kwong Yu, is an associate of Mr. Wong Kwong Yu. Accordingly, Jiakuan Group Company Limited and its associates will abstain from voting on the resolutions to approve (i) the Merchandise Sales Framework Agreement and the Sales Transaction; and (ii) the Content Production Framework Agreement and the Content Production Transaction.

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Agreements and the Transactions. Ever-Long Securities Company Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the same.

A circular containing, among other matters, (i) further information on the Transactions; (ii) a letter from the Independent Financial Adviser; (iii) a letter from the Independent Board Committee; and (iv) a notice convening the SGM and a form of proxy will be despatched to the Shareholders as soon as possible in accordance with the GEM Listing Rules. It is expected that the circular will be despatched on or before 31 March 2021.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

| | |
|----------------|--|
| “Agreement(s)” | the Merchandise Sales Framework Agreement, the Content Production Framework Agreement, the Merchandise Purchase Framework Agreement, or any one of them; |
| “associate(s)” | has the meaning ascribed to it under the GEM Listing Rules; |
| “Board” | the board of Directors; |
| “Company” | Lajin Entertainment Network Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM with stock code 8172; |

| | |
|--|--|
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules; |
| “Content Production Framework Agreement” | the content production framework agreement entered into by the Company and GOME Appliance on 10 March 2021, whereby the Company agreed to provide certain content production services to the GOME Retail Group; |
| “Content Production Transaction” | provision of certain content production services by the Group to the GOME Retail Group as contemplated under the Content Production Framework Agreement; |
| “controlling shareholder(s)” | has the meaning ascribed to it under the GEM Listing Rules; |
| “Director(s)” | the director(s) of the Company; |
| “GEM” | GEM operated by the Stock Exchange; |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM; |
| “GOME Appliance” | GOME Appliance Company Limited (國美電器有限公司), a company registered in the PRC and indirectly wholly-owned by GOME Retail; |
| “GOME Retail” | GOME Retail Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange with stock code 493; |
| “GOME Retail Group” | GOME Retail and its subsidiaries; |
| “Group” | the Company and its subsidiaries; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Independent Board Committee” | the independent committee of the Board, comprising all independent non-executive Directors, established to advise the Independent Shareholders on the Agreements and the Transactions; |
| “Independent Financial Adviser” | Ever-Long Securities Company Limited, a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Agreements and the Transactions; |

| | |
|--|--|
| “Independent Shareholder(s)” | Shareholder(s) other than those who are required under the GEM Listing Rules to abstain from voting on the resolution(s) to be proposed at the SGM to approve the Agreements and the Transactions; |
| “Lajin Xingtu” | Beijing Lajin Xingtu Technology Media Co. Limited* (北京拉近星途科技傳媒有限公司), a company incorporated in the PRC and owned as to 51.00% by the Company; |
| “Merchandise Purchase Framework Agreement” | the merchandise purchase framework agreement entered into by the Company and The Space VIP (Beijing) on 10 March 2021, whereby the Company agreed to purchase various merchandises from The Space VIP (Beijing) Group; |
| “Merchandise Sales Framework Agreement” | the merchandise framework agreement entered into by the Company and GOME Appliance on 10 March 2021, whereby the Company agreed to sell various merchandises to the GOME Retail Group; |
| “PRC” | the People’s Republic of China; |
| “Proposed Content Production Annual Caps” | the proposed annual caps for the Content Production Transaction for the years ending 31 December 2021, 2022 and 2023, and the term “Proposed Content Production Annual Cap” shall be construed accordingly; |
| “Proposed Purchase Annual Caps” | the proposed annual caps for the Purchase Transaction for the years ending 31 December 2021, 2022 and 2023, and the term “Proposed Purchase Annual Cap” shall be construed accordingly; |
| “Proposed Sales Annual Caps” | the proposed annual caps for the Sales Transaction for the years ending 31 December 2021, 2022 and 2023, and the term “Proposed Sales Annual Cap” shall be construed accordingly; |
| “Purchase Transaction” | purchase of various merchandises by the Group from The Space VIP (Beijing) Group as contemplated under the Merchandise Purchase Framework Agreement; |
| “RMB” | renminbi, the lawful currency of the PRC; |
| “Sales Transaction” | sale of various merchandises by the Group to the GOME Retail Group as contemplated under the Merchandise Sales Framework Agreement; |
| “Shareholder(s)” | holder(s) of share(s) of the Company; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |

| | |
|---------------------------------|---|
| “subsidiary” | any entity within the meaning of the term “subsidiary” as defined in the GEM Listing Rules, and the term “subsidiaries” shall be construed accordingly; |
| “The Space VIP (Beijing)” | The Space VIP (Beijing) Brand Management Co., Limited* (尊享匯 (北京) 品牌管理有限公司), a company incorporated in the PRC; |
| “The Space VIP (Beijing) Group” | The Space VIP (Beijing) and its subsidiaries and associates; |
| “Transaction(s)” | the Sales Transaction, the Content Production Transaction, the Purchase Transaction, or any one of them; and |
| “%” | per cent. |

By order of the Board
Lajin Entertainment Network Group Limited
Leung Wai Shun Wilson
Company Secretary

Hong Kong, 10 March 2021

As at the date of this announcement, the executive Director is Ms. Zhai Shan Shan; the non-executive Directors are Mr. Zou Xiao Chun and Mr. Zhou Ya Fei and the independent non-executive Directors are Mr. Ng Wai Hung, Mr. Lam Cheung Shing Richard and Mr. Wang Ju.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* *For identification only*