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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)**

**TERMINATION  
OF MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO THE COOPERATIVE AGREEMENT**

Reference is made to (i) the announcement of Leyou Technologies Holdings Limited (the “**Company**”) dated 9 November 2018 (the “**Announcement**”), in relation to, among other things, information relating to the entering into of the Cooperative Agreement; (ii) the announcements of the Company dated 12 December 2018, 2 January 2019, 24 January 2019 and 20 February 2019 in relation to the delay in despatch of the circular for the Cooperation; (iii) the announcement of the Company dated 28 March 2019 in relation to the agreement on the Long Stop Date; (iv) the announcements of the Company dated 5 June 2019, 31 July 2019, 26 September 2019, 30 December 2019 and 27 March 2020 (collectively, the “**Further Announcements**”) in relation to the entering into of supplemental cooperative agreements to supplement and amend the Cooperative Agreement. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement and the Further Announcements.

## **TERMINATION OF THE COOPERATIVE AGREEMENT**

The Cooperative Agreement was entered into between the Company and MEGA on 9 November 2018 pursuant to which the parties conditionally agreed to enter into a joint arrangement for the development, operation and maintenance of five specific video games, namely Game A, Game B, Game C, Game D and Game E. The Cooperative Agreement was subsequently supplemented and amended six times, resulting in, among other things, Game C being removed from the scope of the Cooperative Agreement and the parties agreeing to negotiate in good faith the terms of their cooperation in respect of the Remaining Games.

However, after amicable discussions and due consideration of (i) the change to the portfolio of games subject to the Cooperation (with the removal of Game C), (ii) the changes in costs and benefits to the parties and their respective commercial rationale for entering into the joint arrangement, (iii) the continuing development of the Remaining Games which have progressed differently from that initially envisaged by the parties due to the non-commencement of the Cooperative Agreement and (iv) the substantial amount of time elapsed since the entering into of the Cooperative Agreement, the parties have decided not to proceed with the joint arrangement as any further negotiation on the terms of their cooperation of the Remaining Games would probably be futile and the condition precedent for the Cooperative Agreement to have effect would not likely be satisfied before the Long Stop Date.

Accordingly, on 26 June 2020, the Company entered into a termination agreement with MEGA, pursuant to which the parties agreed to terminate the Cooperative Agreement with immediate effect.

The Board considers that the termination of the Cooperative Agreement would not have any material adverse impact on the existing business operation and financial position of the Company.

As the Cooperative Agreement has been terminated, no EGM will be convened and held by the Company for the Independent Shareholders to consider and approve the Cooperative Agreement and the transactions contemplated thereunder and no circular will be issued by the Company.

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

**Shareholders and potential investors of the shares of the Company should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Leyou Technologies Holdings Limited**  
**Xu Yiran**  
*Chairman and Chief Executive Officer*

Hong Kong, 26 June 2020

*As at the date of this announcement, the Board comprises Mr. Xu Yiran (Chairman and Chief Executive Officer), Mr. Li Yang (Deputy Chairman), Dr. Alan Chen (Chief Operating Officer), Mr. Gu Zhenghao and Mr. Cao Bo as executive Directors, Mr. Eric Todd as non-executive Director, and Mr. Hu Chung Ming, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit as independent non-executive Directors.*