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Forgame Holdings Limited

雲遊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00484)

**COMPLETION OF SHARE TRANSACTION
INVESTMENT OF 19.99% EQUITY INTEREST IN
THE TARGET AND THE ISSUE OF CONSIDERATION SHARES
UNDER GENERAL MANDATE**

Reference is made to the announcements of Forgame Holdings Limited (the “**Company**”) dated 16 January 2019 in respect of, inter alia, the Investor’s entering into the Investment Agreement and the Shareholders’ Agreement, pursuant to which the Investor agreed to acquire the Sale Interest representing approximately 19.99% of the equity interest in the Target at the aggregate Consideration of RMB22,598,870 through (a) subscription of increase in registered capital in the Target and (b) acquisition of equity interest in the Target from the Vendor.

Capitalised terms used herein shall have the same meanings as those defined in the announcement dated 16 January 2019 unless stated otherwise.

COMPLETION OF THE INVESTMENT

The Board is pleased to announce that all the conditions precedent set out in the Investment Agreement had been fulfilled and the completion took place on 27 March 2019 (the “**Completion**”) in accordance with the terms and conditions of the Investment Agreement. On 27 March 2019, a total of 1,851,568 Consideration Shares has been allotted and issued to the Vendor’s nominee, KongZhong Corporation (being the allottee of the Consideration Shares) at the Issue Price (i.e., HK\$6.02 per Share) pursuant to the Investment Agreement. The Consideration Shares were allotted and issued pursuant to the General Mandate granted to the Board by the Shareholders at the AGM held on 25 May 2018.

The Consideration Shares represent (i) approximately 1.37% of the total issued Shares immediately before the Completion; and (ii) approximately 1.35% of the total issued Shares as enlarged by the issue of the Consideration Shares immediately after the Completion.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after the allotment and issue of the Consideration Shares upon the Completion are set out below for illustrative purpose only:

Name of Shareholder	Immediately before the allotment and issue of the Consideration Shares		Immediately after the allotment and issue of the Consideration Shares	
	<i>Number of Approximate Shares held</i>	<i>%</i>	<i>Number of Approximate Shares held</i>	<i>%</i>
Foga Group Ltd. ⁽¹⁾	21,673,338	16.03%	21,673,338	15.81%
GU Wei	11,790,830	8.72%	11,790,830	8.60%
Foga Holdings Ltd. ⁽²⁾	7,763,997	5.74%	7,763,997	5.66%
KongZhong Corporation	9,581,900	7.08%	11,433,468	8.34%
Foga Internet Development Ltd. ⁽³⁾	7,785,700	5.76%	7,785,700	5.68%
YANG Tao ⁽³⁾⁽⁴⁾	1,340,000	0.99%	1,340,000	0.98%
China Create Capital Limited	9,584,000	7.09%	9,584,000	6.99%
Other shareholders	<u>65,724,872</u>	<u>48.60%</u>	<u>65,724,872</u>	<u>47.94%</u>
Total	<u>135,244,637</u>	<u>100%</u>	<u>137,096,205</u>	<u>100%</u>

Notes:

- (1) Foga Group Ltd. is wholly owned by Managecorp Limited as the trustee of Wang Trust. Wang Trust is a discretionary trust set up by Mr. WANG Dongfeng, who is its settlor and protector, with Managecorp Limited as trustee on 15 March 2013. The beneficiary objects of Wang Trust include Mr. WANG Dongfeng and certain of his family members. Mr. WANG Dongfeng and Managecorp Limited are taken to be interested in 21,673,338 Shares held by Foga Group Ltd..
- (2) Foga Holdings Ltd. is wholly owned by Managecorp Limited as the trustee of Hao Dong Trust. Hao Dong Trust is a discretionary trust set up by Mr. LIAO Dong, who is its settlor and protector, with Managecorp Limited as trustee on 15 March 2013. The beneficiary object of Hao Dong Trust is Mr. LIAO Dong himself. Mr. LIAO Dong and Managecorp Limited are taken to be interested in 7,763,997 Shares held by Foga Holdings Ltd..
- (3) Foga Internet Development Ltd. is wholly owned by Mr. YANG Tao. Mr. YANG Tao is taken to be interested in the 7,785,700 Shares held by Foga Internet Development Ltd..
- (4) Mr. YANG Tao was granted 1,340,000 restricted share units under the restricted share unit scheme in 2016, 335,000 of which vested on 1 December 2016, 335,000 vested on 1 June 2017, 335,000 vested on 1 December 2017 and 335,000 vested on 1 June 2018.

By order of the Board
Forgame Holdings Limited
WANG Dongfeng
Chairman

Hong Kong, 27 March 2019

As at the date of this announcement, the executive Directors are Mr. WANG Dongfeng, Ms. LIANG Na and Mr. ZHANG Yang; the non-executive Director is Mr. ZHANG Qiang; the independent non-executive Directors are Mr. HOW Sze Ming, Mr. ZHAO Cong Richard and Mr. WAN Joseph Jason.