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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)

PROFIT WARNING

This announcement is made by Ourgame International Holdings Limited (the “Company” or “Ourgame” and, together with its subsidiaries and consolidated affiliated entities, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Based on the information currently available to the Board, including the Group’s unaudited consolidated management accounts for the six months ended 30 June 2018, it is currently expected that the Group will record a net loss for the six months ended 30 June 2018 that is significantly higher than the net loss of approximately RMB74.0 million for the six months ended 30 June 2017. The expected net loss is primarily the result of highly challenging conditions that the Group’s card and board game businesses in China have continued to face together with regulatory headwinds in the same businesses, as well as a one-time write-off related to disposal of segments of the Group’s China domestic card and board games businesses. As set out in the Company’s announcement dated 15 August 2018, following a strategic review by the board of directors of the Company (the “Board”), the Board has determined it is in the best interests of the Company to dispose of certain segments of the China online card and board games business (including Ourgame Hall (“聯眾大廳”) and Poker World (“撲克世界”), and has entered into agreements to reorganize and ultimately dispose of certain of its core components. In connection with this, the Board has determined that it is appropriate to write-down substantially all of the carrying values of the assets relating to these businesses as at 30 June 2018, which will result in one-time impairment losses of between approximately RMB350 million and RMB380 million, which represented approximately between 19% and 21% of the total assets of the Group as at 30 June 2018. The impaired assets included the China domestic card and board games related intangible assets, goodwill, investments and trade and other receivables.

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 financials.

The information contained in this announcement is only based on information currently available to the Board. The Group's interim results for the six months ended 30 June 2018, and in particular the magnitude of the write-down relating to the China online card and board game businesses, will require discussion and review by the Company's auditors and the audit committee of the Board. As such, the actual interim results of the Group for the six months ended 30 June 2018 might differ materially from what is disclosed in this announcement. The Company expects to issue its results announcement for the six months ended 30 June 2018 by the end of August 2018. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

The Board wishes to remind investors that the above profit warning is based on the Group's unaudited management accounts. As such, shareholders and potential investors are reminded not to unduly rely on such information and are advised to exercise caution when dealing in the securities of the Company.

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*