

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Forgame Holdings Limited**

**雲遊控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00484)**

### **INSIDE INFORMATION AND PROFIT WARNING**

This announcement is made by Forgame Holdings Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 29 July 2018 in respect of the comprehensive business adjustments made by the Group’s brand “Jianlicai” to the business model of its “Wealth Management Plan (理財計劃)” with reference to the latest industry trend and in response to the related documents issued by the Beijing Internet Finance Association (the “**July Business Adjustments Announcement**”). Unless otherwise stated herein, capitalised terms used in this announcement shall have the same meanings as those defined in the July Business Adjustments Announcement.

#### **Business conditions for the second half of 2018**

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the information currently available to the Board and a preliminary assessment of the Group’s unaudited consolidated management accounts for the six months ended 31 December 2018 (the “**Management Accounts**”), the half-year results for the six months ended 31 December 2018 is expected to range from a net profit of approximately RMB10.0 million to a loss of RMB10.0 million (the above-mentioned expected results exclude the Receivables as described below), as compared to a net profit of approximately RMB86.4 million for the corresponding period in 2017.

The above change was mainly due to the Group having recorded net investment income of RMB65.7 million for the second half of 2017, as compared to an expected net investment income ranging from RMB7.0 million to RMB14.0 million for the corresponding period in 2018.

In addition, “Jianlicai”, one of the Group’s fintech brands, was affected under the current industry environment in the second half of 2018 and has entered a business transformation shifting from non-standard assets to standard assets in compliance with the regulatory requirements (for details, please refer to the July Business Adjustments Announcement). In

light of the gradual introduction of regulatory requirements and the increasingly complex market environment, the Group prudently adjusted the scale of its fintech business. Such operational adjustments also have a certain adverse impact on the financial performance of the Group.

Based on the above expected half-year results for the second half of 2018, the Group is expected to record a loss for the year ended 31 December 2018 ranging from RMB276.7 million to RMB296.7 million (the above-mentioned expected results exclude the Receivables as described below), as compared to a consolidated net profit of RMB68.6 million for the year ended 31 December 2017.

### **Receivables**

Based on the information currently available to the Board, the Group's progress in collecting the receivables from the disposal of investment in an associate of approximately RMB43.8 million (the "Receivables") did not meet expectations. The Group has immediately negotiated with the counterparty for a payment plan and succeeded in obtaining a signed payment schedule from the counterparty. Meanwhile, the Group will regularly assess the payment ability of the counterparty and take certain lawful measures including through legal proceedings to recover such amount, as and when appropriate, so as to reduce the collection risk. Such Receivables may have an additional impact on the financial statements for the year ended 31 December 2018. The Group is currently assessing the recoverability of the Receivables and the corresponding provisions that may need to be made.

It should be noted that the Company has yet to finalise the annual results of the Group for the year ended 31 December 2018. Therefore, the information contained in this announcement is only based on the information currently available to the Group and the Board's preliminary assessment of the Management Accounts and the Receivables, all of which are subject to further review by and discussions with the auditors and the audit and compliance committee of the Company. As such, the actual results of the Group for the year ended 31 December 2018 may differ from the information disclosed in this announcement. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the year ended 31 December 2018, which is expected to be published in March 2019.

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

By order of the Board  
**Forgame Holdings Limited**  
**WANG Dongfeng**  
*Chairman*

Hong Kong, 10 January 2019

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