



**Ourgame International Holdings Limited**  
 (Stock Code: 6899)



**1Q2017 Business Updates Presentation**

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## 1Q2017 Summary

1. We encountered unexpected challenges mostly in our China domestic card and board games business as witnessed a fairly substantial downturn on revenue and profitability in the quarter.
2. Our other key businesses continue to make progresses
  - The mind-sports business in Zhongqi Weiye (中棋惟业 ) continued to have new sports titles approved and becoming operational and is profitable as of now. It will enter into a new phase of growth
  - On eSports Allied eSports signed with MGM Group as a partner and continue to expand
  - Our sports games continue to progress with the JV (体窗联众 ) ready to launch its full set of products. And our investment into Korean company Spoville will added further expertise and market presence into this key business area
3. We are taking active steps to address the challenges and we are confident that we will be able to overcome the difficulties.

# 1Q2017 Key Highlights

<b>Financial Summary</b>	<b>1Q2017</b>	<b>1Q2016</b>	<b>YoY change</b>
<i>(RMB thousands)</i>			
<b>Revenue</b>	119,631	194,595	-38.5%
PC Games	50,538	107,682	-53.1%
Mobile Games	55,813	65,672	-15.0%
Others	13,280	21,241	-37.5%
<b>Profit attributable to equity holders of the Company</b>	<b>(44,724)</b>	<b>21,931</b>	<b>-303.9%</b>
<b>Non-IFRS Adjusted Net Profit*</b>	<b>(40,311)</b>	<b>33,231</b>	<b>-221.3%</b>
Attributable to equity holders of the Company	(39,043)	32,831	-218.9%
Attributable to non-controlling interests	(1,268)	400	-416.7%

\*Non-IFRS adjusted net profit was derived from the audited profit for the year excluding (i) share-based compensation expense; and (ii) expenses relating to the listing of the Company on The Stock Exchange of Hong Kong Limited.

## 1Q2017 Key Highlights (continued)

<i>Financial highlights</i>	<b>1Q 2017</b>	<b>1Q 2016</b>	<b>YtoY change</b>
<i>(thousands)</i>			
<b>The PRC</b>	99,474	163,845	-39.3%
<b>Outside the PRC</b>	20,157	30,750	-34.4%
<b>Total</b>	<b>119.631</b>	<b>194,595</b>	<b>-38.5%</b>

(1) For the purpose of this business update, the revenue from the PRC do not include those from Hong Kong, Macau and Taiwan (if any).

(2) The revenue outside the PRC was primarily derived from Peerless Media Limited and its subsidiaries (the “Peerless Group”) which were acquired by the Group at the end of June 2015. The Peerless Group is engaged in the business of television production, brand licensing, online service and tour management producing poker and online entertainment content under the World Poker Tour (“WPT”) global brand (“WPT Branded Business”).

# 1Q2017 Key Highlights

<b>Operational Summary</b>	<b>1Q 2017</b>	<b>1Q 2016</b>	<b>YtoY change</b>
<i>(thousands)</i>			
<b>MAUs</b>			
Self-developed games	19,654	25,697	-23.5%
<b>MPUs</b>			
Self-developed games	1,231	1,569	-21.6%
<b>ARPPU (RMB)</b>			
Self-developed games	28.7	36.1	-20.5%

## Future Prospects

- **We are taking active steps to address the current challenges**
  - We believe our online/offline model is the long term viable model
  - We have already significantly stepped up our tournaments efforts as a key means to attract and retain users
    - Ourgame Carnivals Beijing – April
    - Ourgame Carnivals Chengdu – July
    - Ourgame Carnivals Sanya – October
    - Various online tournaments online on a weekly basis
  - Major efforts in re-pivoting our mobile products toward third party payment channels
  - We are continuously optimizing our cost structure

## Future Prospects (continued)

- Further accelerate new business groups' growth
  - 中棋惟业 is already profitable as of now and is in process to accept new strategic investors to cement its market position and growth
  - Allied eSports has made significant inroad in the US market and is in the process of working with new strategic investors to further its first mover advantage and accelerate global expansion
  - PlayWPT is now fully launch on all targeted platforms and we will have a major focus in accelerating it's online games growth
  - We will continue to make selective and strategic investments in key strategic areas of growth globally



# Q&A