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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)**

### **CHANGE OF AUDITOR AND CONTINUED SUSPENSION OF TRADING**

This announcement is made by Ourgame International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

References are made to the announcements of the Company dated 27 March 2024, 28 March 2024, 19 April 2024, 10 May 2024, 21 May 2024, 27 June 2024 and 28 June 2024 (collectively, the “**Announcements**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

#### **RESIGNATION OF AUDITOR**

The Board hereby announces that Grant Thornton Hong Kong Limited (“**Grant Thornton**”) resigned as the Auditor with effective from 9 August 2024, due to the Company and Grant Thornton being unable to reach a consensus on the additional fees and timeline for resolving the outstanding audit matters in the audit of the Group’s consolidated financial statements for the year ended 31 December 2023 of the Group. A confirmation from Grant Thornton on the change of auditor (the “**GT Confirmation**”) has been obtained by the Company on the same date, which made reference to the significant matters and outstanding audit matters ((the “**Key Matters**”) as set out in a letter issued to the Audit Committee on 19 March 2024 (the “**March 2024 Letter**”) and another letter issued to the Audit Committee on 18 July 2024 (the “**July 2024 Letter**”, together with the March 2024 Letter, the “**Letters**”).

The March 2024 Letter puts forward the Relevant Matters. As mentioned in the announcement of the Company dated 27 June 2024, the Relevant Matters are related to (i) the Expenses Payment Transactions, (ii) certain prepayment amounts by the Group to another third party being offset against

amount due to the Former CEO under the Expenses Payment Transactions, (iii) cash advance made by the Group to the Former CEO, and (iv) the Debt Collection Transactions. The July 2024 Letter sets out the summary of development of review by the Independent Expert on the Relevant Matters (the “**Review**”) since April 2024 up to the date of the July 2024 Letter. The Company sets out the Key Matters as below:

#### **1. The Expenses Payment Transactions**

On 31 December 2023, the Former CEO entered into a settlement agreement with the Company in relation to expenses paid on behalf of the Company amounted total to approximately RMB8 million (which included legal fees and severance payment) incurred in the year ended 31 December 2021 and 2022 but such expenses had not been recorded in the Company’s consolidated financial statements for the year ended 31 December 2021 and 2022.

In April to May 2024, Grant Thornton had participated in a face-to-face interview conducted by the Independent Expert with the Former CEO who confirmed he had kept the expense invoices but only provided to the Company until December 2023. The Independent Expert had also obtained certain confirmations from counterparties on the occurrence of the Expenses Payment Transactions; and Grant Thornton had requested to expand the scope of the Review.

#### **2. Certain prepayment amounts by the Group to another third party being offset against amount due to the Former CEO under the Expenses Payment Transactions**

Certain contractual agreements were entered on 31 December 2023, pursuant to which the amount of approximately RMB8.0 million due to the Former CEO was to be offset against a prepayment to another third party, which related to advertising services entered in July 2022. A face-to-face interview were conducted between the Independent Expert, the Former CEO and Grant Thornton in April 2024 for more details.

#### **3. Cash advance made by the Group to the Former CEO**

The Group made cash advance to the Former CEO in each month during the year ended 31 December 2023. As at 31 December 2023, the balance of cash advance to the Former CEO made by the Group was approximately RMB2.64 million.

#### **4. The Debt Collection Transactions**

The Company had engaged two debt collection agencies in relation to the recovery of certain loan receivables, including but not limited to the loan lent by the Company to Mr. Ng Kwok Leung Frank (“**Mr. Ng**”), the former chief executive officer of AGAE, and other outstanding loan receivables from other third parties.

#### **4.1 *In relation to the loan lent by the Company to Mr. Ng***

The Company had lent a loan of HK\$5 million to Mr. Ng in December 2018 (the “**Loan**”). With reference to the announcement of the Company dated 11 December 2023, the Company entered into a debt settlement agreement with Mr. Ng in respect of the Loan.

In the past, it was understood that the Loan would be offset against the outstanding AGAE severance payment to Mr. Ng (the “**Mr. Ng Severance Payment**”), and it was unknown that there was an issue with Mr. Ng’s attitudes towards the Company affecting the proposed offset arrangement. In July 2023, the Company had engaged a third party debt collection agency to perform debt collection service in relation to the Loan. The role of the debt collection agency and the reason for the change in attitudes of Mr. Ng towards the Loan settlement was unclear. Further understanding of the procedures performed by the debt collection agency and relevant supporting was required.

In addition, additional procedures were required to verify the authenticity and validity of the supplemental loan agreement entered into between the Company and Mr. Ng in 2021, which had not been previously disclosed or provided to Grant Thornton.

In October 2023, Mr. Ng initiated an arbitration (the “**Arbitration**”) against AGAE alleging that AGAE breached certain employment contracts with him in relation to the Mr. Ng Severance Payment. Grant Thornton had provided a request list to the Company which set out the key questions and documents required to be addressed or provided for further assessment.

#### **4.2 *In relation to other transactions with the two debt collection agencies***

With reference to the Letters, the Arbitration gave rise to concern on the authenticity and validity of the debt settlement agreement and the execution of the debt settlement agreement which were arranged through the debt collection agencies, and concern over the transactions between the Company and the two debt collection agencies had been raised. Further investigation on the details of transactions between the Company and the two debt collection agencies was required.

### **5. Two complaint letters issued to the Stock Exchange**

In May 2024, two complaint letters were issued to the Stock Exchange. One of the complaint letters was issued by Mr. Ng, raising a number of allegations against AGAE for exercising fraudulent agreements in the settlement of the severance payment and his loan to the Group. The other complaint letter was issued by Glassy Mind Holdings Limited, a substantial shareholder of the Company, raising a number of allegations against AGAE or its subsidiaries.

Up to the date of the July 2024 Letter, Grant Thornton had yet to receive remaining responses to the allegations raised in the complaint letters.

Grant Thornton has requested in the March 2024 Letter, the Company is to provide a full explanation from the management in relation to the Key Matters set out therein, including but not limited to the business rationales of the transactions, the pricing mechanism or rationales of the amounts in the transactions/agreements, details of the discovery of the previously unidentified agreements, and the related supporting documents in connection thereto. For the July 2024 Letter, Grant Thornton has continuously communicated with the Company the required information for the audits and the status updates of the Review on the Key Matters, however, as of the date of the letter, Grant Thornton had not been provided with all the necessary information from management nor any status updates of the Review on the Key Matters from the Audit Committee.

For the avoidance of doubt, as at the date of this announcement, the Review by the Independent Expert is not yet completed.

The GT Confirmation has stated that, save for the above information relating to the Key Matters, there are no circumstances connected with the resignation of Grant Thornton which are ought to be brought to the attention of the holder of securities of the change of the Company's auditor. The Board and the Audit Committee have also confirmed that there is no disagreement between the Company and Grant Thornton. The Board and the Audit Committee have also confirmed that, save for the above-mentioned matters, there are no other matters in respect of the resignation of Grant Thornton that need to be brought to the attention of the Shareholders.

In relation to the above-mentioned matters, the Company considers that it has made every effort to cooperate with Grant Thornton and has already provided the majority of the requested information and documents to the best of its ability. The Company would also like to draw the public's attention to the previous announcements made by the Company, including the Company's announcement dated 26 May 2024 in relation to (among others) the report to Hong Kong police for its investigation of any alleged offences that may be involved in respect of the Loan and the Company's announcement dated 6 August 2024 in relation to (among others) the update of the Arbitration and the counterclaim against Mr. Ng. The Company will continue to work with the new Auditor and the Independent Expert in order to resolve the audit matters, including the Relevant Matters put forward by Grant Thornton. The Company will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

The Board would like to take this opportunity to express its sincere gratitude to Grant Thornton for their professional services rendered to the Company in the past years.

## **APPOINTMENT OF AUDITOR**

After considering the recommendations from the Audit Committee, the Board further announces that, it has resolved to approve the appointment of Moore CPA Limited ("**Moore**") as the new Auditor with effect from 9 August 2024 to fill the casual vacancy following the resignation of Grant Thornton. Moore will hold office until the conclusion of the next annual general meeting of the Company.

In making its recommendations to the Board, the Audit Committee has considered a number of factors, including but not limited to: (i) Moore's market reputation, capabilities and track records, including its technical capabilities, manpower and other available resources and past experience in providing audit services to companies listed on the Stock Exchange; (ii) its independence from and objectivity with the Group; and (iii) the Guidance Notes on Change of Auditor issued by the Accounting and Financial Reporting Council.

In view of the foregoing, the Audit Committee considers that Moore is qualified and suitable to act as the Auditor, and the Audit Committee and the Board consider that the change of the Auditor is in the interests of the Company and the Shareholders as a whole.

The Board would like to take this opportunity to welcome Moore as the Auditor.

### **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:07 a.m. on Thursday, 28 March 2024, and will remain suspended until the Company meets all Resumption Guidance, remedies the issues causing its trading suspension and fully complies with the Listing Rules to the Stock Exchange's satisfaction. The Company will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Ourgame International Holdings Limited**  
**Lu Jingsheng**  
*Chairman and executive Director*

Beijing, 11 August 2024

*As at the date of this announcement, the Board comprises Mr. Lu Jingsheng as executive Director; Ms. Gao Liping and Ms. Yu Bing as non-executive Directors; and Mr. Ma Shaohua, Mr. Zhang Li and Mr. Dai Bing as independent non-executive Directors.*

\* *For identification purpose only*