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LEYOU TECHNOLOGIES HOLDINGS LIMITED
樂遊科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1089)

VOLUNTARY ANNOUNCEMENT
INVESTMENT IN
AN ONLINE GAME DEVELOPMENT COMPANY
INCORPORATED IN PEOPLE’S REPUBLIC OF CHINA

This announcement is made by Leyou Technologies Holdings Limited (the “**Company**”, together with its subsidiaries the “**Group**”) on a voluntary basis to keep the shareholders of the Company and public investors informed of the latest business development of the Group.

The board of directors of the Company (the “**Directors**”) is pleased to announce that on 31 July 2017, the Company entered into an investment agreement (the “**Investment Agreement**”) with Guangzhou Radiance Software Technology Co. Ltd.* (廣州榮端軟件科技有限公 司) (“**Guangzhou Radiance**”) and the current sole shareholder of Guangzhou Radiance, pursuant to which the Company has conditionally agreed to designate a wholly-owned foreign enterprise to be established in the People’s Republic of China (the “**PRC**”) by the Company (the “**PRC Subsidiary**”) to invest an amount of Renminbi equivalent to USD1 million for the equity interest in Guangzhou Radiance (the “**Proposed Investment**”). Upon completion of the Proposed Investment, the PRC Subsidiary will hold 51% of the entire issued share capital of Guangzhou Radiance as enlarged by the Proposed Investment and Guangzhou Radiance will become an indirect non-wholly-owned subsidiary of the Company.

Guangzhou Radiance is a company incorporated in the PRC principally engaged in the development of computer software and online game. Guangzhou Radiance has been exclusively licensed by Take Two International GmbH (“**Take Two**”) to develop a massively multiplayer online game named “Civilization Online” (“**Civilization Online**”) in consideration of the licence fee payable by Guangzhou Radiance to Take Two. Guangzhou Radiance will be entitled to receive developer royalty in form of profit sharing upon the launch of the game subject to the terms of the development agreement made with Take Two.

Based on the information available to the Company, Take Two is a subsidiary of Take-Two Interactive Software, Inc. which is a company listed on NASDAQ with its headquarter based in New York, United States of America and is a developer, marketer and publisher of interactive entertainment for consumers around the globe.

The Group is principally engaged in development, distribution and operations of online games. As disclosed in the composite document dated 2 June 2017 (the “**Composite Document**”) jointly issued by the Company and Port New Limited (being the Offeror named in the Composite Document), the Offeror’s intention is to continue the existing businesses of the Group. Continuing review would be conducted on the financial position and operations of the Group in order to formulate a long-term strategy for the Group and explore other business/investment opportunities for enhancing its future development and strengthening its revenue bases. Upon completion of the Proposed Investment, the development of the Civilization Online will be conducted in the ordinary course of business of the Group. The Board believes that the signing of the Investment Agreement represents a potential opportunity for the Group to participate in the development and distribution of popular game licensed by international renowned game company which will be conducive to the development of the Group.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Guangzhou Radiance, Take Two and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). All the applicable ratios in respect of the Proposed Investment under Rule 14.07 of the Listing Rules are lower than 5%. The Proposed Investment does not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules nor any connected transaction under Chapter 14A of the Listing Rules.

As the Proposed Investment is subject to fulfilment of various conditions precedent which may or may not be fulfilled, there is no assurance that the Proposed Investment will be completed. Accordingly, shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will make further announcement in view of the progress of transaction when and where necessary.

By order of the Board
Leyou Technologies Holdings Limited
Xu Yiran
Director

Hong Kong, 31 July 2017

** For identification purposes only*

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Lin Qinglin (Chairman), Mr. Wu Shiming, Mr. Gu Zhenghao and Mr. Xu Yiran, one non-executive Director, namely, Mr. Eric Todd and three independent non-executive Directors, namely Mr. Hu Chung Ming, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit.