# OURGAME INTERNATIONAL HOLDINGS LIMITED
# 聯眾國際控股有限公司*

*(a company incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock code: 6899)**

## DISCLOSEABLE TRANSACTION ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF PEERLESS MEDIA LIMITED

### THE ACQUISITION

On 19 June 2015, the Company and the Purchaser, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement with the Seller and the Seller Guarantor, pursuant to which the Seller agreed to sell and the Purchaser agreed to purchase the entire issued share capital of the Target for an aggregate consideration of US$35 million (equivalent to approximately RMB214 million or HK$271 million), subject to adjustment in respect of the Debt and Cash on the Closing Date.

Upon Completion, the Target (a television production, brand licensing, online service and tour management company which, together with its subsidiaries, produces high quality poker and online entertainment content under the "World Poker Tour" (or "WPT") global premier brand) will become an indirect wholly-owned subsidiary of the Company and the Target Group's results will be consolidated into the accounts of the Group.

### IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Share Purchase Agreement calculated under Rule 14.07 of the Listing Rules is greater than 5%, and all the applicable percentage ratios are or are expected to be less than 25%, the entering into of the Share Purchase Agreement constitutes a discloseable transaction for the Company under the Listing Rules.

## THE ACQUISITION

On 19 June 2015 after trading hours, the Purchaser and the Company entered into the Share Purchase Agreement with the Seller and the Seller Guarantor, pursuant to which the Seller agreed to sell and the Purchaser agreed to purchase the entire issued share capital of the Target for an aggregate consideration of US$35 million (equivalent to approximately RMB214 million or HK$271 million), subject to adjustment in respect of the Debt and Cash on the Closing Date.

## THE AGREEMENT

### Date

19 June 2015

### Parties

| | | |
|---|---|---|
| (a) | Purchaser: | Noble Link Global Limited |
| (b) | Purchaser Guarantor: | the Company |
| (c) | Seller: | Party Ventures Limited |
| (d) | Seller Guarantor: | bwin.party digital entertainment plc |

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Seller Guarantor, the Seller and its ultimate beneficial owner(s) are third parties independent from the Group or connected persons of the Group.

### Equity Interest to be Acquired

The entire issued share capital of the Target.

### Consideration and Payment Terms

The consideration for the Acquisition is US$35 million (equivalent to approximately RMB214 million or HK$271 million), subject to adjustment in respect of the Debt and Cash on the Closing Date (the "**Purchase Price**").

US$35 million is to be paid in cash on the Closing Date. Within 10 business days of the agreement or determination of the completion accounts and the net cash/debt statement in accordance with the Share Purchase Agreement: (i) if the sum of US$35 million plus the Cash, less the Debt is higher than US$35 million, then the Purchaser shall pay to the Seller the amount of such difference; or (ii) if that sum is lower than US$35 million, then the Seller shall pay to the Purchaser the amount of such difference.

The consideration was determined based on arm's length negotiations between the Company, the Purchaser, the Seller and the Seller Guarantor with reference to, among other things, (a) the value of the intellectual property rights to the WPT brand held by the Target, (b) the potential synergies to be gained from the integration of the Target Group's business into that of the Group, by accelerating the build out of the Company's mind sports eco-system and global business expansion, and (c) the financial benefits that will accrue to the Company from the Sponsorship Agreement (as defined below) and other ongoing commercial contracts of the Target Group. Accordingly, the Directors consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**Ancillary Documents**

Pursuant to the Share Purchase Agreement, the Guarantor Group and the Target Group will enter into a number of ancillary agreements at Completion:

- a royalty-free software license agreement, pursuant to which the Target Group licenses certain software in relation to its operation from the Guarantor Group,

- a sponsorship agreement, pursuant to which the Guarantor Group is to sponsor certain episodes of the television programs produced by the Target Group and WPT poker tournaments held in various territories worldwide until 31 December 2016 (the "**Sponsorship Agreement**"),

- a transitional services agreement, pursuant to which the Guarantor Group is to provide certain transitional services to the Target Group for a period of 3 months that may be extended upon mutual agreement of the parties after Completion, and

- a staff transitional services agreement, pursuant to which certain employees of the Guarantor Group based in Europe involved in the WPT business will continue to provide services to the Target Group for a period of time after Completion.

**The Guarantees**

The Seller Guarantor as primary obligor has unconditionally and irrevocably (i) guaranteed to the Purchaser the due and punctual performance by the Seller of its obligations under or pursuant to the Share Purchase Agreement and the Tax Deed and (ii) agreed that if and each time that the Seller fails to make any payment when it is due under or pursuant to the Share Purchase Agreement or the Tax Deed then the Seller Guarantor shall upon demand pay that amount to the Purchaser.

The Company as primary obligor has unconditionally and irrevocably (i) guaranteed to the Seller the due and punctual performance by the Purchaser of its obligations under or pursuant to the Share Purchase Agreement and (ii) agreed that if and each time that the Purchaser fails to make any payment when it is due under or pursuant to the Share Purchase Agreement then the Purchaser Guarantor shall upon demand pay that amount to the Seller.

**Completion**

Completion is expected to take place on or before 25 June 2015. If Completion does not occur by such date, except for any rights or liabilities which have already accrued, the Share Purchase Agreement shall lapse without any of the parties thereto being liable to any other party in any way.

## INFORMATION ABOUT THE SELLER AND THE SELLER GUARANTOR

The Seller is a private limited liability company incorporated in Gibraltar and the sole shareholder of the Target. The Seller Guarantor is the sole shareholder of the Seller.

The Seller Guarantor is a public company incorporated in Gibraltar and listed on the London Stock Exchange (LSE: BPTY). It is an online gaming company, formed by the merger of PartyGaming Plc and bwin Interactive Entertainment AG in March 2011. The Seller is an investment holding company.

## INFORMATION ABOUT THE TARGET GROUP

The Target is a private limited liability company incorporated in Gibraltar. The Target Group consists of the Target, Club Services, Inc. (a Nevada corporation), WPT Enterprises, Inc. (a Nevada corporation) and World Poker Tour Foundation (a section 501(c)(3) company in Nevada). The Target Group is engaged in the business of television production, brand licensing, online service and tour management producing poker and online entertainment content under the WPT global brand. WPT is the premier name in internationally televised poker sports entertainment with brand presence in land-based tournaments, television, online, and mobile. Leading innovation in the sport of poker since 2002, WPT ignited the global poker boom with the creation of a unique television show based on a series of branded poker tournaments. WPT content has been broadcast globally in more than 150 countries and territories. ClubWPT.com, the unique online membership site offering inside access to the WPT and providing freemium and subscription services, is available in 35 states across the United States. The Target Group is not engaged in any gambling related activities and is not licensed to do so in any jurisdiction.

Based on the audited financial information provided by the Target, the consolidated net loss before and after income tax for the year ended 31 December 2014 was US$7,659,000 (equivalent to approximately RMB46,865,000 or HK$59,381,000) and US$7,663,000 (equivalent to approximately RMB46,890,000 or HK$59,412,000), respectively; and the capital deficiency of the Target Group as at 31 December 2014 was US$9,353,000 (equivalent to approximately RMB57,231,000 or HK$72,515,000). The capital deficiency included an intra-group payable to the Seller Group of US$34,863,000 (equivalent to approximately RMB213,327,000 or HK$270,296,000). In 2014, revenue of the Target Group amounted to US$15,942,000 (equivalent to approximately RMB97,549,000 or HK$123,600,000), of which US$13,894,000 (equivalent to approximately RMB85,017,000 or HK$107,722,000) represented revenue from external customers. The consolidated net loss before and after income tax for the year ended 31 December 2013 was approximately US$3,321,000 (equivalent to approximately RMB20,248,000 or HK$25,751,000) and US$3,317,000 (equivalent to approximately RMB20,223,000 or HK$25,720,000), respectively; and the capital deficiency of the Target Group as at 31 December 2013 was approximately

US$1,928,000 (equivalent to approximately RMB11,755,000 or HK$14,950,000). The capital deficiency included an intra-group payable to the Seller Group of US$29,766,000 (equivalent to approximately RMB181,480,000 or HK$230,803,000). In 2013, revenue of the Target Group amounted to US$19,564,000 (equivalent to approximately RMB119,280,000 or HK$151,697,000), of which US$13,899,000 (equivalent to approximately RMB84,741,000 or HK$107,771,000) represented revenue from external customers. The Purchase Price will be adjusted to take account of the Debt (including any intra-group payables) and Cash on the Closing Date.

## INFORMATION ABOUT THE GROUP

The Group is primarily engaged in the development and operation of online card and board games in China and has a strong brand and leading expertise in integrated online and offline operations.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Target Group operates the WPT-branded business, including sport events, television production, brand licensing and online services. It created a unique television show based on a series of poker tournaments under the WPT brand, which is one of the most recognized names in internationally televised poker sports entertainment, with presence in land-based tournaments, television, online and mobile. The Target Group has broadcast globally in over 150 countries and territories and is currently airing the 11th season on Fox Sports Network in the United States. The Target Group also participates in strategic brand licensing, partnership and sponsorship opportunities.

The Directors, including the independent non-executive Directors, consider that the Acquisition has been entered into on normal commercial terms, and is fair and reasonable and in the interests of the Company and its Shareholders as a whole for the following reasons:

### (1) The Company believes that significant synergies will be created through the integration of WPT

The Group has, since 2012, conducted a number of increasingly popular televised WPT branded events in China and elsewhere in Asia pursuant to license agreements entered into with the Target Group that have become a core part of the Group's overall business. Through this, the Group has developed a high degree of familiarity with the business of the Target Group. As such, the Group expects to create significant synergies by integrating the Target Group into the Group. The Group intends to gradually bring more WPT tournaments and TV content to its expanding user base in China, creating new revenue opportunities through advertising and sponsorships. The Group believes that high quality content generated by its online and offline events can also reach a far larger audience through WPT's TV partnerships. The Group also expects to realize cost savings through the elimination of the Group's royalty payments to the Target Group, human resources rationalization and cost base reduction.

**(2) The Company believes that the creation of a mind sports eco-system will result in multiple monetization opportunities**

WPT is one of the best known brands in poker sports. It has a unique advantage resulting from its extended reach across multiple media formats, which provides the ability to drive brand expansion and cross-promote programming and social platforms. The Directors believe that the Target Group's comprehensive service offerings including land-based tournaments, television programs and an online platform, will allow the Group to provide multiple touch points to its targeted users and help create a synergistic mind sports eco-system that will cater to the Group's targeted users' online and offline leisure and entertainment needs, from which the Group aims to capture a significant share of its users' leisure time and associated spending.

**(3) A first step toward evolving into a global media and sports entertainment operation**

The acquisition of the Target Group and the WPT brand creates an excellent opportunity for the Group to evolve into a global media and sports entertainment operation with a unique card and board game focus by leveraging WPT's high quality media content and TV viewership. Through this acquisition, the Group will manage some of the highest profile events and control one of the largest existing TV libraries for mind sports in the world. The Group believes WPT's massive media content and extensive TV footprint, through its collaboration with Fox Sports Network, Fox Sports 1, CBS Sports Network and Velocity by Discovery, will offer an unprecedented opportunity for the Group to broaden its reach to a truly global scale and allow it to replicate its success in overseas markets.

## IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Share Purchase Agreement, as calculated under Rule 14.07 of the Listing Rules, is greater than 5%, and all the applicable percentage ratios are or are expected to be less than 25%, the entering into of the Share Purchase Agreement constitutes a discloseable transaction for the Company under the Listing Rules.

## DEFINITIONS

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

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| "Acquisition" | the acquisition of the entire issued share capital of the Target by the Purchaser pursuant to the terms of the Share Purchase Agreement |
| "Affiliate(s)" | with respect to any Person, any other Person, which directly or indirectly controls, is controlled by or is under common control with such Person, where "control" means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, by contract or otherwise |
| "Board" | the board of Directors |
| "Cash" | the aggregate of all cash and cash equivalents held by the members of the Target Equity Group at the Closing Date, subject to certain exceptions |
| "Closing Date" | the date on which Completion will take place, which is expected to be on or before 25 June 2015 |
| "Company" | Ourgame International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| "Completion" | completion of the Acquisition in accordance with the terms of the Share Purchase Agreement |
| "connected person(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Current Taxes" | the aggregate amount of all payroll taxes and certain value added tax of the Target Equity Group which have accrued and are due and payable and relate to the period prior to the Closing Date determined in accordance with the Share Purchase Agreement |

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| "Debt" | the sum of: (i) indebtedness owing and outstanding by the Target Equity Group to any member of the Seller Group, less any indebtedness owing and outstanding by members of the Seller Group to the Target Equity Group as at the Closing Date determined in accordance with the Share Purchase Agreement; (ii) Current Taxes; and (iii) the applicable amount of the Purchaser's transaction expenses that the Seller has agreed to reimburse in accordance with the Share Purchase Agreement |
| "Director(s)" | the director(s) of the Company |
| "Group" | the Company and its subsidiaries |
| "Guarantor Group" | the Seller Guarantor and its subsidiaries, excluding the Target Group |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "Person" | an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature |
| "PRC" | the People's Republic of China excluding Hong Kong, Macau and Taiwan for the purpose of this announcement |
| "Purchaser" | Noble Link Global Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Seller" | Party Ventures Limited, a company incorporated in Gibraltar with limited liability and the sole shareholder of the Target |
| "Seller Group" | the Seller and its Affiliates, other than members of the Target Equity Group |
| "Seller Guarantor" | bwin.party digital entertainment plc, a Gibraltar public company listed on the London Stock Exchange and the sole shareholder of the Seller |
| "Share Purchase Agreement" | the share purchase agreement dated 19 June 2015 between the Company, the Purchaser, the Seller, the Seller Guarantor and the other parties thereto in relation to the sale and purchase of the entire issued share capital of the Target |

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| "Shares" | ordinary share(s) in the share capital of the Company with a par value of US$0.00005 each |
| "Shareholder(s)" | holder(s) of the Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Target" | Peerless Media Limited, a company incorporated in Gibraltar with limited liability |
| "Target Equity Group" | the Target Group other than World Poker Tour Foundation |
| "Target Group" | the Target and its subsidiaries, including Club Services, Inc. (a Nevada corporation), WPT Enterprises, Inc. (a Nevada corporation) and World Poker Tour Foundation (a section 501(c)(3) company in Nevada) |
| "Tax Deed" | the deed to be entered into between the Seller and the Purchaser at Completion governing certain tax-related obligations of the Seller |
| "US$" or "US Dollars" | United States dollars, the lawful currency of the United States |
| "WPT" | World Poker Tour |
| "%" | percent |

By order of the Board
**Ourgame International Holdings Limited**
**Yang Eric Qing**
*Chairman and Executive Director*

Beijing, 22 June 2015

*As at the date of this announcement, the Board comprises Mr. Yang Eric Qing and Mr. Ng Kwok Leung Frank as executive Directors; Mr. Liu Jiang, Mr. Zhang Rongming, Mr. Fan Tai and Mr. Chen Xian as non-executive Directors; and Mr. Ge Xuan, Mr. Lu Zhong and Mr. Cheung Chung Yan David as independent non-executive Directors.*

* *For identification purpose only*