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**偉祿集團控股有限公司**  
**REALORD GROUP HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1196)**

**INSIDE INFORMATION**  
**MEMORANDUM OF UNDERSTANDING ON**  
**STRATEGIC COOPERATION**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

**THE MOU**

The Board is pleased to announce that after trading hours of the Stock Exchange on 6 February 2026, the Company entered into a non-legally binding MOU with Mr. Ko in relation to a proposed strategic cooperation between the Group and Mr. Ko in developing mobile game distribution and operation business (the “**Strategic Cooperation**”).

Details of the MOU are set out below.

**Date**

6 February 2026

**Parties**

- (a) the Company; and
- (b) Mr. Ko.

Mr. Ko has over 20 years of experience in mobile game industry, with extensive expertise in sourcing, publishing and operating overseas mobile games in the PRC market. From 2011 to 2025, he served as the president of a mobile game publishing company listed on the Main Board of the Stock Exchange, where he was responsible for overseeing the mobile game business segment, as well as overseas strategy, overseas pipeline development and overseas investment activities of that company. During this period, he also served as an executive director of that company.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Mr. Ko is a third party independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

## **THE STRATEGIC COOPERATION**

The MOU has been entered into by the parties to lay down the framework for the Group to make foray into the mobile game business sector through a strategic collaboration between the parties.

### **Reasons for the Strategic Cooperation**

The Group is principally engaged in (i) property investment, development and commercial operation; (ii) provision of financial services; (iii) scrap materials recycling business; (iv) distribution and sales of motor vehicle parts; and (v) provision of citizenship application and consultancy services on citizenship by investment programme and development of project in Grenada.

In recent years, the Company has been consolidating and streamlining its businesses and resources, as well as exploring new business opportunities. In this connection, the Company considers that the Strategic Cooperation would enable the Group to expand into the mobile game sector in the PRC, a market with strong growth momentum and promising long-term prospects.

According to the 2025 China Game Industry Annual Report (《2025年中國遊戲產業報告》) released by the China Audio-video and Digital Publishing Association (中國音像與數字出版協會) at the 2025 China Game Industry Annual Conference, both sales and user numbers of China's domestic mobile game market in 2025 reached historic highs. China's domestic mobile game market recorded sales of RMB257.1 billion in 2025, representing a year-on-year increase of approximately 7.9%. Meanwhile, Chinese-developed mobile games continued to perform strongly in overseas markets, achieving sales of US\$18.5 billion, representing a year-on-year increase of approximately 13.2%. Major overseas markets of Chinese-developed mobile games included the United States, Japan and South Korea, accounting for approximately 32.3%, 16.4% and 9.2%, respectively, of total overseas sales in 2025.

Notwithstanding intense market competition, the Company believes the key to success in the mobile game sector depends primarily on (i) game quality; (ii) effective marketing capabilities; (iii) capital investment; and (iv) experienced and capable management team and relevant human resources. In light of this, the Group believes that Mr. Ko's solid industry experience will enable it to gain a quick foothold in the mobile game industry. Mr. Ko would be instrumental in assisting the Group to (a) identify and source popular overseas mobile games and adapt them for distribution in the PRC market; and (b) form a team of experienced professionals to develop and execute the business plan for the mobile game business.

### **The Strategic Cooperation structure**

Under the Strategic Cooperation, Mr. Ko will be responsible for forming an operation team for the purpose of formulating the business plan for the collaboration, which will involve overall business strategy, game distribution roadmap and capital requirements for mobile games. It is contemplated that the operation team will form the core team for an operating company to be legally and validly established in the PRC, i.e. OPCO, which will be engaged in licensed business of distributing and operating mobile games in the PRC. The operation team will be responsible for sourcing, development and distribution of mobile games, initially focusing on the PRC market and then expanding into overseas markets.

Under the current laws and regulations in the PRC, foreign equity ownership of a licensed online game publisher and/or operator is prohibited. In light of this, in compliance with applicable PRC laws and regulations, Mr. Ko intends to establish an offshore structure to participate in the future economic benefits generated by OPCO. It is envisaged that the offshore structure will involve, among others, a special purpose vehicle in Hong Kong, i.e. the Target Company, under which a wholly-owned subsidiary will be formed under the PRC laws ("WFOE"). The WFOE, in due course, will enter into a series of contractual agreements, i.e. the VIE Arrangements, with OPCO and the OPCO Shareholders. Pursuant to the VIE Arrangements, (i) the equity ownership of OPCO will continue to be owned by the OPCO Shareholders; (ii) the WFOE will obtain full management and operational control over OPCO and enjoy all the economic benefits therefrom; and (iii) the WFOE will have the option to acquire equity ownership of OPCO in the future, at a nominal price, as and when permitted by applicable PRC laws and regulations.

The OPCO Shareholders are expected to be third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

It is proposed that, upon establishment of the VIE Arrangements and OPCO having obtained all the necessary licenses, permits and operation qualifications required for mobile game business, and subject to completion of satisfactory due diligence by the Group, the Group will enter into a sale and purchase agreement, i.e. the SPA, with Mr. Ko for the acquisition of the entire issued share capital of the Target Company (the “**Proposed Acquisition**”).

Upon completion of the Proposed Acquisition, under the Listing Rules and the applicable accounting standards, the Target Group and OPCO will become wholly-owned subsidiaries of the Group, and the financial position and results of the Target Group and OPCO will be consolidated into the financial statements of the Group by virtue of the VIE Arrangements.

### **Agreement in principle for the Proposed Acquisition**

The final terms of the Proposed Acquisition are subject to further negotiation, and the entering into of the SPA, by the parties. Nevertheless, the parties have in principle agreed certain terms as follows:

#### *Profit Target*

It is contemplated that, following completion of the Proposed Acquisition, the Target Group shall achieve the following proposed profit target (the “**Profit Target**”):

- (a) during the three year period immediately following completion of the Proposed Acquisition (the “**Target Period**”), the Target Group shall achieve an aggregate net profit after tax of no less than HK\$600 million as follows:
  - (i) for the first year of the Target Period, an annual net profit after tax of no less than HK\$150 million;
  - (ii) for the second year of the Target Period, an annual net profit after tax of no less than HK\$200 million; and
  - (iii) for the third year of the Target Period, an annual net profit after tax of no less than HK\$250 million; or

- (b) if the annual target described above is not met in any year during the Target Period, the Target Period may be extended once by an additional year to a total of four years inclusive (the “**Extended Target Period**”), provided that:
- (i) the aggregate net profit after tax (after offsetting net losses, if any) of the Target Group shall be no less than HK\$600 million for the Extended Target Period; and
  - (ii) for the fourth and final year of the Extended Target Period, the Target Group shall achieve an annual net profit after tax of no less than HK\$200 million.

### *Consideration*

In consideration of Mr. Ko agreeing to the Profit Target, it is proposed that the Company would allot and issue 60,000,000 new Shares (the “**Consideration Shares**”) to Mr. Ko (or his nominee(s)). The Consideration Shares are expected to be issued under the general mandate of the Company.

### *Unwinding mechanism*

The SPA shall include an unwinding mechanism stipulating that should the Target Group fail to achieve the Profit Target, the Group shall have the sole and absolute discretion to demand exit from all of its investment in the Target Group in the following manner: (i) the Group shall transfer to Mr. Ko all of its equity interests in the Target Group, together with all of the rights and other interests attaching thereto; and (ii) Mr. Ko shall transfer to the Group all of the Consideration Shares (if any) that may have been received by him under the SPA. Final terms of the unwinding mechanism are to be determined by the parties to the SPA.

### **Exclusivity**

Having considered the time required to complete the above regulatory processes, Mr. Ko has agreed not to, directly or indirectly, negotiate or deal with any third party in respect of the mobile games business and/or transactions contemplated under the MOU, or transactions which may compete with the Proposed Acquisition, for a period of 10 months (or such other period as may be agreed by the parties in writing) commencing from the date of the MOU.

### **Other terms**

The MOU is not legally binding on either party, save for terms regarding exclusivity, confidentiality, third party rights, fees incidental to the MOU, and governing law.

The principal terms of the Proposed Acquisition referred to above, together with other customary terms for similar transactions, such as conditions precedent, and representations and warranties, are subject to further negotiations and will be set out in detail in the SPA.

The parties intend to enter into the SPA on or before the expiry of the exclusivity period, i.e. by 5 December 2026 (or such other date as may be agreed by the parties in writing).

## **POSSIBLE NOTIFIABLE TRANSACTION**

The Proposed Acquisition, if materialised, may constitute a notifiable transaction of the Company and would be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. The Company shall comply with the relevant requirements under the Listing Rules as and when appropriate.

**The Board wishes to emphasise that the transactions contemplated under the MOU (including the Proposed Acquisition) may or may not proceed and the parties have not entered into a legally binding agreement in relation thereto as at the date of this announcement.**

## **DEALINGS**

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

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Realord Group Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1196)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“MOU”	the memorandum of understanding entered into on 6 February 2026 between the Company and Mr. Ko in respect of the Strategic Cooperation
“Mr. Ko”	Mr. Jeffrey Lyndon Ko, a party to the MOU
“OPCO”	a company to be organised by Mr. Ko and to be established in the PRC for the purpose of operating mobile game business in the PRC, which will enter into the VIE Arrangements with WFOE as more particularly described in this announcement
“OPCO Shareholder(s)”	the shareholder(s) of OPCO who are expected to be third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“SPA”	the formal sale and purchase agreement to be entered into between the Company and Mr. Ko in relation to the Proposed Acquisition, subject to further negotiations between them
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	a company to be established by Mr. Ko in Hong Kong, which will control OPCO as part and parcel of the VIE Arrangements and as more particularly described in this announcement

“Target Group” the Target Company and its subsidiaries

“VIE Arrangements” the variable interest entity arrangements allowing the Target Group to obtain all the economic benefits from the future mobile game business of OPCO

By order of the board of  
**Realord Group Holdings Limited**  
**Lin Xiaohui**  
*Chairman*

Hong Kong, 6 February 2026

*As at the date of this announcement, the executive Directors are Dr. Lin Xiaohui, Madam Su Jiaohua and Mr. Lin Xiaodong and the independent non-executive Directors are Mr. Yu Leung Fai, Mr. Fang Jixin and Mr. Ho Chun Chung Patrick.*