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CHANGYOU ALLIANCE GROUP LIMITED

暢由聯盟集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Reference is made to the announcement of Changyou Alliance Group Limited (the “**Company**”) dated 29 July 2020 (the “**Announcement**”) regarding, among other things, the connected transaction in relation to the issue of the Convertible Bonds under the Specific Mandate. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Pursuant to Rule 14A.44 of the Listing Rules, the Company is pleased to announce that Optima Capital Limited, a corporation licensed by the SFC to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder, and such appointment has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and the recommendation of the Independent Board Committee, in relation to the Subscription Agreement and the transactions contemplated thereunder will be included in the circular to be despatched by the Company to the Shareholders in due course.

The Subscription is subject to the fulfilment or waiver (as the case may be) of a number of conditions. As such, the transactions contemplated under the Subscription Agreement may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

By order of the Board
Changyou Alliance Group Limited
Mr. Cheng Jerome
Chairman

Hong Kong, 5 August 2020

As at the date of this announcement, the executive Directors are Mr. Cheng Jerome and Mr. Yuan Weitao; the non-executive Director is Mrs. Guo Yan; and the independent non-executive Directors are Mr. Wong Chi Keung, Mr. Liu Jialin and Mr. Chan Chi Keung, Alan.