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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)

### ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

#### FINANCIAL HIGHLIGHTS

|  | Year ended 31 December    |                           | Changes             |
|--|---------------------------|---------------------------|---------------------|
|  | 2024                      | 2023                      |                     |
|  | <i>RMB'000</i><br>Audited | <i>RMB'000</i><br>Audited |                     |
| <b>Revenue</b>   | <b>92,188</b>             | 88,996                    | 3.6%                |
| <b>Loss attributable to equity holders of the Company for the year</b>   | <b><u>(89,191)</u></b>    | <b><u>(62,765)</u></b>    | <b><u>42.1%</u></b> |
| <b>Loss per share attributable to equity holders of the Company for the year</b><br>(expressed in RMB cents per share) |                           |                           |                     |
| <b>From continuing and discontinued operations:</b>  |                           |                           |                     |
| Basic loss per share   | (8.32)                    | (5.90)                    | 41.0%               |
| Diluted loss per share   | (8.32)                    | (5.90)                    | 41.0%               |
| <b>From continuing operations:</b>   |                           |                           |                     |
| Basic loss per share   | (8.32)                    | (7.27)                    | 14.4%               |
| Diluted loss per share   | (8.32)                    | (7.27)                    | 14.4%               |

The board (the “**Board**”) of directors (the “**Directors**”) of Ourgame International Holdings Limited (the “**Company**” or “**Ourgame**”) hereby announces the annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024. The annual results have been reviewed and approved by the Company’s audit committee (the “**Audit Committee**”).

## **BUSINESS REVIEW**

2024 was a year full of opportunities and challenges. Adhering to the original aspiration of “creating happiness for users”, the Company has focused on its core business and actively expanded into new sectors, while continuously exploring new driving forces for future development.

As the cornerstone of its business, the Company continued to deepen its strategic layout in the card and board games sector in 2024, aiming to provide users with more diversified, competitive and sociable experiences of card and board games. The Company has kept optimizing the technology and upgrading the user experience of its core card and board games business, Ourgame Hall, to improve game smoothness and stability. Refined operation has been implemented in respect of regionally distinctive card and board games, tailored to the preferences of user groups in different regions. Meanwhile, by strengthening in-game social features and enhancing user community building to increase fan loyalty, the Company has established an active ecosystem of enthusiasts of card and board games, allowing it to maintain a stable user base for its core card and board games, improve users’ activity and willingness to pay, and further solidify Ourgame’s brand influence and professional standing in the card and board games sector.

The game “Guandan” has gained nationwide popularity in recent years, becoming a phenomenon in the card and board games sector. As a company with extensive experience in game development and operations, the Company undertook the research and development and operations of Guandan for Migu (a subsidiary of China Mobile) this year. This strategic partnership has quickly secured a favourable position in this rapidly growing niche market. Leveraging Migu’s promotion resources and user base, the game achieved rapid growth in user numbers in a short period of time, generating more stable and substantial revenue streams for the Company, and laying a solid foundation for the Company’s future deepened cooperation with Migu and expansion into other operator channels.

In 2024, the Company positioned the live broadcast business as a key strategic focus, actively exploring innovative integration of game contents with live broadcast. Particularly, it launched a series of events featuring mind masters in China, converting the extensive online/offline event resources of Ourgame into high-quality live broadcasting contents to attract users to watch online. Meanwhile, a comprehensive anchor support and incentive mechanism has been adopted to provide traffic, resources and training support to anchors, and establish a stable and vibrant anchor matrix. This serves as a foundation for the Company to advance the commercialisation of its live broadcast business, including e-commerce sales, membership subscriptions, virtual gifts, etc., and actively explore new sources of revenue.

In the face of the rapidly changing market environment and technological trends, the Company maintains an open and exploratory attitude by closely monitoring the application potential of artificial intelligence (AI) and Web3.0-related technologies in game design, and actively seeking strategic cooperation opportunities with upstream and downstream partners in the industry chain. It has established cooperation with SenseRobot, an innovation pioneer in the AI field, to jointly explore the access of AI into card and board games to diversify product experiences, exemplifying the Company's vitality and insight into sustainable development.

In 2024, while strengthening its core advantages of the card and board games business, the Company successfully expanded its live broadcast business and, through proactive exploration, laid the groundwork for future growth. Entering the new year, the Company will continue to deepen its competitive edge in the card and board games business to provide an even more exceptional user experience; strengthen the growth engine of the live broadcast business to improve the economy of scale and profitability of the same; and continue to advance innovation and exploration and closely tracking technological trends and changes in user needs to transform promising exploration directions into new business growth points. Meanwhile, the current board of directors and the current management of the Company continued to recover the non-performing assets left by the former management (including but not limited to Mr. Ng Kwok Leung Frank) such as overdue receivables and historical investments during the year. The legal means used for collection included but not limited to self-collection, cooperation with third-party advisors, service institutions and collection agencies, arbitration or litigation, with substantial assets recovered. The current management of the Company will continue to make every effort and adopt all means to recover the relevant assets and hold the relevant parties legally responsible, and will continuously protect the interests of the Company and all shareholders.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. Overview**

The loss attributable to equity holders of the Company amounted to RMB89.2 million for the year ended 31 December 2024, representing an increase of RMB26.4 million or 42.1% as compared with loss of RMB62.8 million for the year ended 31 December 2023. The increase was primarily due to the fact that although the operating conditions and net losses of the Group have improved significantly as compared with last year, share of loss of associates has increased sharply during the year, offsetting the improvement of the Group.

### **2. Revenue**

In 2024, the revenue of the Group amounted to RMB92.2 million, representing an increase of RMB3.2 million as compared with RMB89.0 million for the year ended 31 December 2023. The increase was mainly due to the Group's continuous innovation and exploration for new businesses during the year.

### **3. Cost of Revenue and Gross Profit Margin**

In 2024, the cost of revenue of the Group amounted to RMB45.9 million, representing an increase of RMB1.8 million as compared with RMB44.1 million for the year ended 31 December 2023. The gross profit margin of the Group slightly decreased from 50.4% for the year ended 31 December 2023 to 50.2% for the year ended 31 December 2024.

#### **4a. Other Income**

In 2024, other income of the Group amounted to RMB5.1 million, representing a decrease of RMB2.1 million as compared with RMB7.2 million in 2023. This was primarily due to the decrease in license fee income and sales of software income during the year.

#### **4b. Other Gains and Losses**

In 2024, other losses of the Group amounted to RMB0.1 million, representing a decrease of RMB3.4 million as compared with RMB3.5 million in 2023. This was primarily due to the impairment loss of property, plant and equipment and right-of-use assets that only occurred in 2023, while no such situation occurred during the year.

### **5. Selling and Marketing Expenses**

In 2024, the selling and marketing expenses of the Group amounted to RMB16.1 million, representing an increase of RMB2.1 million or 15.5% as compared with RMB14.0 million in 2023. The increase was mainly due to the increase in promotion and marketing activities during the year.

## **6. Administrative Expenses**

In 2024, the administrative expenses of the Group amounted to RMB41.4 million, representing a decrease of RMB2.6 million as compared with RMB44.0 million in 2023. The decrease was mainly due to the cost reduction and efficiency improvement in the operation and management of the Group, which was offset against the increased professional expenses such as legal fees.

## **7. Research and Development Expenses**

In 2024, the research and development expenses of the Group amounted to RMB16.1 million, representing an increase of RMB0.3 million or 1.9% as compared with RMB15.8 million in 2023.

## **8. Fair Value Changes of Financial Assets at FVTPL**

In 2024, the loss in fair value changes of financial assets at FVTPL of the Group amounted to RMB10.0 million, as compared with RMB31.4 million in 2023. The decrease in loss for the year was primarily due to the significant improvement of the fair value changes of the corresponding assets as compared with last year, as the new management of the Group has sorted out and recovered the financial assets at FVTPL of the Group.

## **9. Impairments Loss under Expected Credit Losses (“ECL”) Model**

In 2024, the reversal of impairments loss under ECL allowance Model of the Group amounted to RMB2.8 million, as compared with RMB11.1 million impairment losses in 2023. The impairments loss under ECL allowance was determined by the management that the future cash flows are not expected to be sufficient to recover the carrying value. The decrease in loss for the year was primarily due to the significant improvement of the impairments loss of the corresponding assets as compared with last year as the new management of the Group has sorted out and recovered the corresponding assets.

## **10. Loss Attributable to Equity Holders of the Company**

The loss attributable to equity holders of the Company amounted to RMB89.2 million for the year ended 31 December 2024, as compared with RMB62.8 million for the year ended 31 December 2023. The loss attributable to equity holders of the Company for the year ended 31 December 2024 was primarily due to the fact that although the operating conditions and net losses of the Group have improved significantly as compared with last year, the loss from share of loss of associates has increased sharply during the year, offsetting the improvement of the Group. This subsequently led to an increase in the loss attributable to equity holders of the Company as compared with last year.

## **11. Income Tax Credit/(Expenses)**

In 2024, the income tax credit of the Group amounted to RMB33,000, representing a decrease as compared with income tax expenses of RMB42,000 in 2023.

## **12. Liquidity and Source of Funding and Borrowing**

The Group's total bank balances and cash decreased from RMB35.5 million as at 31 December 2023 to RMB13.6 million as at 31 December 2024. As at 31 December 2024, the current assets of the Group amounted to RMB47.7 million, including bank balances and cash of RMB13.6 million, and other current assets of RMB34.1 million. Current liabilities of the Group amounted to RMB28.3 million, of which RMB21.8 million were trade and other payables and other current liabilities of RMB6.5 million. As at 31 December 2024, the current ratio (the current assets to current liabilities ratio) of the Group was 1.68 as compared to 2.21 as at 31 December 2023. Gearing ratio is calculated on the basis of total borrowings (net of cash and cash equivalents) over the Group's total equity. The Group's gearing ratio as at 31 December 2024 was nil (2023: nil). The Group currently intends to finance future expansion, investments and business operations primarily with internal resources, but may explore other financing sources in appropriate circumstances.

## **13. Material Investments**

The Group did not have any material investments during the year ended 31 December 2024.

## **14. Material Acquisitions**

The Group did not have any material acquisitions during the year ended 31 December 2024.

## **15. Financial Assets at FVTPL**

The Group makes investments in financial assets at FVTPL for the purposes of (i) supplementing the Group's games portfolio to drive higher monetization of our user base and profitability, (ii) exploring new business opportunities in related areas of our business eco-system for acquisitions and strategic and operational synergies, and (iii) leveraging on external financial resources for expertise and scale. As at 31 December 2024, the Group's financial assets at FVTPL amounted to RMB14.2 million (which were included as non-current assets) (31 December 2023: RMB26.5 million which were included as non-current assets).

As at 31 December 2024, the Group's investments in unlisted equity investments amounted to RMB14.2 million (which were included as non-current assets), which mainly included direct equity investments in selected startup companies mainly engaged in games or mind sports related technological research and development and direct subscription to the interests in private equity funds (the “**Private Equity Funds**”) that focus on providing early-stage funding for companies in the mind sports sector. A breakdown of the majority of these investments is set out below:

| <b>Name of Invested Company/<br/>Private Equity Funds</b>                     | <b>Amount of<br/>Capital<br/>Contributed by<br/>the Group</b> | <b>Percentage of<br/>Shareholding</b> | <b>Principal Business</b> |
|---|---|---------------------------------------|---------------------------|
| Tong Xiang Juli Fengyuan Equity Investment Fund Management Partnership (L.P.) | RMB20,000,000   | 64.52%                                | Investment/management     |
| All In Asia Culture and Tourism Development Company Limited                   | RMB19,574,700   | 20%                                   | Tourism culture           |
| Beijing Lianzhong Zhihe Technology Co., Ltd.                                  | RMB200,000  | 10%                                   | Mobile games              |

For the year ended 31 December 2024, no dividends have been paid from the above invested companies as included in the non-current assets. All startup companies invested by the Group are in relatively early stage, mainly focusing on product development and launching. The startup companies are in the internet, sports and entertainment segments, which are expected to provide us with a platform to leverage on our experience and resources, and to minimise our investment risks. We believe that our investment initiative is an important aspect of our vision to build up our ecosystem as a whole. The Group will continue to seek other investment opportunities that not only create synergies on different levels but also offer high-yield return potential. The Group will continue to monitor its investment in financial assets at FVTPL in a responsible manner. There are no financial assets at FVTPL in the Group's investment portfolio that individually constitutes significant investment as none of the investments has a carrying amount that accounts for more than 5% of the Group's total assets as at 31 December 2024.

### ***Movements of Financial Assets at FVTPL***

The movements of financial assets at FVTPL for the year ended 31 December 2024 are set out below:

#### ***Included as Non-current Assets***

#### **Unlisted equity investments RMB'000**

|   |                      |
|---|----------------------|
| Balance as at 1 January 2024                    | 26,469               |
| Disposals                                       | (2,264)              |
| Fair value changes recognised in profit or loss | <u>(9,990)</u>       |
| Fair value as at 31 December 2024               | <u><u>14,215</u></u> |

### **16. Material Disposals**

During the year ended 31 December 2023 and up to date of these consolidated financial statements are authorised to issue, the Group finds several events occurred for Allied Gaming & Entertainment Inc. (“AGAE”, together with its subsidiaries, “AGAE Group”) showing that the Group may lose control over it. The Group engaged an independent accounting advisor to assist the management to reassess the control. Based on the advice from the independent accounting advisor, the Group concluded that the control over AGAE has been lost and considered those events attributable to a deemed disposal of AGAE which became an associate of the Group as of 1 January 2023.

On 16 August 2023, the Group entered into a sale agreement to dispose 40% of its interest in a subsidiary, Beijing Lianzhong Zhihe Technology Co., Ltd. (“Ztech”), to AGAE Group at a consideration of USD7.0 million. The disposal was completed on 31 October 2023, on which date the control of Ztech has passed to AGAE. The Group retained 10% of equity interest in Ztech following the disposal.

### **17. Pledge of Assets**

As at 31 December 2024 and 2023, none of the Group’s assets was pledged.

### **18. Contingent Liabilities**

The Group had no material contingent liabilities as at 31 December 2024 (2023: nil).



## **19. Foreign Exchange Exposure**

During the year ended 31 December 2024, the Group mainly operated in the PRC and the majority of its transactions were settled in Renminbi (“**RMB**”), being the functional currencies of the Group entities to which the transactions relate. As at 31 December 2024, the Group did not have significant foreign currency exposure from its operations.

## **20. Employee’s Remuneration and Policy**

As at 31 December 2024, the Group had 70 employees who were responsible for games development and operation or general administration in the PRC (including Hong Kong). The total remuneration expenses (including share-based compensation expense) for the year ended 31 December 2024 were RMB30.5 million, representing a decrease of 9.3% as compared to the amount of 2023.

## **21. Recovery of Historical Receivables/Assets**

In 2024, the current board of directors and management of the Company continued to recover the non-performing assets generated by the former management of the Company, including but not limited to Mr. Ng Kwok Leung Frank, such as overdue receivables and historical investments, and have already recovered a relevant amount of RMB2.1 million during the year (2023: RMB1.1 million). Anyway, the Company will continue to make every effort to recover relevant historical receivables and historical investments, and will hold relevant parties accountable for any losses and legal liabilities caused to the Company.

## **22. Events Occurred since the End of the Year Ended 31 December 2024**

Save as disclosed in this announcement, the Group did not have any material events occurred since the end of the year ended 31 December 2024.

## **23. Future Plans for Material Investments or Capital Assets**

Save as disclosed in this announcement, the Group does not have other future plans for material investments and capital assets.

## 24. Additional Information Regarding the Qualified Opinion of the Auditor

As disclosed in the paragraph headed “Basis for Qualified Opinion” in the independent auditor’s report on the consolidated financial statements of the Group for the year ended 31 December 2024 (the “**Independent Auditor’s Report**”), the auditor of the Company, Moore CPA Limited (“**Moore Hong Kong**”), express a qualified opinion on the consolidated financial statements of the Group for the year ended 31 December 2024. The management of the Company obtained the understanding with Moore Hong Kong that the audit opinion (“**Audit Modification**”) for the year ended 31 December 2024 is qualified only to the extent of the comparative information of the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended 31 December 2023 as stated in the section of “Basis for Qualified Opinion” of the Independent Auditor’s Report.

As disclosed in the consolidated financial statements, during the year ended 31 December 2023, the Group made a payment of US\$430,000 (equivalent to RMB3,087,000) (the “**Payment**”) under a service agreement to engage a debt collection to collect an outstanding loan which has been charged to the profit or loss for the year ended 31 December 2023 given the services had been provided already since 2021.

As explained in the auditor’s report on the consolidated financial statements of the Group for the year ended 31 December 2023, due to the limitation on the scope of work, Moore Hong Kong were unable to obtain sufficient appropriate audit evidence regarding the timing to recognise the Payment as expense and whether the Payment was appropriately recognised in the consolidated financial statements of the Group for the year ended 31 December 2023.

As the abovementioned audit scope limitation might have a consequential effect on the Group’s financial performance and cash flows for the year ended 31 December 2023, and the related disclosures thereof in the consolidated financial statements, Moore Hong Kong issued a qualified opinion on the consolidated financial statements of the Group for the year ended 31 December 2023. Moore Hong Kong opinion on the current year’s consolidated financial statements is modified only to the extent of the possible effect of this matter on the comparability of the current year’s figures and the corresponding figures.

Other than the comparability of the related financial information mentioned above, in the opinion of Moore Hong Kong, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) is issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## **25. Audit Committee's View on the Qualified Audit Opinion and the Responses from the Management**

The Audit Committee had critically reviewed the major basis of the qualified audit opinion on the Group's audited consolidated financial statements for the year ended 31 December 2024.

The Audit Committee is in agreement with the management's position for the responses set out as above with respect to the issue set out in the qualified audit opinion, which was the subject matter of the scope limitation referred to the Audit Modification no longer has possible effect on the figures presented in the consolidated statement of financial position of the Group as at 31 December 2024, except the effect of comparability of the relevant financial information presented as comparative figures, and it had no carried forward effect to consolidated financial statements of subsequent years.

The Board has obtained an understanding with Moore Hong Kong that the Company considers itself to have addressed the issue giving rise to the qualified audit opinion in the consolidated financial statement for the year ended 31 December 2024 since the audit opinion is modified only to the extent of the possible effects of the matter on the comparability of the current year's figures and the corresponding figures. Hence, it had no carried forward effect to consolidated financial statements of the year ended 31 December 2024 and the subsequent years.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company is committed to maintaining and promoting stringent corporate governance policies. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all shareholders of the Company (the **"Shareholders"**).

### Compliance with the Corporate Governance Code

During the year ended 31 December 2024, the Company has complied with the applicable code provisions set out in the Corporate Governance Code (the **"Corporate Governance Code"**) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **"Listing Rules"**), except for deviation from code provision C.2.1 which requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Following the resignation of Mr. Liu Xueming as the acting chairman of the Board and the appointment of Mr. Lu Jingsheng as the chairman of the Board with effect from 7 May 2024, Mr. Lu served as both the chairman of the Board and the chief executive officer. Despite deviating from the Corporate Governance Code, Mr. Lu will provide solid and continuous leadership to the Group with his extensive experience and knowledge in management and the support of other members of the Board. Moreover, the Board believes that having the same individual in both roles as the chairman of the Board and the chief executive officer will ensure that the Group has consistent leadership and the ability to make and implement the overall strategy of the Group effectively. Subsequently, Ms. Xu Jin was appointed as the executive Director and the chief executive officer of the Company with effect from 1 March 2025. Mr. Lu Jingsheng was redesignated from chief executive officer of the Company to chief financial officer of the Company on the same date, and continued to serve as an executive Director and the chairman of the Board. Since then, the roles of chairman and chief executive officer have been separated.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Corporate Governance Code and maintaining a high standard of corporate governance practices of the Company.

### Compliance with the Model Code for Securities Transactions by Directors

During the year ended 31 December 2024, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 to the Listing Rules to govern securities transactions by its Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have strictly complied with the required standards as set out in the Model Code during the year ended 31 December 2024.

## **Audit Committee**

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, review and approve connected transactions and provide advice and recommendations to the Board.

As at the date of this announcement, the Audit Committee consists of three members: Mr. Zhang Li, Mr. Ma Shaohua and Mr. Dai Bing. All of them are independent non-executive Directors. Mr. Zhang Li is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 December 2024. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company. The figures in respect of the announcement of the Group's results for the year ended 31 December 2024 have been agreed by the Group's auditor, Moore CPA Limited ("**Moore**"), to the amounts set out in the Group's audited consolidated financial statements for the year.

## **Scope of Work of Moore**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Moore, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Moore in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Moore on the preliminary announcement.

## **Extract of Independent Auditor's Report**

The following is an extract of the Independent Auditor's Report:

### **"QUALIFIED OPINION**

We have audited the consolidated financial statements of Ourgame International Holdings Limited (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages 118 to 248, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the possible effects on the matter as described in the “Basis for Qualified Opinion” section of our report in relation to the comparative information, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## **BASIS FOR QUALIFIED OPINION**

Comparative information regarding payment made for debt collection services performed since 2021

As detailed in note 11(b), during the year ended 31 December 2023, the Group made a payment of US\$430,000 (equivalent to RMB3,087,000) (the “**Payment**”) under a service agreement to engage a debt collection agency (“**Debt Collector A**”) to collect an outstanding loan (which were granted out by the former management of the Group) since 2021 and charged the whole Payment amount to the profit or loss for the year ended 31 December 2023.

As explained in our auditor’s report on the consolidated financial statements of the Group for the year ended 31 December 2023, we were unable to obtain sufficient appropriate audit evidence regarding the timing to recognise the Payment as expense. Due to the limitation on our scope of work, we were unable to satisfy ourselves as to whether the Payment was appropriately recognised in the consolidated financial statements of the Group for the year ended 31 December 2023.

As such audit scope limitation might have a consequential effect on the Group’s financial performance and cash flows for the year ended 31 December 2023, and the related disclosures thereof in the consolidated financial statements, we issued a qualified opinion on the consolidated financial statements of the Group for the year ended 31 December 2023. Our opinion on the current year’s consolidated financial statements is modified only to the extent of the possible effects of this matter on the comparability of the related current year’s figures and the corresponding figures.

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.”

## Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares, if any) during the year ended 31 December 2024.

As at 31 December 2024, the Company did not hold any treasury shares.

## Material Litigation

### *Loan to Fast Express Trading Limited (“Fast Express”)*

During the period from 30 January 2018 to 6 February 2018, the Company provided loans in an aggregate amount of HK\$62,484,799 to Fast Express for a loan term of 30 days from the date of provision of such loans. Subsequent to the maturity of such loans, Fast Express failed to repay the loans as scheduled. After that, a loan agreement dated 30 June 2018 with Merit Horizon Limited (“**Merit Horizon**”) (the “**Merit Horizon Loan Agreement**”) was signed, pursuant to which Merit Horizon agreed to repay the loans of Fast Express and all accrued interests since 1 July 2018 (the “**Merit Horizon Loan**”). On the even date, Ms. Fu Qiang (“**Ms. Fu**”), the then non-executive Director, executed a letter of guarantee in favour of the Company in respect of the Merit Horizon Loan Agreement (the “**Guarantee**”), pursuant to which Ms. Fu has provided a guarantee to the Company on her joint and several liabilities with Merit Horizon for the performance of the Merit Horizon Loan Agreement. As Merit Horizon and Ms. Fu failed to honour their respective contractual obligations under the Merit Horizon Loan Agreement and the Guarantee and therefore the Company took relevant legal actions against Merit Horizon and Ms. Fu as follows:

On 10 January 2022, the Company as the plaintiff filed a civil complaint (the “**Civil Complaint**”) at the Fourth Intermediate People's Court of Beijing Municipality (北京市第四中級人民法院) against Merit Horizon and Ms. Fu as the defendants in relation to the breach of a loan agreement and a letter of guarantee, respectively. On 7 February 2022, considering relevant factors, the Company applied to the Fourth Intermediate People's Court of Beijing Municipality for withdrawal of the Civil Complaint, which was approved on 17 February 2022.

On 7 February 2022, immediately after the Company applied for the Civil Complaint to be withdrawn, the Company further initiated an arbitration before the Hong Kong Arbitral Tribunal (the “**Tribunal**”) in relation to the breach of the Merit Horizon Loan Agreement, claiming against Merit Horizon for an aggregate amount of no less than HK\$97,948,090.47, being the principal, accrued interests and liquidated damages and arbitration costs as at 31 December 2021, for breach of the Merit Horizon Loan Agreement. Merit Horizon then added Glassy Mind Holdings Limited (亮智控股有限公司) (“**GMHL**”) as a party to the said arbitration case, and proposed six reliefs or remedies against GMHL. According to the disclosure of interest form filed by GMHL, it holds 291,919,848 shares of the Company, representing approximately 27.08% of the issued share capital of the Company. GMHL is also an indirect wholly-owned subsidiary of Irena Group Co., Ltd. (體育之窗文化股份有限公司) (“**iRENA**”). On 22 July 2022, the Company received a consent interlocutory award (the “**Consent Interlocutory Award**”) from the Tribunal, which decided and held that, having considered the available evidence, it



appeared from the prima facie evidence that the Tribunal has jurisdiction over the case. In early June 2025, a significant court hearing was held recently but no judgment has been made. During the said hearing, representatives of the Company and relevant witnesses attended the court hearing and provided testimony. Despite requests from the relevant parties, GMHL did not notify the key personnel who led and participated in the aforementioned loans to attend this court hearing and the relevant representatives of GMHL claimed that Ms. Fu Qiang and Mr. Chen Yibiao led and orchestrated the aforementioned loans. Furthermore, according to the preliminary investigation of the Company, the relevant individuals involved in and assisting in handling the aforementioned loans on behalf of GMHL may also have violated relevant foreign exchange regulations in the PRC. As at the date of this announcement, the arbitration proceedings are still in progress and no final arbitral award has been made.

On 16 September 2022, the Company (as the plaintiff) further lodged a civil litigation (the “**Litigation**”) at the Court of First Instance of the High Court of the Hong Kong Special Administration Region (the “**High Court**”) against GMHL, Ms. Fu, a former Director and a shareholder and the chairman of iRENA, and Mr. Gao Hong (“**Mr. Gao**”), a former Director and a shareholder and director of iRENA, respectively. In the Litigation, the Company has made a claim against GMHL and Ms. Fu pursuant to the undertakings made by GMHL and Ms. Fu to the Company, requesting them to repay the unpaid principal and accrued interests under the loan agreements executed in the name of Fast Express and/or Merit Horizon Limited, and has applied to the High Court for a permanent injunction that Glassy Mind shall not breach its undertaking on exercising its Shareholder’s rights. Meanwhile, the Company formally sought damages from Ms. Fu and Mr. Gao for their breach of respective fiduciary duties as former directors of the Company. As at the date of this announcement, the Litigation proceedings are still in progress and no judgment has been made.

Further details of the aforesaid arbitration and Litigation proceedings were set out in the Company’s announcements dated 11 January 2022, 10 July 2022, 24 July 2022, 15 September 2022, 16 September 2022, 28 November 2022, 24 August 2023, 11 December 2023, 12 February 2025 and 10 June 2025, respectively.

#### *Arbitration Proceedings against Spoville Co., Ltd. (“**Spoville**”)*

On 14 March 2022, the Company filed an arbitration application to the ICC International Court of Arbitration (the “**ICC Court**”) in respect of a convertible bond subscription agreement entered into between Spoville, Mr. Seung-Hwan Oh, its major shareholder, and the Company, and a supplemental agreement entered into between the same parties. On 20 March 2023, the ICC Court handed down the final judgment (the “**ICC Arbitral Award**”) in respect of the said arbitration, the main contents of which are set out below:

- (1) Spoville and Mr. Seung-Hwan Oh shall immediately pay to the Company jointly and severally the principal of the convertible bonds and its interests as of 18 August 2019 in aggregate of KRW2,184,541,667;



- (2) Spoville and Mr. Seung-Hwan Oh shall immediately pay to the Company jointly and severally the interests corresponding to KRW2,184,541,667, calculated at 1% per annum from 19 August 2019 to 18 March 2023;
- (3) Spoville and Mr. Seung-Hwan Oh shall immediately pay to the Company jointly and severally all legal fees and translation fees in aggregate of RMB727,468;
- (4) Spoville and Mr. Seung-Hwan Oh shall immediately pay to the Company jointly and severally the arbitration costs incurred by the Company in aggregate of US\$85,000; and
- (5) For the amounts determined in clauses 1 to 4 above, Spoville and Mr. Seung-Hwan Oh shall pay to the Company the interests accrued from 20 March 2023 to the day of full settlement of the above amounts at the prescribed rate as stipulated under the Arbitration Ordinance (Chapter 609 of the Laws of Hong Kong).

On 24 November 2023, the Company filed an application for enforcement of the ICC Arbitral Award at relevant court in Korea and the application was accepted by the court (the “**Execute Program**”). In May 2024, the Korean court issued a ruling in writing granting recognition and enforcement of the arbitration award. The Company has received the judgment relating to enforcement from the Korean court. After that, the Korean court has further made a determination of public disclosure of assets against Spoville and its related parties upon the Company’s application. As of the date of this announcement, the Korean court is conducting further property investigation upon the Company’s application. The Company will apply for enforcement based on the results of the property investigation.

Please refer to the announcements of the Company dated 23 March 2023, 26 May 2024, 6 August 2024 and 12 February 2025 for further details.

Save as disclosed in this announcement, the Group was not involved in any other material legal proceedings or other arbitration during the year ended 31 December 2024. Nor were the Directors aware of any material legal proceedings or claims that were pending or threatening against the Group during the year ended 31 December 2024.

### **Final Dividend**

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024 (2023: nil).

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

|   |       | 2024                          | 2023                    |
|---|-------|-------------------------------|-------------------------|
|   | Notes | RMB'000                       | RMB'000                 |
| <b>CONTINUING OPERATIONS</b>  |       |                               |                         |
| <b>Revenue</b>  | 3     | <b>92,188</b>                 | 88,996                  |
| Cost of revenue   |       | <u>(45,872)</u>               | <u>(44,111)</u>         |
| <b>Gross profit</b>   |       | <b>46,316</b>                 | 44,885                  |
| Other income  | 5a    | <b>5,059</b>                  | 7,186                   |
| Other gains and losses  | 5b    | <b>(108)</b>                  | (3,457)                 |
| Selling and marketing expenses  |       | <b>(16,141)</b>               | (13,978)                |
| Administrative expenses   |       | <b>(41,351)</b>               | (43,963)                |
| Share-based compensation expense  |       | <b>(157)</b>                  | (1,548)                 |
| Research and development expenses   |       | <b>(16,132)</b>               | (15,753)                |
| Finance costs   |       | <b>(395)</b>                  | (335)                   |
| Share of loss of associates, net  |       | <b>(54,187)</b>               | (5,394)                 |
| Fair value changes of financial assets  |       |                               |                         |
| at fair value through profit or loss (“FVTPL”)  |       | <b>(9,990)</b>                | (31,442)                |
| Fair value changes of investment properties   |       | <b>(230)</b>                  | (1,360)                 |
| Reversal of impairment losses/(impairment losses) under expected credit loss (“ECL”) model, net       |       | <u><b>2,782</b></u>           | <u>(11,108)</u>         |
| <b>Loss before income tax</b>   |       | <b>(84,534)</b>               | (76,267)                |
| Income tax credit/(expenses)  | 6     | <u><b>33</b></u>              | <u>(42)</u>             |
| <b>Loss for the year from continuing operations</b>   |       | <u><b>(84,501)</b></u>        | <u>(76,309)</u>         |
| <b>DISCONTINUED OPERATIONS</b>  |       |                               |                         |
| Profit for the year from discontinued operations  | 7     | <u><b>—</b></u>               | <u>15,825</u>           |
| <b>Loss for the year</b>  | 8     | <u><b>(84,501)</b></u>        | <u>(60,484)</u>         |
| <b>Other comprehensive income/(loss) for the year</b>   |       |                               |                         |
| Item that may be subsequently reclassified to profit or loss:   |       |                               |                         |
| Exchange difference on translation of associates foreign operation                                    |       | <b>460</b>                    | 3,771                   |
| Reclassification of cumulative other reserve upon discontinued operation                              |       | <b>—</b>                      | (26,933)                |
| Reclassification of cumulative translation reserve upon discontinued operations of foreign operations |       | <u><b>—</b></u>               | <u>(25,676)</u>         |
|   |       | <u><b>460</b></u>             | <u>(48,838)</u>         |
| <b>Total comprehensive loss for the year</b>  |       | <u><u><b>(84,041)</b></u></u> | <u><u>(109,322)</u></u> |

|  | <i>Notes</i> | <b>2024</b><br><b>RMB'000</b> | 2023<br><i>RMB'000</i> |
|--|--------------|-------------------------------|------------------------|
| <b>Loss for the year attributable to:</b>                              |              |                               |                        |
| Owners of the Company  |              |                               |                        |
| — from continuing operations   |              | <b>(89,191)</b>               | (77,326)               |
| — from discontinued operations   |              | <u>—</u>                      | <u>14,561</u>          |
| Loss for the year attributable to owners of the Company                |              | <u><b>(89,191)</b></u>        | <u>(62,765)</u>        |
| Non-controlling interests  |              |                               |                        |
| — from continuing operations   |              | <b>4,690</b>                  | 1,017                  |
| — from discontinued operations   |              | <u>—</u>                      | <u>1,264</u>           |
| Profit for the year attributable to non-controlling interests          |              | <u><b>4,690</b></u>           | <u>2,281</u>           |
|  |              | <u><b>(84,501)</b></u>        | <u>(60,484)</u>        |
| <b>Total comprehensive loss attributable to:</b>                       |              |                               |                        |
| Owners of the Company  |              | <b>(88,731)</b>               | (111,603)              |
| Non-controlling interests  |              | <u><b>4,690</b></u>           | <u>2,281</u>           |
|  |              | <u><b>(84,041)</b></u>        | <u>(109,322)</u>       |
| <b>Total comprehensive loss attributable to owners of the Company:</b> |              |                               |                        |
| — from continuing operations   |              | <b>(88,731)</b>               | (126,164)              |
| — from discontinued operations   |              | <u>—</u>                      | <u>14,561</u>          |
|  |              | <u><b>(88,731)</b></u>        | <u>(111,603)</u>       |
| <b>Loss per share</b><br>(expressed in RMB cents per share)            | <i>10</i>    |                               |                        |
| <b>From continuing and discontinued operations:</b>                    |              |                               |                        |
| Basic loss per share   |              | <b>(8.32)</b>                 | (5.90)                 |
| Diluted loss per share   |              | <u><b>(8.32)</b></u>          | <u>(5.90)</u>          |
| <b>From continuing operations</b>                                      |              |                               |                        |
| Basic loss per share   |              | <b>(8.32)</b>                 | (7.27)                 |
| Diluted loss per share   |              | <u><b>(8.32)</b></u>          | <u>(7.27)</u>          |

## Consolidated Statement of Financial Position

As at 31 December 2024

|  | Notes | 31/12/2024<br>RMB'000 | 31/12/2023<br>RMB'000 |
|--|-------|-----------------------|-----------------------|
| <b>ASSETS AND LIABILITIES</b>                |       |                       |                       |
| <b>Non-current assets</b>                    |       |                       |                       |
| Property, plant and equipment                |       | 205                   | —                     |
| Right-of-use assets                          |       | 4,337                 | —                     |
| Investment properties                        |       | 1,310                 | 1,540                 |
| Interests in associates                      |       | 32,701                | 86,028                |
| Intangible assets                            |       | —                     | —                     |
| Financial assets at FVTPL                    |       | 14,215                | 26,469                |
| Deferred tax assets                          |       | 10                    | 10                    |
|  |       | <u>52,778</u>         | <u>114,047</u>        |
| <b>Current assets</b>                        |       |                       |                       |
| Inventories                                  |       | 480                   | 478                   |
| Trade and other receivables                  | 11    | 33,581                | 37,468                |
| Cash and cash equivalents                    |       | 13,640                | 35,462                |
|  |       | <u>47,701</u>         | <u>73,408</u>         |
| <b>Current liabilities</b>                   |       |                       |                       |
| Trade and other payables                     | 12    | 21,766                | 27,502                |
| Contract liabilities                         |       | 1,860                 | 3,696                 |
| Lease liabilities                            |       | 2,107                 | 1,922                 |
| Bank loans                                   | 13    | 2,600                 | —                     |
| Income tax liabilities                       |       | —                     | 50                    |
|  |       | <u>28,333</u>         | <u>33,170</u>         |
| <b>Net current assets</b>                    |       | <u>19,368</u>         | <u>40,238</u>         |
| <b>Total assets less current liabilities</b> |       | <u>72,146</u>         | <u>154,285</u>        |

|  | <i>Notes</i> | <b>31/12/2024</b><br><b><i>RMB'000</i></b> | 31/12/2023<br><i>RMB'000</i> |
|--|--------------|--|------------------------------|
| <b>Non-current liabilities</b>                       |              |  |                              |
| Lease liabilities                                    |              | <b>5,234</b>                               | 3,377                        |
| Deferred tax liabilities                             |              | <b>2</b>                                   | 2                            |
| Other payables                                       |              | <u><b>17</b></u>                           | <u>17</u>                    |
| Subtotal   |              | <u><b>5,253</b></u>                        | <u>3,396</u>                 |
| <b>Net assets</b>                                    |              | <u><b>66,893</b></u>                       | <u>150,889</u>               |
| <b>EQUITY</b>  |              |  |                              |
| Share capital  | <i>14</i>    | <b>335</b>                                 | 335                          |
| Reserves   |              | <u><b>72,923</b></u>                       | <u>161,497</u>               |
| Equity attributable to equity holders of the Company |              | <b>73,258</b>                              | 161,832                      |
| Non-controlling interests                            |              | <u><b>(6,365)</b></u>                      | <u>(10,943)</u>              |
| Total equity   |              | <u><b>66,893</b></u>                       | <u>150,889</u>               |

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

Ourgame International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The principal place of business of the Company is Room 1301, Block A, 21 Century Tower, Chaoyang District, Beijing. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company and its subsidiaries (collectively, the “**Group**”) are principally engaged in the development and operation of online card and board games, organising and broadcasting online to offline mind-sports events, tournaments, TV shows and contents.

During the year ended 31 December 2023:

1. the directors of the Company have concluded that the Company has lost control over Allied Gaming & Entertainment Inc. (“**AGAE**”), a company listed on the Nasdaq Stock Exchange in the United States of America (“**USA**”) as of 1 January 2023 following multiple events occurred. Accordingly, the results and operations for eSports business through AGAE Group for the year ended 31 December 2022 has been separately presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income; and
2. The Group has disposed of 40% equity interest in a non-wholly owned subsidiary 北京聯眾智合科技有限公司 (Beijing Lianzhong Zhihe Technology Co., Ltd., for identification purpose only, “**ZTech**”) to AGAE Group at a consideration of USD7,000,000. Ztech is engaged in the development and distribution of casual mobile games in Mainland China with its major source of revenue from online advertising services income through displaying advertisements to game players in its mobile games. Following the disposal, the Group retained 10% of equity interest in ZTech. Accordingly, the results and operations for Ztech’s operations for the years ended 31 December 2022 and 2023 have been separately presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

## 2. ADOPTION OF NEW AND AMENDED IFRS ACCOUNTING STANDARDS

### New and amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied for the first time the following new and amendments to IFRS Accounting Standards, which are relevant to the Group’s operations and effective for the Group’s consolidated financial statements for the annual periods beginning on 1 January 2024:

|                                |   |
|--------------------------------|---|
| Amendments to IFRS 16          | Lease Liability in a Sale and Leaseback                 |
| Amendments to IAS 1            | Classification of Liabilities as Current or Non-Current |
| Amendments to IAS 1            | Non-current Liabilities with Covenants                  |
| Amendments to IAS 7 and IFRS 7 | Supplier Finance Arrangements                           |

The adoption of the new and amendments to IFRS Accounting Standards had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### **New and amendments to IFRS Accounting Standards in issue but not yet effective**

At the date of authorisation of these consolidated financial statements, certain new and amendments IFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

|   |  |
|---|--|
| Amendments to IFRS 9 and IFRS 7         | Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>             |
| Amendments to IFRS 9 and IFRS 7         | Contracts Referencing Nature-dependent Electricity <sup>3</sup>                                    |
| Amendments to IFRS 10 and IAS 28        | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup> |
| Amendments to IFRS Accounting Standards | Annual Improvements to IFRS Accounting Standards — Volume 11 <sup>3</sup>                          |
| Amendments to IAS 21                    | Lack of Exchangeability <sup>2</sup>   |
| IFRS 18                                 | Presentation and Disclosure in Financial Statements <sup>4</sup>                                   |

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

### **IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provides disclosures on management-defined performance measures in the notes to the financial statements and improves aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

### 3. REVENUE

|                                      | 2024<br>RMB'000      | 2023<br>RMB'000      |
|--------------------------------------|----------------------|----------------------|
| <b>Continuing operations</b>         |                      |                      |
| — Online games income                | 80,545               | 76,286               |
| — Online advertising services income | <u>11,643</u>        | <u>12,710</u>        |
|                                      | <u><b>92,188</b></u> | <u><b>88,996</b></u> |
| <b>Timing of revenue recognition</b> |                      |                      |
| At a point in time                   | 82,783               | 80,169               |
| Over time                            | <u>9,405</u>         | <u>8,827</u>         |
|                                      | <u><b>92,188</b></u> | <u><b>88,996</b></u> |

### 4. SEGMENT REPORTING

Information reported to the board of directors of the Company, being the Chief Operating Decision Maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Since there is no other discrete financial information is provided other than the Group’s results and financial position as a whole on Lianzhong Group within the continuing operations, accordingly, only entity-wide disclosures, major customers and geographic information are presented.

#### Geographical information

Information about the Group’s revenue from continuing operations from external customers is presented based on the location of the operations. Information about the Group’s non-current assets is presented based on the geographical location of the assets.

|              | Revenue from external customers |                      | Non-current assets   |                      |
|--------------|---------------------------------|----------------------|----------------------|----------------------|
|              | 2024                            | 2023                 | 2024                 | 2023                 |
|              | RMB'000                         | RMB'000              | RMB'000              | RMB'000              |
| PRC          | 92,188                          | 88,996               | 8,831                | 5,415                |
| USA          | <u>—</u>                        | <u>—</u>             | <u>29,722</u>        | <u>82,153</u>        |
| <b>Total</b> | <u><b>92,188</b></u>            | <u><b>88,996</b></u> | <u><b>38,553</b></u> | <u><b>87,568</b></u> |

*Note:* Non-currents assets excluded financial instruments and deferred tax assets.

#### Information about major customers

The Group has a large number of game players, no revenue from any individual game player or customer exceeded 10% or more of the Group’s revenue during the years ended 31 December 2024 and 2023.



**5a. OTHER INCOME**

|  | 2024<br><i>RMB'000</i> | 2023<br><i>RMB'000</i> |
|--|------------------------|------------------------|
| <b>Continuing operations</b>                             |                        |                        |
| License fee income from discontinued operations          | 449                    | 1,484                  |
| Sales of software to discontinued operations             | —                      | 1,981                  |
| Loan interest income                                     | 379                    | 440                    |
| Bank interest income                                     | 360                    | 93                     |
| Government grants ( <i>Note</i> )                        | 36                     | 144                    |
| Income from provision of venues for card and board games | 3,775                  | 3,011                  |
| Sundry income  | <u>60</u>              | <u>33</u>              |
|  | <b><u>5,059</u></b>    | <b><u>7,186</u></b>    |

*Note:* For the years ended 31 December 2024 and 2023, government grants were received from the local government of PRC as incentives for technology innovation and value-added tax (VAT) subsidy by the group. There are no unfulfilled conditions attached to the grants.

**5b. OTHER GAINS AND LOSSES**

|  | 2024<br><i>RMB'000</i> | 2023<br><i>RMB'000</i> |
|--|------------------------|------------------------|
| <b>Continuing operations</b>                                 |                        |                        |
| Net foreign exchange gain                                    | 108                    | 166                    |
| Impairment loss on property, plant and equipment             | —                      | (2,074)                |
| Impairment loss on right-of-use assets                       | —                      | (5,610)                |
| Impairment loss on intangible assets                         | —                      | (589)                  |
| (Impairment loss)/reversal of impairment loss on prepayments | (302)                  | 547                    |
| Gain on modification of lease                                | —                      | 205                    |
| Gain on deregistration of subsidiaries                       | —                      | 136                    |
| Gain on deemed acquisition of interest in an associate       | —                      | 3,762                  |
| Gain on disposal of property, plant and equipment            | <u>86</u>              | <u>—</u>               |
|  | <b><u>(108)</u></b>    | <b><u>(3,457)</u></b>  |

## 6. INCOME TAX (CREDIT)/EXPENSES

|                                     | 2024<br>RMB'000 | 2023<br>RMB'000 |
|-------------------------------------|-----------------|-----------------|
| <b>Continuing operations</b>        |                 |                 |
| <b>Current tax</b>                  |                 |                 |
| The PRC                             |                 |                 |
| — Current year                      | 17              | 34              |
| — Overprovision in prior years      | (50)            | —               |
| <b>Deferred tax</b>                 |                 |                 |
| — Current year                      | —               | 8               |
| <b>Income tax (credit)/expenses</b> | <u>(33)</u>     | <u>42</u>       |

## 7. DISCONTINUED OPERATIONS

### (a) Deemed disposal of AGAE Group

As disclosed in Note 1, the directors of the Company have concluded that the Group has lost control over AGAE as of 1 January 2023 following multiple events occurred, accordingly, AGAE and its subsidiaries' ("AGAE Group") business has been separately presented as discontinued operations and the deemed disposal was considered as of 1 January 2023.

The loss for the year from the discontinued AGAE Group's operation is set out below.

|  | 2023<br>RMB'000 |
|--|-----------------|
| Loss for the year from discontinued AGAE Group operation | —               |
| Loss on disposal AGAE (Note 15(a))                       | <u>(46,895)</u> |
|  | <u>(46,895)</u> |

### (b) Disposal of Ztech

On 16 August 2023, the Group entered into a sale agreement to dispose 40% of its interest in a non-wholly owned subsidiary, Ztech, to AGAE Group at a consideration of USD7,000,000. The disposal was completed on 31 October 2023, on which date control of Ztech has passed to AGAE. The Group retained 10% of equity interest in Ztech following the disposal.

Ztech is engaged in the development and distribution of casual mobile games in Mainland China with its major source of revenue from online advertising services income through displaying advertisements to game players in its mobile games. Accordingly, the results and operations for Ztech's operations for the period from 1 January 2023 to 31 October 2023 have been separately presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income.

The profit for the period/year from the discontinued Ztech's operation is set out below.

|   | 2023<br>RMB'000      |
|---|----------------------|
| Profit for the period/year from Ztech's operation | 2,529                |
| Gain on disposal of Ztech ( <i>Note 15(b)</i> )   | <u>60,191</u>        |
|   | <u><u>62,720</u></u> |

## 8. LOSS FOR THE YEAR

Loss for the year from continuing operations is arrived at after (crediting) charging:

|  | 2024<br>RMB'000 | 2023<br>RMB'000     |
|--|-----------------|---------------------|
| <b>Continuing operations</b>                   |                 |                     |
| Lease charges related to short-term leases     | 1,007           | 274                 |
| Auditors' remuneration                         |                 |                     |
| Audit services                                 | 1,920           | 2,538               |
| Depreciation:                                  |                 |                     |
| Property, plant and equipment                  | 268             | 1,409               |
| Right-of-use assets                            | <u>1,370</u>    | <u>3,430</u>        |
| Total depreciation                             | <u>1,638</u>    | <u>4,839</u>        |
| Staff costs (including directors' emoluments): |                 |                     |
| Salaries, allowances and other benefits        | 23,439          | 25,879              |
| Retirement benefits                            | 5,721           | 5,670               |
| Severance payments                             | 1,232           | 597                 |
| Equity-settled share-based payments            | <u>157</u>      | <u>1,548</u>        |
|  | 30,549          | 33,694              |
| Amortisation of intangible assets              | <u><u>—</u></u> | <u><u>1,160</u></u> |

## 9. DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

## 10. LOSS PER SHARE

### From continuing operations

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

|   | 2024<br>RMB'000  | 2023<br>RMB'000  |
|---|------------------|------------------|
| Loss for the period attributable to owners of the Company for the purpose of basic loss per share | (89,191)         | (62,765)         |
| Less: Earnings for the period from discontinued operations  | <u>—</u>         | <u>(14,561)</u>  |
| Loss for the purpose of basic loss per share from continuing operations                           | <u>(89,191)</u>  | <u>(77,326)</u>  |
|   | 2024<br>'000     | 2023<br>'000     |
| Weighted average number of ordinary shares for the purpose of basic loss per share                | <u>1,072,199</u> | <u>1,063,168</u> |

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

|   | 2024<br>RMB'000 | 2023<br>RMB'000 |
|---|-----------------|-----------------|
| Loss for the period attributable to owners of the Company for the purpose of basic loss per share | <u>(89,191)</u> | <u>(62,765)</u> |

The denominators used are the same as those detailed above for basic loss per share from continuing operations.

### From discontinued operations

For the year ended 31 December 2023, basic earnings per share for the discontinued operation is RMB1.37 cents per share (2024: N/A), based on the earnings for the year attributable to owners of the Company from the discontinued operations of RMB14,561,000 (2024: N/A) and the denominators used are the same as those detailed above for basic loss per share from continuing operations.

For the year ended 31 December 2024 and 2023, the computation of diluted earnings/loss per share does not assume the exercise of the Company's options/warrants because the exercise price of those options/warrants was higher than the average market price for shares for both 2024 and 2023.

## 11. TRADE AND OTHER RECEIVABLES

|   | Notes | 2024<br>RMB'000      | 2023<br>RMB'000      |
|---|-------|----------------------|----------------------|
| <b>Trade receivables</b>  | (a)   |                      |                      |
| From third parties  |       | 2,382                | 1,486                |
| Less: ECL allowance   |       | <u>(785)</u>         | <u>(723)</u>         |
|   |       | <u>1,597</u>         | <u>763</u>           |
| <b>Prepayments</b>  |       |                      |                      |
| Prepaid expenses  | (b)   | 3,000                | 3,834                |
| Prepaid advertising expenses  | (c)   | <u>4,000</u>         | <u>5,800</u>         |
|   |       | 7,000                | 9,634                |
| Less: Impairment losses   |       | <u>(829)</u>         | <u>(527)</u>         |
|   |       | <u>6,171</u>         | <u>9,107</u>         |
| <b>Other receivables and deposits</b>   |       |                      |                      |
| Advances to the former acting<br>chief executive officer and former non-executive director<br>of the Company (the “ <b>Former Acting CEO</b> ”) | (d)   | —                    | 2,839                |
| Deposit paid to supplier  |       | 1,223                | 8                    |
| Advance to employees  |       | 2,925                | 1,225                |
| Amount due from an associate  |       | —                    | 1,553                |
| Value-added tax (“ <b>VAT</b> ”) recoverable  |       | 1,245                | 1,570                |
| Others  |       | <u>3,216</u>         | <u>4,944</u>         |
|   |       | 8,609                | 12,139               |
| Less: ECL allowance   |       | <u>(2,067)</u>       | <u>(2,394)</u>       |
|   |       | <u>6,542</u>         | <u>9,745</u>         |
| <b>Loan and interest receivables</b>  |       |                      |                      |
| Loan and interest receivables   | (e)   | 62,040               | 63,468               |
| Loan and interest to Mr. Ng (as defined in Note 16)   | (f)   | <u>7,234</u>         | <u>6,905</u>         |
|   |       | 69,274               | 70,373               |
| Less: ECL allowance   |       | <u>(50,003)</u>      | <u>(52,520)</u>      |
|   |       | <u>19,271</u>        | <u>17,853</u>        |
| Trade and other receivables   |       | <u><u>33,581</u></u> | <u><u>37,468</u></u> |

Notes:

- (a) As at 1 January 2023, trade receivables from contracts with customers amounted to RMB12,185,000.

The following is an aged analysis of gross receivables presented based on date of rendering of services.

|              | 2024<br>RMB'000 | 2023<br>RMB'000 |
|--------------|-----------------|-----------------|
| 0–30 days    | 394             | 578             |
| 31–60 days   | 1,201           | 99              |
| 61–90 days   | 3               | 20              |
| 91–180 days  | 11              | 18              |
| 181–365 days | 3               | 43              |
| Over 1 year  | 770             | 728             |
|              | <u>2,382</u>    | <u>1,486</u>    |

As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB787,000 (2023: RMB812,000) which are past due as at the reporting date. As at 31 December 2023, out of the past due balances, RMB88,000 (2024: nil) has been past due 90 days or more and is not considered as in default because considering the continuous business relationship and historical repayments from these customers.

- (b) During the year ended 31 December 2023, the Group made a payment of US\$430,000 (equivalent to RMB3,087,000) (the “**Payment**”) under a service agreement to engage Debt Collector A to collect on an outstanding loan. According to the service agreement signed with Debt Collector A, the service period will end by 31 December 2024. However, as represented by the directors of the Company, such amount represented the service fee paid to Debt Collector A and its partner, a consultant (the “**Consultant**”) for the work performed during 2021 to 2023 in sorting out the outstanding loans granted out previously by former management of the Group. Accordingly, the directors of the Company has considered the whole Payment amount should be charged to the profit or loss for the year ended 31 December 2023 given the services had been provided already.
- (c) As at 31 December 2022, included in the prepaid advertising expenses of RMB8,000,000 represented a prepayment to a marketing company (the “**Marketing Company**”) for the promotion of an online game which the Group originally expected to be launched during the year ended 31 December 2022.

However, such game was unable to launch due to the tightened administrative measures in placed in the online platforms for board games in the PRC. Accordingly, this prepaid promotion expenses were unable to be utilized and should be refunded according to the service agreement entered with the Marketing Company.

In December 2023, the Former Acting CEO has presented the details about the expenses paid by him on behalf of the Group of RMB7,807,000 during the years ended 31 December 2021 and 2022, the directors of the Company considered it is in the best interest and most cost efficient for the Group to enter into an offsetting agreement among the Group, the Marketing Company and an independent company in the PRC which acted as an agent designated by the Former Acting CEO (the “**Designated Agent**”), such that the amount due to the Former Acting CEO and the prepayment to the Marketing Company could be offset directly.

Accordingly, based on the offsetting agreement entered into in December 2023, the prepayment to the Marketing Company and the amount due to the Former Acting CEO has been offset and treated as non-cash transactions as at 31 December 2023.

- (d) As at 31 December 2024, the Former Acting CEO has repaid all the outstanding cash advances and has resigned all his positions with the Group.
- (e) As at 31 December 2024 and 2023, the loans to third parties are due within next 12 months and are included in current portion respectively. The amount mainly comprises of:
- (i) Loan and interest receivable of RMB28,128,000 secured by a personal guarantee of Ms. Fu Qiang, a then non-executive director of the Company and has been fully impaired on previous years;
  - (ii) KRW1,850,000,000 (equivalent to approximately RMB13,285,000) unsecured loan to Spoville and has been fully impaired on previous years;
  - (iii) Loan and interest receivables of RMB20,458,000 (2023: RMB21,887,000) from an associate, secured by properties in the PRC; and
  - (iv) Loan interest receivables of RMB168,000 were secured by unlisted equity interest in companies of the debtors incorporated in the PRC and have been fully impaired in previous years.
- (f) The Loan to Mr. Ng has been lent by the Company in 2018, During the year ended 31 December 2023, approximately US\$645,000 (equivalent to approximately HK\$5 million) should have been settled through settlement arrangements from an amount due by AGAE to Mr. Ng and Debt Collector A, however, Mr. Ng has filed the Arbitration (as defined in Note 16) in relation to these arrangements. The collected amount of US\$645,000 is now transferred to the Escrow Account (as defined in Note 16) until the Arbitration is concluded. Details about the Arbitration has been disclosed in Note 16.

The directors of the Company has fully impaired the Loan as at 31 December 2024 and 2023 as there is uncertainty on the recoverability of the Loan as the Arbitration is still in progress.

## 12. TRADE AND OTHER PAYABLES

|   | <i>Note</i> | <b>31/12/2024</b><br><b>RMB'000</b> | 31/12/2023<br>RMB'000 |
|---|-------------|-------------------------------------|-----------------------|
| <b>Trade payables</b>                     | <i>(a)</i>  | <u><b>4,313</b></u>                 | <u>4,137</u>          |
| <b>Other payables</b>                     |             |                                     |                       |
| Other payables and accrued charges        |             | <b>5,047</b>                        | 7,067                 |
| Staff costs and welfare accruals          |             | <b>4,027</b>                        | 4,654                 |
| Amounts due to associates                 |             | —                                   | 4,328                 |
| Accrued debt collection services fee      |             | —                                   | 2,250                 |
| Accrued consultancy services fee          |             | <b>738</b>                          | 656                   |
| Accrued research and development expenses |             | <b>3,256</b>                        | 462                   |
| Accrued legal and professional fee        |             | <b>3,038</b>                        | 2,064                 |
| VAT and other tax payables                |             | <u><b>1,347</b></u>                 | <u>1,884</u>          |
|   |             | <u><b>17,453</b></u>                | <u>23,365</u>         |
|   |             | <u><b>21,766</b></u>                | <u>27,502</u>         |

*Note:*

**(a) Trade payables**

The credit terms granted to the Group are usually 30 to 90 days.

The ageing analysis of trade payables to third parties based on recognition date is as follows:

|              | <b>2024</b><br><b>RMB'000</b> | 2023<br><i>RMB'000</i> |
|--------------|-------------------------------|------------------------|
| 0–30 days    | <b>573</b>                    | 961                    |
| 31–60 days   | <b>11</b>                     | 36                     |
| 61–90 days   | <b>19</b>                     | 30                     |
| 91–180 days  | <b>21</b>                     | 23                     |
| 181–365 days | <b>22</b>                     | 15                     |
| Over 1 year  | <u><b>3,667</b></u>           | <u>3,072</u>           |
|              | <u><b>4,313</b></u>           | <u>4,137</u>           |

**13. BANK LOANS**

|                        | <b>2024</b><br><b>RMB'000</b> | 2023<br><i>RMB'000</i> |
|------------------------|-------------------------------|------------------------|
| <b>Current portion</b> |                               |                        |
| Bank loan              | <u><b>2,600</b></u>           | <u>—</u>               |

As at 31 December 2024, the bank loans were unsecured, unguaranteed and interest-bearing at a fixed rate ranging from 3.15% to 3.50% per annum and repayable within one year. The amount is denominated in RMB.



## 14. SHARE CAPITAL

The movements in the share capital of the Company are as follows:

|   | Number<br>of shares   | Nominal<br>value of<br>shares<br><i>US\$'000</i> | Equivalent<br>nominal<br>value of<br>shares<br><i>RMB'000</i> |
|---|-----------------------|--|---|
| <b>Authorised:</b>  |                       |  |   |
| <i>Ordinary shares:</i>   |                       |  |   |
| At 31 December 2023 and 2024  | <u>10,000,000,000</u> | <u>500</u>                                       |   |
| <b>Issued and fully paid:</b>   |                       |  |   |
| <i>Ordinary shares:</i>   |                       |  |   |
| At 1 January 2023, 31 December 2023,<br>1 January 2024 and 31 December 2024 | <u>1,077,799,887</u>  | <u>55</u>  | <u>335</u>  |

As at 31 December 2024, the Company held 725,000 shares of the Company through trustee (2023: 2,200,000 shares) under the share award scheme.

## 15. DISPOSAL OF SUBSIDIARIES

As referred to in note 1, the directors of the Company have concluded that the Group has lost control over AGAE and considered a deemed disposal of AGAE as of 1 January 2023. The net assets of AGAE Group at the date of deemed disposal were as follows:

### (a) Deemed disposal of AGAE Group

#### Analysis of assets and liabilities over which control was lost:

|                               | <i>RMB'000</i>        |
|-------------------------------|-----------------------|
| Property, plant and equipment | 15,004                |
| Right-of-use assets           | 10,912                |
| Digital assets                | 344                   |
| Intangible assets             | 158                   |
| Trade and other receivables   | 11,342                |
| Certificate of deposits       | 484,602               |
| Restricted bank balances      | 34,614                |
| Cash and cash equivalents     | 77,311                |
| Trade and other payables      | (13,589)              |
| Contract liabilities          | (751)                 |
| Lease liabilities             | <u>(48,713)</u>       |
| Net assets disposed of        | <u><u>571,234</u></u> |

#### Loss on disposal of AGAE Group:

|   | <i>RMB'000</i>         |
|---|------------------------|
| Fair value of retained investment (interests in associates) | 78,150                 |
| Less: Net assets disposed of                                | (571,234)              |
| Non-controlling interests                                   | 393,580                |
| Reclassification of cumulative translation reserve          | 25,676                 |
| Reclassification of cumulative other reserve                | <u>26,933</u>          |
| Loss on disposal  | <u><u>(46,895)</u></u> |
| Net cash outflow arising on disposal                        | <u><u>77,311</u></u>   |

**(b) Disposal of Ztech**

As referred to in note 1, the Group has disposed 40% equity interest in Ztech to AGAE Group at a consideration of USD7,000,000 (equivalent to approximately RMB50,245,000). Following the disposal, the Group retained 10% interest in Ztech which is therefore classified as financial assets at FVTPL. The net assets of Ztech at the date of disposal were as follows:

**Analysis of assets and liabilities over which control was lost:**

|                               | <i>RMB'000</i>      |
|-------------------------------|---------------------|
| Property, plant and equipment | 556                 |
| Right-of-use assets           | 1,787               |
| Trade and other receivables   | 2,055               |
| Cash and cash equivalents     | 4,150               |
| Trade and other payables      | (1,478)             |
| Lease liabilities             | <u>(1,839)</u>      |
| Net assets disposed of        | <u><u>5,231</u></u> |

**Gain on disposal of Ztech:**

|   | <i>RMB'000</i>       |
|---|----------------------|
| Consideration received  | 50,245               |
| Fair value of retained investment (financial assets at FVTPL) | 12,562               |
| Less: Net assets disposed of                                  | (5,231)              |
| Non-controlling interests                                     | <u>2,615</u>         |
| Gain on disposal  | <u><u>60,191</u></u> |
| Net cash inflow arising on disposal:                          |                      |
| Cash consideration  | 50,245               |
| Less: cash and cash equivalents disposal of                   | <u>(4,150)</u>       |
|   | <u><u>46,095</u></u> |

## 16. OTHER LITIGATIONS/ARBITRATIONS

### Arbitration from Mr. Ng Kwok Leung Frank (“Mr. Ng”) against AGAE

As disclosed in note 11, there was an outstanding loan and interest payable by Mr. Ng, the former executive director and former chief executive officer of the Company and, also the former director and chief executive of AGAE, with gross amount of RMB6,905,000 at 31 December 2023 (the “**Loan**”), which was granted out by the Company when Mr. Ng was the executive director and chief executive officer of the Company.

In July 2023, an instruction letter was issued by Mr. Ng to AGAE via email (the “**Instruction Letter**”). Pursuant to which, Mr. Ng instructed AGAE to pay Mr. Ng the amount of US\$1,000,000 (which represented the outstanding severance payment to Mr. Ng from AGAE), less any taxes that were required to be withheld and deducted to Debt Collector A.

In late July 2023, the Company also has entered into with Debt Collector A and Mr. Ng a settlement agreement (the “**Settlement Agreement**”) such that approximately US\$645,000 (equivalent to approximately HK\$5 million) received by Debt Collector A, would offset the outstanding amount of approximately HK\$5 million of the Loan. Out of this settlement, Debt Collector A was entitled to 50% of the settlement as debt collection service fee.

However, the Company was later being notified that, in October 2023, Mr. Ng has filed an arbitration case (the “**Arbitration**”) with the American Arbitration Association (“**AAA**”) for the outstanding payment of US\$1,000,000 against AGAE. In April 2024, Mr. Ng filed a motion to include a cause of action of fraud with the AAA, claiming that Mr. Ng’s email account used in the communications with AGAE about the settlement, the Instruction Letter and the Settlement Agreement were fraudulent and purportedly signed by Mr. Ng. Following Mr. Ng’s motion, AGAE had submitted a reply to oppose Mr. Ng’s motion to AAA and up to the date of approval of this consolidated financial statements, the Arbitration is currently still in the process of discovery, with the evidentiary hearing to be scheduled in early November 2025.

In 2024, given the Arbitration is still in progress, the amount of approximately US\$645,000 previously received and collected by the Company were transferred to an escrow account until the Arbitration is concluded.

## **Litigation from Knighted Pastures, LLC (“Knighted”)**

On 7 March 2024, Knighted, the second largest shareholder of AGAE, filed a complaint in the Court of Chancery of the State of Delaware (the “**Court**”) against AGAE (as a nominal defendant), the directors of AGAE, Primo Vital Limited (subsidiary of the Company which directly held AGAE’s shares) and Elite Fun Entertainment Co. (“**Elite Fun**”), an independent third party, (the “**Knighted Action**”). The complaint alleged, among other things, that the directors of AGAE breached their fiduciary duty in connection with (1) the approval of a share purchase agreement that AGAE entered into on or around 28 December 2023, (2) the approval and adoption of certain amendments to AGAE’s Bylaws on or around 5 January 2024, and (3) the approval and adoption of a rights agreement (in relation to AGAE declared a dividend of one preferred share purchase right for each outstanding share of AGAE’s common stock, where the right has the right to purchase a newly designated preferred share of AGAE) on or around 9 February 2024. The Knighted Action sought both injunctive reliefs and money damages.

On 20 June 2024, following expedited discovery and entry of resolutions by the directors of AGAE addressing issues raised by the Knighted Action, the Court entered an order granting in part AGAE and the directors of AGAE’s motion to dismiss the Knighted Action as moot. The Court therefore cancelled the trial in the Knighted Action. The Court ordered the parties to submit further filings on Knighted’s claim for attorneys’ fees and costs and any other issues required to bring the Knighted Action to a final conclusion. On 2 August 2024, Knighted filed a motion for an attorney’s fee award based on the purported corporate benefit its case provided to AGAE and its other shareholder (including Primo Vital Limited).

On 28 August 2024, the Court granted Knighted an attorney’s fee award of US\$3 million which was paid by AGAE on 11 September 2024. On 4 October 2024 and 30 October 2024, AGAE received reimbursements of US\$0.6 million and US\$3.1 million, respectively, from its directors’ and officers’ insurance carrier representing the attorney fee award and its defense costs in excess of the policy’s retention amount.

On 12 November 2024, Knighted filed a complaint in the Court against AGAE, the directors of AGAE, Primo Vital Limited (subsidiary of the Company which directly held AGAE) and certain additional defendants (the “**Second Knighted Action**”). Knighted filed the Second Knighted Action alleging breach of fiduciary duty in connection with approving the recent strategic investment with Yellow River Capital group (“**Yellow River**”) and the securities purchase agreement with Blue Planet New Energy Technology Ltd, an affiliate of Yellow River. The Second Knighted Action seeks both injunctive relief and money damages. AGAE believed the claims in the Second Knighted Action lack merit and intends to defend against them vigorously.

On 25 April 2025, AGAE approved resolutions addressing issues raised by the Second Knighted Action. On that date, AGAE and the directors of AGAE defendants filed a motion to dismiss the complaint as moot, or in the alternative stay the action pending the outcome of AGAE’s 2024/2025 combined annual meeting (“**AGAE’s Annual Meeting**”). On 29 April 2025, the Court granted the motion with modifications, continued the trial without rescheduling any date, and staying the case pending the outcome of the combined annual meeting.

On 11 June 2025, AGAE filed a complaint in the United States District Court for the Central District of California alleging Knighted and its Managing Partner, Roy Choi, as well Naomi Choi, Mr. Choi’s mother, and Yiu-Ting So, a long time business partner of Mr. Choi acted as an undisclosed “group” in violation of Section 13(d) of the Securities Exchange Act of 1934, failing to disclose to stockholders that Naomi Choi and Yiu-Ting So’s are acting in coordination with Mr. Choi to support Knighted’s bid to replace AGAE’s board of directors with its hand-picked designees. On 1 August 2025, the United States District Court for the Central District of California issued an order that AGAE’s Annual Meeting not be postponed and enjoining any vote regarding changes to the composition of AGAE’s board of directors at the AGAE’s Annual Meeting. As such, AGAE’s Annual Meeting held on 4 August 2025, but no vote any of the changes to the composition of AGAE’s board of directors.

Since AGAE is unable to reasonably estimate the amount of the loss, or range of loss, related to the Second Knighted Action, no accrual for this contingency has been included in both the consolidated financial statements of the Company and AGAE's consolidated financial statements.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement has been published on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.lianzhong.com](http://www.lianzhong.com). The annual report of the Group for the year ended 31 December 2024 will be published on the aforesaid websites in due course.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares 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, 10 September 2025

*For purpose of this announcement, the exchange rates of US\$1 = RMB7.0698 has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rates or any other rates or at all on the date or dates in question or any other date.*

*As at the date of this announcement, the Board comprises Mr. Lu Jingsheng and Ms. Xu Jin as executive Directors; 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*