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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)

MAJOR TRANSACTION AND CONNECTED TRANSACTION RELATING TO DEEMED DISPOSAL OF BEIJING LIANZHONG

INTRODUCTION

In light of the highly challenging operating conditions faced by certain of its PRC domestic card and board game businesses, and following a strategic review by the Board, the Company proposes to reorganise the domestic PRC online game businesses currently held by Beijing Lianzhong (the “**Reorganisation**”). Pursuant to the Reorganisation, Beijing Lianzhong will retain the *Ourgame Hall* (“聯眾大廳”), *Poker World* (“撲克世界”) and relevant board and card game businesses (the “**Divested Businesses**”), while the remaining businesses and assets, including but not limited to certain subsidiaries and all IPRs, will be transferred to the New PRC Holdco, being a wholly-owned subsidiary of Beijing Lianzhong. The WFOE will then (i) enter into the New Contractual Arrangements (defined below) with the New PRC Holdco and Beijing Lianzhong (as the registered shareholder of the New PRC Holdco) pursuant to which the Company will establish and retain control over, and enjoy the financial benefits of, the business and assets held by the New PRC Holdco, and (ii) terminate the Existing Contractual Arrangements with Beijing Lianzhong and the Beijing Lianzhong Shareholders, which will effectively result in the disposal of Beijing Lianzhong (including relevant subsidiaries and entities) and the Divested Businesses (other than the equity interest in the New PRC Holdco controlled through the New Contractual Arrangements) (the “**Divested Group**”).

To effect the Reorganisation outlined above, on 15 August 2018, the Company entered into the Reorganisation Agreement with Beijing Lianzhong, the WFOE, the New PRC Holdco and the Beijing Lianzhong Shareholders. As consideration for the WFOE agreeing to terminating the Existing Contractual Arrangements, the Beijing Lianzhong Shareholders (and/or their nominee) will pay to the WFOE (and/or its nominee) a total amount of RMB85 million in annual installments starting from the Completion Date as described further below.

In addition, pursuant to the Reorganisation Agreement, the New PRC Holdco will grant certain licenses to Beijing Lianzhong to use any IPRs relating to the Divested Businesses within China (the “**IP Licenses**”), starting from the Effective Date, for a license fee.

On 15 August 2018, Beijing Lianzhong and Beijing MPTQ, an independent third party entered into the Exclusive Operation Agreement, pursuant to which Beijing Lianzhong will entrust, exclusively, Beijing MPTQ with all of Beijing Lianzhong’s rights relating to the operation of the Divested Businesses between the date of the Exclusive Operation Agreement and the Completion Date. During such period, Beijing MPTQ assumes all costs of the operation of the Divested Businesses and is entitled to half of the distributable income generated by the Divested Businesses.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Reorganisation is more than 25% or more but all percentage ratios are less than 75%, the Reorganisation constitutes a major transaction for the Company and is therefore subject to the notification and announcement, circular and Shareholders’ approval requirements under the Listing Rules.

As at the date of this announcement, (i) one of the Beijing Lianzhong Shareholders, Liu Jiang (劉江), is a non-executive Director of the Company and (ii) Liu Jiang is interested in more than 10% of the equity interest in Beijing Lianzhong, a consolidated affiliated entity of the Company. As such, each of Liu Jiang and Beijing Lianzhong is considered a connected person of the Company under the Listing Rules, and the transactions contemplated under the Reorganisation Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. Further, the grant of the IP Licenses constitutes a continuing connected transaction under Chapter 14A of the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, the Reorganisation Agreement will need to comply with the announcement, Shareholders’ approval, independent board committee, independent financial adviser and the circular requirements.

An independent board committee (the “**Independent Board Committee**”), comprising all of the independent non-executive Directors, namely Mr. Ge Xuan, Mr. Lu Zhong and Mr. Tyen Kan Hee Anthony has been established to advise the independent Shareholders in respect of the Reorganisation Agreement and the transactions contemplated thereunder. The Company will also appoint an independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the Reorganisation Agreement and the transactions contemplated thereunder.

An EGM will be convened at which resolution(s) will be proposed to seek the Shareholders’ (other than those required under the Listing Rules to abstain from voting on any resolutions relating to the Reorganisation Agreement, if any) approval of the Reorganisation Agreement and the transactions contemplated thereunder.

DESPATCH OF CIRCULAR

A circular containing, among other things, further details relating to the Reorganisation (including the Reorganisation Agreement), financial information of the Group and valuation report of the Divested Group shall be dispatched to the Shareholders within 15 Business Days after the publication of this announcement, i.e. on or before 5 September 2018.

INTRODUCTION

In light of the highly challenging operating conditions faced by certain of its PRC domestic card and board game businesses, and following a strategic review by the Board, the Company proposes to reorganise the domestic PRC online game businesses currently held by Beijing Lianzhong (the “**Reorganisation**”). Pursuant to the Reorganisation, Beijing Lianzhong will retain the *Ourgame Hall* (“聯眾大廳”), *Poker World* (“撲克世界”) and relevant board and card game businesses (the “**Divested Businesses**”), while the remaining businesses and assets, including but not limited to certain subsidiaries and all IPRs, will be transferred to the New PRC Holdco, being a wholly-owned subsidiary of Beijing Lianzhong. The WFOE will then (i) enter into the New Contractual Arrangements (defined below) with the New PRC Holdco and Beijing Lianzhong (as the registered shareholder of the New PRC Holdco) pursuant to which the Company will establish and retain control over, and enjoy the financial benefits of, the business and assets held by the New PRC Holdco, and (ii) terminate the Existing Contractual Arrangements with Beijing Lianzhong and the Beijing Lianzhong Shareholders, which will effectively result in the disposal of Beijing Lianzhong and the Divested Businesses (other than the equity interest in the New PRC Holdco controlled through the New Contractual Arrangements) (the “**Divested Group**”).

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In addition, pursuant to the Reorganisation Agreement, the New PRC Holdco will grant certain licenses to Beijing Lianzhong to use any IPRs relating to the Divested Businesses within China (the “**IP Licenses**”), starting from the Effective Date, for a license fee.

On 15 August 2018, Beijing Lianzhong and Beijing MPTQ, an independent third party entered into the Exclusive Operation Agreement, pursuant to which Beijing Lianzhong will entrust, exclusively, Beijing MPTQ with all of Beijing Lianzhong’s rights relating to the operation of the Divested Businesses between the date of the Exclusive Operation Agreement and the Completion Date. During such period, Beijing MPTQ assumes all costs of the operation of the Divested Businesses and is entitled to half of the distributable income generated by the Divested Businesses.

THE REORGANISATION AGREEMENT

The principal terms of the Reorganisation Agreement are summarised below:

Date of Agreement

15 August 2018

Parties

- (a) The Company;
- (b) Beijing Lianzhong;
- (c) WFOE;
- (d) The New PRC Holdco; and
- (e) Beijing Lianzhong Shareholders.

The Reorganisation

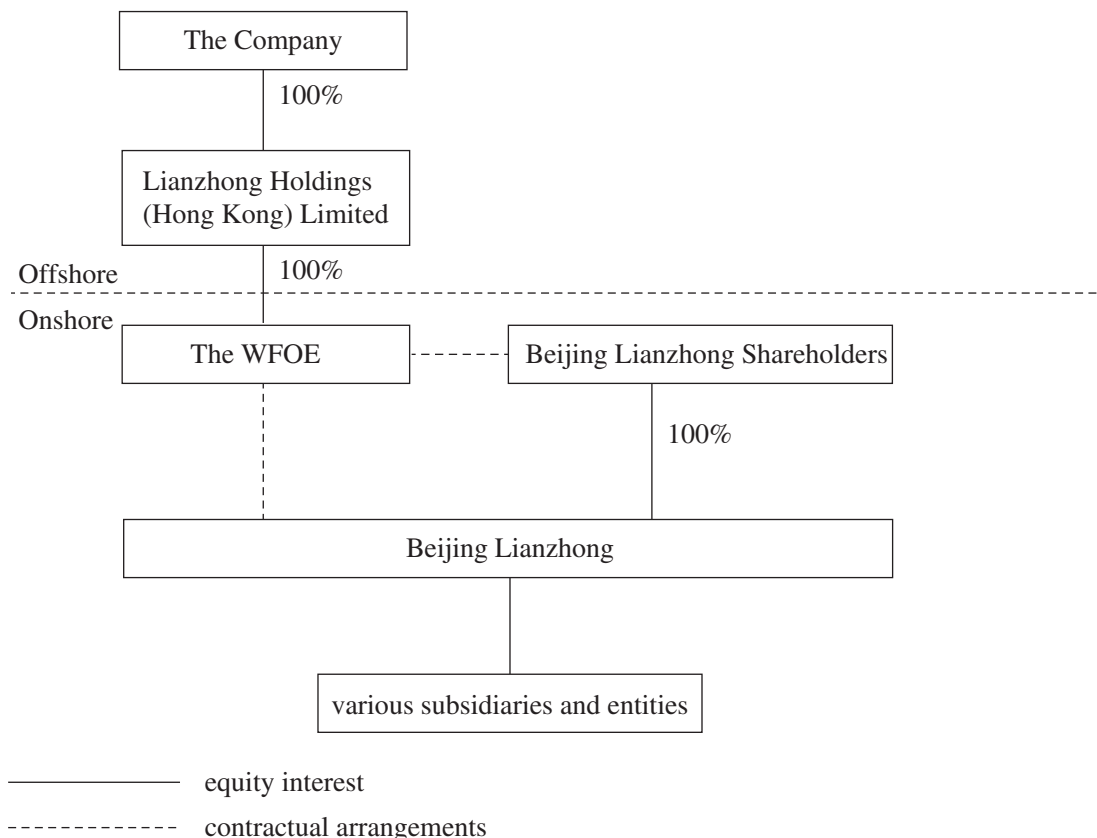
The parties agreed that the businesses and assets of Beijing Lianzhong will be reorganised in the following manner:

- (a) Beijing Lianzhong will continue to hold and operate the Divested Businesses (defined as *Ourgame Hall* (“聯眾大廳”), *Poker World* (“撲克世界”) and relevant board and card game businesses);
- (b) Beijing Lianzhong will transfer to the New PRC Holdco all businesses other than the Divested Businesses, any related contracts and employees, as well as any remaining assets and all IPRs (the “**Retained Businesses and Assets**”) by means of capital increase or other method, taking effect on the Effective Date.

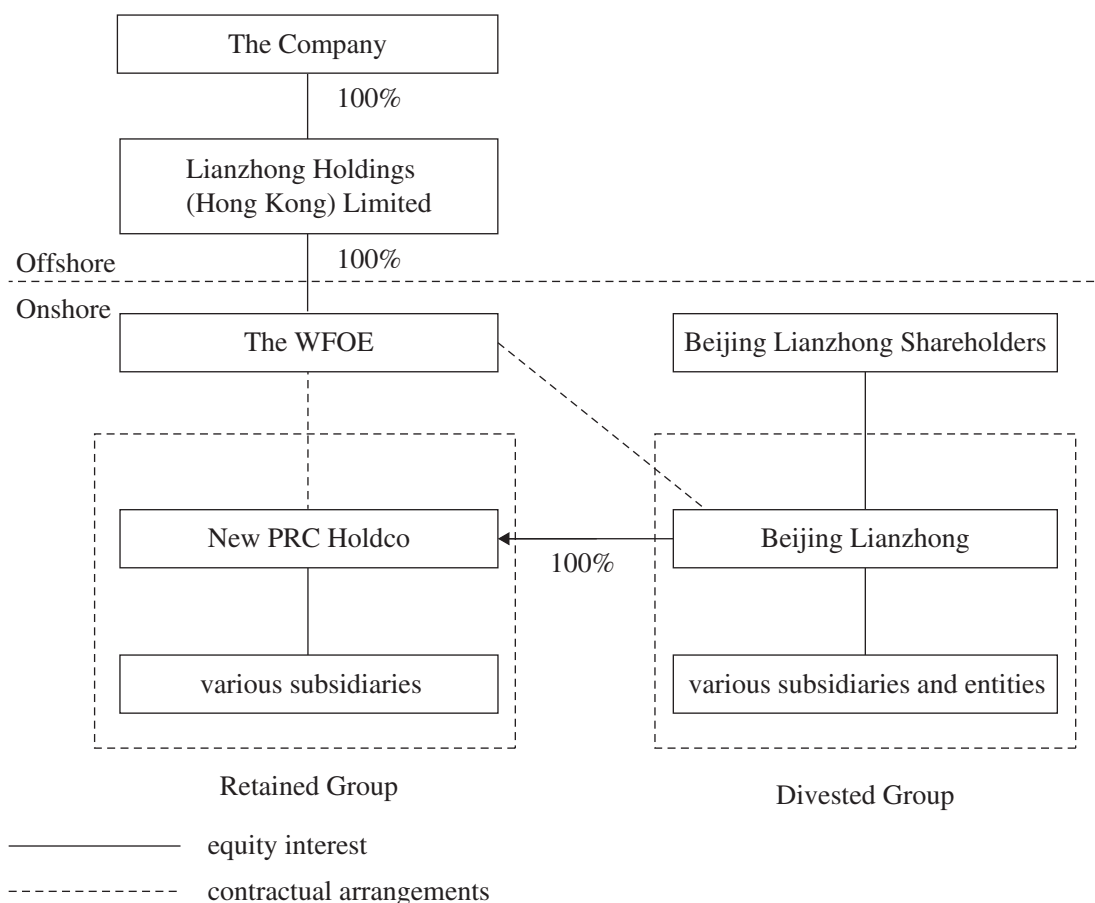
On the Completion Date, the New PRC Holdco, Beijing Lianzhong (as the registered shareholder of the New PRC Holdco) and the WFOE will enter into a series of contractual arrangements that is substantially the same, in form and substance, as the Existing Contractual Arrangements (the “**New Contractual Arrangements**”), to the effect that the New PRC Holdco and its subsidiaries, now holding the Retained Business and Assets (the “**Retained Group**”), will become consolidated affiliated entities of the Company on the Completion Date.

Also on the Completion Date, Beijing Lianzhong, Beijing Lianzhong Shareholders and the WFOE will terminate the Existing Contractual Arrangements, resulting in Beijing Lianzhong ceasing to be a consolidated affiliated entity of the Company. As a result, the Divested Group will be deconsolidated from the Group on the Completion Date. Any liability of Beijing Lianzhong that arose from the operation of Beijing Lianzhong before the Completion Date and still subsists on/after the Completion Date, shall be borne by the Company. A chart setting out the structure of Beijing Lianzhong and its businesses before and after the Reorganisation is set out below:

Before the Reorganisation



After the Reorganisation



Consideration

As consideration for the WFOE agreeing to terminating the Existing Contractual Arrangements, Beijing Lianzhong Shareholders (and/or their nominee) will pay to the WFOE (and/or its nominee) a total amount of RMB85 million (the “**Consideration**”) in annual installments within eight years starting from the Completion Date.

Payment of Consideration

The Consideration will be paid in the following manner:

- where the annual distributable income from the Divested Businesses is RMB14.4 million or less, no payment is required for that year;
- where the annual distributable income from the Divested Businesses is between RMB14.4 million (exclusive) and RMB30 million (inclusive), 40% of the portion above RMB14.4 million shall be payable, and no payment is required for the portion up to RMB14.4 million;

- (c) where the annual distributable income from the Divested Businesses is above RMB30 million, 60% of the portion above RMB30 million and 40% of the portion between RMB14.4 million (exclusive) and RMB30 million (inclusive) shall be payable, and no payment is required for the portion up to RMB14.4 million.

The distributable income shall be calculated as users' prepayments from the Divested Business *less* payment channel fees *less* share of combined operation costs *less* small prize payments *less* event prize payments and operation costs *less* tax paid.

For each year, the parties shall reconcile their accounts within one month after the year end, and Beijing Lianzhong Shareholders (and/or their nominee) shall pay to the WFOE (and/or its nominee) the annual installment for that year within three working days thereafter.

Pledge

Beijing Lianzhong Shareholders will pledge all of their equity interests in Beijing Lianzhong to WFOE (the "**Pledge**"), as security of their obligation to pay the Consideration. The Pledge shall be duly registered with the relevant authority in PRC before the Completion Date.

If within eight years of the Completion Date, the aggregate Consideration received by the WFOE (and/or its nominee) is less than RMB85 million, the WFOE (and/or its nominee) shall be entitled to:

- (a) enforce the Pledge and require Beijing Lianzhong Shareholders to sell, depending on how much of the Consideration has been received, a certain portion of their respective equity interest in Beijing Lianzhong, and the WFOE shall be entitled to the proceeds of such sale in priority; and
- (b) instruct New PRC Holdco to terminate or modify the IP Licenses (described further below).

When the aggregate Consideration received by the WFOE (and/or its nominee) reaches RMB85 million, the Pledge shall be discharged.

Basis of Consideration

The Consideration was arrived at after arm's length negotiations between the parties to the Reorganisation Agreement with reference to and taking into account the preliminary valuation of the Divested Group of approximately RMB52.6 million as at 30 June 2018. The valuation of the Divested Group was prepared by an independent valuer using market approach.

Conditions Precedent

The parties' obligations under the Reorganisation Agreement are conditional upon all of the following being fulfilled:

- (a) the Company obtains the board resolutions and shareholders' resolutions approving the Reorganisation Agreement, the transactions contemplated thereunder and any related matters;

- (b) Beijing Lianzhong is the sole shareholder of the New PRC Holdco, and enters into an agreement (the “**Transfer Agreement**”) with the New PRC Holdco regarding the transfer of all IPRs, certain subsidiaries and other assets of Beijing Lianzhong to the New PRC Holdco by means of capital increase or other method;
- (c) the ownership of the said subsidiaries of Beijing Lianzhong has been transferred to the New PRC Holdco and the relevant registrations with the relevant authority have been completed;
- (d) the applications required for transfer of the said IPRs to the New PRC Holdco have been submitted to the relevant authority;
- (e) all other assets of Beijing Lianzhong agreed to be transferred to the New PRC Holdco, the transfer of which does not require government or third party approval, are transferred and delivered to the New PRC Holdco; and
- (f) the Pledge is registered with the relevant authority and to the satisfaction of the WFOE.

IP LICENSES

The New PRC Holdco will grant certain licenses to Beijing Lianzhong to use any IPRs relating to the Divested Businesses within China, including (i) a non-exclusive license to use the “*Lianzhong*” (“聯眾”) trademark in China, and (ii) an exclusive license to use any software copyrights and domain names required by the Divested Businesses in China, starting from the Effective Date, for a license fee.

The license fee shall become payable on the day when the aggregate Consideration received by the WFOE (and/or its nominee) reaches RMB85 million, and shall be calculated in the following manner:

- (a) where the annual distributable income of Beijing Lianzhong is RMB25 million or less, the license fee for that year is RMB1 million;
- (b) where the annual distributable income of Beijing Lianzhong is above RMB25 million, the license fee for that year will be RMB1 million plus 20% of the portion above RMB25 million.

The distributable income shall be calculated as users’ prepayments *less* payment channel fees *less* share of combined operation costs *less* small prize payments *less* event prize payments and operation costs *less* tax paid.

Term

The IP Licenses will be for an initial term of three years, automatically renewable for further periods of three years subject to compliance with applicable requirements under the Listing Rules (including independent shareholder approval, if required).

Historical figures

There are no historical figures in respect of the grant of IP Licenses under the Reorganisation Agreement.

Proposed Annual Caps

The proposed annual cap in respect of the grant of IP Licenses for each of the years ending 31 December 2018, 2019 and 2020 is RMB1 million plus 20% of the portion of Beijing Lianzhong's distributable income for that year that is above RMB25 million. However, since the license fee is not payable until the aggregate Consideration received by the WFOE reaches RMB85 million, the proposed annual caps will not become relevant until after such Consideration has been received.

Since the license fee is calculated as a function of the annual distributable income of Beijing Lianzhong, the imposition of a monetary cap on the license fee would effectively require the Group to charge a license fee that is less than what it may have been rightfully entitled to as the agreed consideration for the grant of IP Licenses for that year. As such, the Directors, including the independent non-executive Directors, are of the opinion that the grant of IP Licenses should not be subject to an annual cap amount expressed in monetary terms. The Company will apply to the Stock Exchange for a waiver from strict compliance with the requirement that the annual cap must be expressed in monetary terms under Rule 14A.53(1) of the Listing Rules for the grant of IP Licenses.

THE EXCLUSIVE OPERATION AGREEMENT

The principal terms of the Exclusive Operation Agreement are summarised below:

Date of Agreement

15 August 2018

Parties

- (a) Beijing Lianzhong; and
- (b) Beijing MPTQ.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) Beijing MPTQ, Ms. Li Yingxiu (李應秀), the de facto controller of Beijing MPTQ, and their respective associates are independent third parties and do not hold any Shares or other convertible securities in the Company as at the date of this announcement; and (ii) there was no previous transaction or business relationship among the Company, Beijing MPTQ, Ms. Li Yingxiu (李應秀) and/or their respective associates in the previous 12 months which would result in aggregation under Rule 14.22 of the Listing Rules.

Operation of the Divested Businesses

The parties agreed that, between the date of the Exclusive Operation Agreement and the Completion Date (the “**Exclusive Operation Period**”), Beijing Lianzhong will entrust, exclusively, Beijing MPTQ with all of Beijing Lianzhong’s rights relating to the operation of the Divested Businesses.

During the Exclusive Operation Period, Beijing MPTQ assumes all costs of the operation of the Divested Businesses and is entitled to half of the distributable income generated by the Divested Businesses. If the revenue from the Divested Businesses falls short of the costs arising from it, Beijing MPTQ shall assume joint liability for such shortfall and Beijing Lianzhong shall have the right to terminate the Exclusive Operation Agreement. Beijing Lianzhong will not be responsible for any costs or liabilities arising from the Divested Businesses.

Consideration

As consideration for the entrustment of operating rights of the Divested Businesses, Beijing Lianzhong is entitled to half of the distributable income from the Divested Businesses.

Basis of consideration

The consideration was arrived at after arm’s length negotiations between the parties to the Exclusive Operation Agreement with reference to and taking into account the business performance and outlook and financial conditions of Beijing Lianzhong and the Divested Businesses.

Taking into consideration of the above factors, the Directors are of the view that the consideration under the Exclusive Operation Agreement is fair and reasonable.

Indemnification

From the date of the Exclusive Operation Agreement, if Beijing Lianzhong, Beijing Lianzhong Shareholders or other companies of the Group become subject to any third party lawsuit, arbitration, rights appeal, government investigation, punishment, confiscation and etc., arising from the operation of the Divested Businesses during the Exclusive Operation Period, and as a result suffer loss and damage to their property or reputation, or becomes liable to pay any compensation, Beijing MPTQ shall be responsible for dealing with any such dispute or proceedings and shall indemnify the relevant party for any loss and damage and any compensation paid.

INFORMATION ON THE PARTIES

The Group is principally engaged in the development and operation of card and board games, both online and offline. It also has an expanding business portfolio in eSports, World Poker Tour and mind sports.

Beijing Lianzhong is principally engaged in the operation of online card and board games.

The WFOE's principal business activity is providing management and consulting services to the Company's consolidated affiliated entities in the PRC.

Beijing MPTQ is a company established under the laws of the PRC with limited liability in April 2015 and is principally engaged in the operation of online games. Beijing MPTQ's core team members are from well-know internet technology companies. Beijing MPTQ is legally-owned as to 50% by Li Aizhi and 50% by Hu Lili. Ms. Li Yingxiu (李應秀) is the de facto controller of Beijing MPTQ.

INFORMATION ON THE DIVESTED GROUP

Financial information of the Divested Group

The following is a summary of the financial information of the Divested Group for the two financial years ended 31 December 2016 and 2017 and the 6 months ended 30 June 2018. The financial information of the Divested Group was prepared in accordance with IFRS.

	For the year ended 31 December 2016 <i>(unaudited)</i> RMB'000	For the year ended 31 December 2017 <i>(unaudited)</i> RMB'000	For the 6 months ended 30 June 2018 <i>(unaudited)</i> RMB'000
Revenue	349,563	239,267	34,982
Gross profit	299,700	207,006	21,170
Net profit/(loss) before tax	193,403	117,539	(215,580)
Net profit/(loss) after tax	184,717	115,875	(215,580)

As at 30 June 2018, the net asset value of the Divested Group amounted to approximately RMB52.6 million.

REASONS AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

During 2017, the Company encountered intensified competition and challenges in its China domestic card and board games business, both from intense competition from new apps that provide online game room functions, as well as adverse payment policy changes in the Company's main mobile carrier payment partners. The negative impact on both PC and mobile China domestic card and board game businesses of the Company, particularly in the beginning of the year, consequently caused a fairly substantial downturn on revenue and profitability of the Company. During the first half year of 2018, the Group's online card and board games business in China continued to face the highly challenging conditions together with unexpected and significant regulatory headwinds in the same business. While the Company was addressing the challenges in its China domestic card and board games business, it continued to invest in and progress on the its eSports, WPT and mind sports businesses.

Due to the current operating conditions, the Board has conducted a strategic review of the industry conditions and the Company's business outlook in the said industry, and determined that it is in the best interests of the Company to divest segments of its online card and board games business, in particular *Ourgame Hall* (“聯眾大廳”) and *Poker World* (“撲克世界”).

The divestment will reduce the Company's exposure in an increasingly difficult market, and free up resources to invest in other faster-growing ventures. By divesting *Ourgame Hall* (“聯眾大廳”) and *Poker World* (“撲克世界”), the Group will turn to a licensing model to continue enjoy economic benefits from the Divested Businesses. The Group's other businesses, which are more internationally focused in their outlook, continued to achieve positive milestones. The Group's e-Sports subsidiary, Allied eSports, officially opened its global flagship arena at the MGM Luxor Casino and Hotel in March 2018 in Las Vegas, U.S.A. and its first major eSports event at the Las Vegas Arena with the leading eSports live-streaming provider in the US resulted in record breaking viewership of 680 thousand peak concurrent viewers and more than 2.5 million unique viewers. Allied eSports has attracted major partners and sponsors that are eager to reach the young eSports audience. The Group's WPT business continues to expand into new geographies and its TV programs continue to reach a growing TV audience of more than 140 million households worldwide as of July 2018. Its brand power continues to fuel the growth of its licensing business, with partners including Zynga and its improved operation continuing to reflect positively on its financial results.

The Directors are of the view that the Reorganisation is a strategic action by the Group to optimise the configuration of its business portfolio and eventually to achieve sustainable growth and profitability.

It is expected that the Company will record an estimated one-off loss of approximately RMB2.9 million (subject to the final audit) on deemed disposal of Beijing Lianzhong upon completion of the Reorganisation Agreement on the Completion Date, being calculated based on the difference between the net book value of the Divested Group being disposed of as of 30 June 2018 and the present value of the expected cash flows from the Consideration, and including tax and expenses relating to the Reorganisation.

The Group intends to use the net proceeds from the the Reorganisation Agreement of approximately RMB82.8 million at maximum as general working capital of the Group.

Furthermore, pursuant to the Exclusive Operation Agreement, during the Exclusive Operation Period, (i) Beijing Lianzhong is entitled to half of the distributable income from the Divested Businesses; and (ii) Beijing Lianzhong shall not bear any cost or liabilities if it records distributable losses from the Divested Businesses. As such, the Directors consider that the arrangement would benefit the Company under current operating conditions.

In view of the above, the Board (excluding the independent non-executive Directors who will express their opinion regarding the Reorganisation Agreement after taking into account the advice of an independent financial adviser) considers that the terms of the Reorganisation Agreement and the Exclusive Operation Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole and the transactions contemplated thereunder have been arrived at after arm's length negotiations between the parties thereto.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Reorganisation is more than 25% or more but all percentage ratios are less than 75%, the Reorganisation constitutes a major transaction for the Company and is therefore subject to the notification and announcement, circular and Shareholders' approval requirements under the Listing Rules.

As at the date of this announcement, (i) one of the Beijing Lianzhong Shareholders, Liu Jiang (劉江), is a non-executive Director of the Company and (ii) Liu Jiang is interested in more than 10% of the equity interest in Beijing Lianzhong, a consolidated affiliated entity of the Company. As such, each of Liu Jiang and Beijing Lianzhong is considered a connected person of the Company under the Listing Rules, and the transactions contemplated under the Reorganisation Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. Further, the grant of the IP Licenses constitutes a continuing connected transaction under Chapter 14A of the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, the Reorganisation Agreement will need to comply with the announcement, Shareholders' approval, independent board committee, independent financial adviser and the circular requirements.

An independent board committee (the “**Independent Board Committee**”), comprising all of the independent non-executive Directors, namely Mr. Ge Xuan, Mr. Lu Zhong and Mr. Tyen Kan Hee Anthony has been established to advise the independent Shareholders in respect of the Reorganisation Agreement and the transactions contemplated thereunder. The Company will also appoint an independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the Reorganisation Agreement and the transactions contemplated thereunder.

An EGM will be convened at which resolution(s) will be proposed to seek the Shareholders' (other than those required under the Listing Rules to abstain from voting on any resolutions relating to the Reorganisation Agreement, if any) approval of the Reorganisation Agreement and the transactions contemplated thereunder.

DESPATCH OF CIRCULAR

A circular containing, among other things, further details relating to the Reorganisation (including the Reorganisation Agreement), financial information of the Group and valuation report of the Divested Group shall be despatched to the Shareholders within 15 Business Days after the publication of this announcement, i.e. on or before 5 September 2018.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Beijing Lianzhong”	Beijing Lianzhong Co., Ltd.* (北京聯眾互動網絡股份有限公司), a company established under the laws of the PRC and a consolidated affiliated entity of the Company
“Beijing Lianzhong Shareholders”	the shareholders of Beijing Lianzhong, who are, as at the date of this announcement: Liu Jiang (劉江), Zhang Rongming (張榮明), Shen Dongri (申東日), Bao Yueqiao (鮑岳橋), Long Qi (龍奇) and Wu Lan (烏蘭)
“Beijing MPTQ”	Beijing Maipu Taiqi Technology Co., Ltd.* (北京邁普太奇科技有限公司)
“Board”	the director(s) of the Company from time to time
“Business Day”	any date that is not a Saturday, Sunday, legal holiday or a day on which banks are required to be closed in Hong Kong or the PRC
“China” or “PRC”	the People’s Republic of China and for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	Ourgame International Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability
“Completion Date”	the third working day immediately after all of the conditions precedent of the Reorganisation Agreement are satisfied, or such other date agreed upon between the parties to the Reorganisation Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“consolidated affiliated entity”	an entity controlled by the Company through contractual arrangements, the financial results of which are consolidated and accounted for as a subsidiary of the Company by virtue of such contractual arrangements
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	the board of directors of the Company
“Effective Date”	the date of completion of the Transfer Agreement
“EGM”	extraordinary general meeting

“Exclusive Operation Agreement”	the exclusive operation agreement (“《獨家運營協議》”) dated 15 August 2018 entered into between Beijing Lianzhong and Beijing MPTQ
“Existing Contractual Arrangements”	a series of contractual arrangements entered into on 28 January 2014 by, among others, the WFOE, Beijing Lianzhong and its shareholders. For details please refer to the section headed “Contractual Arrangements” in the prospectus of the Company dated 18 June 2014
“Group”	the Company, its subsidiaries and its consolidated affiliated entities from time to time
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“IPRs”	intellectual property rights
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New PRC Holdco”	Fei La Er Fashion (Beijing) Technology Co., Ltd.* (費拉爾時尚(北京) 科技有限公司), a company established under the laws of the PRC and a direct wholly-owned subsidiary of Beijing Lianzhong
“percentage ratio”	has the meaning ascribed to it by the Listing Rules
“Reorganisation Agreement”	the reorganisation agreement (“《重組協議》”) dated 15 August 2018 entered into between the Company, Beijing Lianzhong, the New PRC Holdco, the WFOE and the Beijing Lianzhong Shareholders
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) in the Company
“Shareholders”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it by the Listing Rules
“WFOE”	Beijing Lianzhong Garden Network Technology Co., Ltd.* (北京聯眾家園網絡科技有限責任公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company

“WPT” World Poker Tour

“%” per cent

By order of the Board
Ourgame International Holdings Limited
YANG Eric Qing
Chairman and Co-Chief Executive Officer

Beijing, 15 August 2018

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, Ms. Fu Qiang, Mr. Fan Tai and Mr. Chen Xian as non-executive directors; and Mr. Ge Xuan, Mr. Lu Zhong and Mr. Tyen Kan Hee Anthony as independent non-executive directors.

* *For identification purpose only*