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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)

### REMOVAL OF DIRECTORS

The Board announces that Mr. Gao was removed as an executive Director and each of Ms. Fu and Mr. Hu was removed as a non-executive Director, with immediate effect.

### REMOVAL OF DIRECTORS

Written notices dated 6 May 2021 (the “**Removal Notices**”) had been served on Mr. Gao Hong (“**Mr. Gao**”), Ms. Fu Qiang (“**Ms. Fu**”) and Mr. Hu Wen (“**Mr. Hu**”, together with Mr. Gao and Ms. Fu, the “**Removed Directors**”) to remove them from office as director(s) of Ourgame International Holdings Limited (the “**Company**”) on 6 May 2021, pursuant to Article 16.18(f) of the Amended and Restated Articles of Association adopted by the Company on 12 June 2014 (the “**Articles**”). The removal of the Removed Directors (the “**Removal**”) took effect immediately. Accordingly, Mr. Gao was removed as an executive Director and each of Ms. Fu and Mr. Hu was removed as a non-executive Director. Pursuant to the Removal, Mr. Gao ceased to be a member of the Remuneration Committee and the Chairman of the Risk Prevention and Digital Assets Management Committee, Ms. Fu ceased to be a member of each of the Remuneration Committee and the Risk Prevention and Digital Assets Management Committee, whereas Mr. Hu ceased to be a member of the Audit Committee with immediate effect.

Article 16.18(f) of the Articles provides that the office of a Director shall be vacated if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office. As advised by the Cayman Legal Advisers of the Company, the Removal Notices fulfill the requirements under Article 16.18(f) of the Articles.

## REASONS OF REMOVAL

As required under Rule 3.08 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Stock Exchange stipulates that directors must, both collectively and individually, to fulfill fiduciary duties and duties of skill, care and diligence to a standard at least commensurate with the standard established by Hong Kong law. This means that every director must, in the performance of his duties as a director, including but not limited to, (a) act honestly and in good faith in the interests of the company as a whole; (b) act for proper purpose; (c) avoid actual and potential conflicts of interest and duty; and (d) apply such degree of skill, care and diligence. Pursuant to Rule 3.08 of the Listing Rules, so as to safeguard the interests of the Company’s shareholders and the Company, the above three Directors shall be removed for the following reasons:

- (1) Ms. Fu, Mr. Gao and Mr. Hu are directors of Irena Group Co., Ltd. (“**Irena**”), which is one of the indirect shareholders of the Company that holds approximately 26.99% of the issued shares of the Company. Both Ms. Fu and Mr. Gao are substantial shareholders of Irena.

The Company, having made enquiry, came to know that Irena has over 30 lawsuits in the PRC in aggregate and is a judgment debtor, which, in the opinion of the Company, exposes Irena to extremely serious risks and high likelihood of going bankruptcy.

The Company, having made enquiry, came to know that Ms. Fu is currently a judgment debtor in at least six court enforcement cases in China and has been listed as a dishonest judgment debtor by the Beijing No. 3 Intermediate People’s Court on 31 March 2021 in (2021) Jing 03 Enforcement Cases No. 169 and 171((2021)京03執169號及171號案件).

In addition, the Company came to note that Ms. Fu and Mr. Gao, as responsible persons, were punished by Beijing Regulatory Bureau of the China Securities Regulatory Commission (中國證券監督管理委員會) (“**CSRC**”) with a warning and a fine in August 2020 for illegal and non-compliant information disclosure by Irena, according to the Administrative Penalty Decision Letter ([2020] No. 6) (行政處罰決定書) published by Beijing Regulatory Bureau of the CSRC.

- (2) On 17 March 2021, in a restaurant located in the Dongcheng District, Beijing, Mr. Gao made a request to Mr. Ma Shaohua, an independent non-executive Director of the Company, and Mr. Li Yangyang, the Chairman of the Board and an executive Director of the Company, that the Company and Allied Esports Entertainment Inc (“**AESE**”), an indirect non-wholly owned subsidiary of the Company, should prioritize the allocation of at least the majority of the proceeds from the sale of World Poker Tour (“**WPT**”) business by AESE to Irena or its related parties by way of other means, such as by connected transaction, or by loan arrangement between Irena and the Company.

Mr. Gao made further indication to Mr. Ma Shaohua, an independent non-executive Director of the Company, and Mr. Li Yangyang, the Chairman of the Board and an executive Director, that in case the above distribution of proceeds could not be made as required, and Irena was not prioritized in the receipt of the relevant proceeds, he, together with Ms. Fu and Mr. Hu, would

cause obstruction and difficulties in the operation of the Company. When Mr. Gao was informed that such an arrangement would not be in line with the compliance requirements and the distribution of proceeds that is disproportionate to the proportion of shareholding would undermine the legitimate interests of other shareholders of the Company, Mr. Gao further stated that the distribution arrangements in which he described could be implemented by secretly dissipating the Company's assets through any means contrary to legal requirements and business ethics.

- (3) Regarding to the sale of WPT business, the Company has supported AESE in seeking or accepting the offer on the best terms. The Company adopted the highest bidder principle at a Board meeting held on 11 March 2021, and communicated the Company's position to the board of directors of AESE through formal channels on multiple occasions, while the board of directors of AESE has been conducting this transaction in accordance with our position and in compliance with the relevant U.S. regulations. Following the fruitless request made by Mr. Gao mentioned in paragraph 2 above, in early April 2021, Mr. Gao unilaterally sent several letters to the board of directors and management of AESE without any authorization from the Board of the Company, in which confidential information regarding the Company, including the opinions expressed by the Company's Directors in the Board's decision-making process, were leaked. Such conduct seriously disrupted the business decision making and internal management of the Company, resulting in serious damage to the Company's interests.
- (4) In addition, pursuant to the Stock Purchase Agreement entered into for the sale of WPT business, Glassy Mind Holdings Limited ("**Glassy Mind**"), an indirect subsidiary of Irena, acting as a shareholder of the Company, is required to sign a deed of irrevocable undertaking (the "**Deed of Irrevocable Undertaking**") to confirm and undertake to vote in favour of the sale of WPT business in the general meeting of the Company regarding the aforementioned sale to be held. Upon receipt by the Company of the Deed of Irrevocable Undertaking dated 20 January 2021 signed by Glassy Mind, the Company discovered from the relevant evidence that Mr. Gao had forged the signature of a relevant authorized person of Glassy Mind, i.e. a person named as Li Qiang (李強), in the Deed of Irrevocable Undertaking and misled an employee of the Company to sign as a witness to certify photocopies of documents with his forged signature and delivered the same to the board of directors of AESE. The Company is working with its legal team to determine whether this conduct constitutes a breach of relevant law(s) and a suspected criminal offence and how the Company should proceed with further legal action.
- (5) The Board of the Company, after conducting preliminary investigation on witnesses and documentary evidence, found that Ms. Fu misappropriated the assets of the Company without any authorization from the Board of the Company. Ms. Fu, without the approval from the Board of the Company, made a loan from a member company of the Company in the name of Fast Express Trading Limited and secured in her name with an aggregate principal amount of approximately HK\$64 million before and after 2018. As of 30 April 2021, the principal amount of the loan amounted to approximately HK\$32 million was still outstanding and the interest of approximately HK\$1.7 million had not been paid according to the preliminary calculation of the Company based on relevant agreements. The default amount based on the agreements in respect thereof is

approximately HK\$43 million. Her conduct has adversely affected the cash flow and normal operation of the Company. The Company is still in the process of further investigating into the relationship between Ms. Fu and the borrowing company and any undisclosed circumstances.

Based on the aforementioned reasons, the Board of the Company has reasons to believe that Ms. Fu, and Mr. Gao have serious potential conflict of interest with the Company and are unable to act in the interests of the Company as a whole or meet the basic requirements to serve as a Director, and therefore no longer meet the requirements of Rule 3.08 of the Listing Rules. Meanwhile, as Mr. Hu is a director of Irena together with Ms. Fu and Mr. Gao, and given the abovementioned reasons, the Board of the Company is of the view that Mr. Hu also has serious potential conflict of interest and is unable to act in the interests of the Company as a whole or meet the basic requirements to serve as a Director, and therefore no longer meet the requirements of Rule 3.08 of the Listing Rules. The Board of the Company also has reasons to believe that the Removed Directors may have violated the provisions such as Article 3.4, and Article 10.1 of the appointment contract of an executive director, Article 2.2, Article 6.1, and Article 6.2 of the letter of appointment of a non-executive director, i.e. provisions regarding to the circumstances that one or more of them may have failed to disclose any conflict of interest to the Company in a timely and truthful manner, failed to protect the Company's confidential information, and/or otherwise impaired the Company's interests.

Hence, the Board of the Company is of the opinion that the Removed Directors do not meet the qualifications of a director and their continued participation in the management of the Company or their capacity as the Company's Directors would not be in the best interests of the Company and its shareholders as a whole. The Board of the Company accordingly removed the above three Directors in accordance with Article 16.18(f) of the Articles. The Company is examining with its legal counsel on how it will further pursue and/or reclaim against the above Removed Directors in connection with the relevant conducts.

The Board has confirmed that apart from the foregoing, it is not aware of any matter in relation to the Removal that needs to be brought to the attention of the shareholders of the Company.

Following the removal of Mr. Gao, Ms. Fu and Mr. Hu as directors of the Company, the remaining members of the Board will endeavor to safeguard the interests of the shareholders and the Removal will not impede the normal operation of the Company.

By order of the Board  
**Ourgame International Holdings Limited**  
**Li Yangyang**  
*Chairman and Executive Director*

Beijing, 6 May 2021

*As at the date of this announcement, the Board comprises Mr. Li Yangyang and Mr. Lu Jingsheng as executive Directors; Mr. Liu Jiang, Mr. Liu Xueming and Ms. Wu (Claire) Libing as non-executive Directors; and Professor Huang Yong, Mr. Ma Shaohua and Mr. Zhang Li as independent non-executive Directors.*

\* *For identification purpose only*