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LEYOU TECHNOLOGIES HOLDINGS LIMITED

樂遊科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1089)

INSIDE INFORMATION ISSUANCE OF REDEEMABLE BOND

This announcement is made by Leyou Technologies Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is made to the announcements of the Company dated 4 January 2016 (the “**Option Exercise Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meaning as those used in the Option Exercise Announcement.

The Board announced that the Company has entered into a subscription agreement with Chance Talent Management Limited (“**Subscriber**”), pursuant to which the Company agreed to issue and the Subscriber agreed to subscribe for the fixed coupon redeemable bond (“**Bond**”) upon satisfaction of certain conditions precedent, to be issued by the Company in an aggregate principal amount of US\$42,000,000 (“**Principal Amount**”). The proceeds from the Bond will be utilized to finance the 39% Acquisition.

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, the Subscriber is an independent third party. The Subscriber is a business company incorporated in the British Virgin Islands with limited liability and an indirectly and wholly-owned special purpose vehicle of CCB International (Holdings) Limited ("**CCBI**"). CCBI is an investment services flagship which is indirectly and wholly-owned by China Construction Bank Corporation, a joint-stock company incorporated in the PRC and listed on the Main Board of the Stock Exchange (stock code: 0939) and the Shanghai Stock Exchange (stock code: 601939).

The Bond shall have a term of two (2) calendar years commencing from (and including) the date of the issue date of the Bond ("**Issue Date**"). The Bond is subject to (i) a simple interest of 7% per annum ("**Coupon Interest**"), payable in arrears every six (6) calendar months after the Issue Date, and (ii) an additional interest of 6.5% per annum ("**Additional Interest**"). US\$21,000,000, being 50% of the Principal Amount, plus (i) all accrued and unpaid Coupon Interest on all outstanding Principal Amounts, (ii) Additional Interest of such US\$21,000,000 and (iii) other amounts payable pursuant to terms thereunder shall be repaid on the first (1st) anniversary of the Issue Date. Unless previously redeemed, purchased or cancelled, the outstanding Principal Amount, plus (i) all accrued and unpaid Coupon Interest on all outstanding Principal Amounts, (ii) Additional Interest on all outstanding Principal Amounts and (iii) other amounts payable pursuant to terms thereunder shall be repaid on the maturity date of the Bond ("**Maturity Date**").

In the event that the Company redeems the Bond prior to the Maturity Date, the redemption price payable by the Company shall be the amount equivalent to the sum of (i) the outstanding Principal Amount to be redeemed by such holder, (ii) the interest on all outstanding Principal Amount to be redeemed at the interest rate of 13.5% per annum from the Issue Date up to (and including) the date of full payment of such redemption price and (iii) all other amounts payable pursuant to terms thereunder, minus any interest of the Bond paid by the Company on or prior to the date of such redemption.

In the event that the holder of the Bond exercises its right to redeem the bond upon occurrence of an event of default as specified in the instrument constituting the Bond ("**Bond Instrument**") or if the Company fails to pay any payable sum pursuant to terms thereunder, the redemption price payable by the Company shall be the amount equivalent to the sum of (i) the outstanding Principal Amount to be redeemed by such holder, (ii) such amount which would result in an internal rate of return of 20% per annum on the outstanding Principal Amount and (iii) all other amounts payable pursuant to terms thereunder, minus any interest of the Bond paid by the Company on or prior to the date of such redemption.

The obligation of the Company in respect of the Bond will be secured by (i) a charge over ordinary shares of the Target Company representing 58% of the entire issued share capital of the Target Company to be executed by the Company on or before the Issue Date; and (ii) a charge over ordinary shares of the Target Company representing 39% of the entire issued share capital of the Target Company to be executed by the Company within thirty (30) days after the Issue Date.

For so long as any part of the Bond remains outstanding,

- (i) the Company shall use no less than 50% of the proceeds from any future placing (if any) to redeem the Bond in accordance with the terms and conditions of the Bond Instrument; and
- (ii) in the event that the Company (or any of its subsidiaries) conducts a fund raising activity (“**Future Financing Activity**”) in the form of debt (including convertible bond) within three (3) years of the Issue Date, the Subscriber has the right but not obligation to participate in such Future Financing Activity with a total investment amount of no more than 30% of the amount to be raised at such Future Financing Activity.

By order of the Board
Leyou Technologies Holdings Limited
Law Kin Fat
Vice Chairman

Hong Kong, 28 April 2016

As at the date of this announcement, the Board comprises Mr. Lin Qinglin, Mr. Law Kin Fat, Mr. Wu Shiming, Mr. He Zhigang and Mr. Wong Ka Fai, Paul and Mr. Hsiao Shih-Jin as executive Directors, Mr. Eric Todd as a non-executive Director and Mr. Hu Chung Ming, Mr. Chau On Ta Yuen and Mr. Chan Chi Yuen and Mr. Yang Chia Hung as independent non-executive Directors.