

# IAO KUN GROUP HOLDING CO LTD

## **FORM 6-K** (Report of Foreign Issuer)

Filed 03/03/17 for the Period Ending 03/03/17

Telephone	305-576-1600
CIK	0001417754
Symbol	IKGH
SIC Code	7900 - Services-Amusement & Recreation Services
Industry	Casinos & Gaming
Sector	Consumer Cyclical
Fiscal Year	12/31

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of March 2017

Commission File Number: 001-53087

**IAO KUN GROUP HOLDING COMPANY LIMITED**

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(Translation of registrant's name into English)

Alameda Dr. Carlos D' Assumpcao No: 181-187  
Centro Comercial do Grupo  
Brilhantismo, 12 Andar T Macau  
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_\_.

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## Other Events.

On February 28, 2017, Iao Kun Group Holding Company Limited (the “Company”), completed the acquisition contemplated by the stock purchase agreement (the “Purchase Agreement”) dated as of February 7, 2017 between the Company and Jia-Heng Industrial Ltd. (“Jia-Heng”), a Cayman Islands company and the holding company of Guangzhou LiNiu Network Technology Co. Ltd. (“LiNiu Network”). LiNiu Network is a software technology development company that is currently developing an electronic B2C, C2C and O2O trading platform focused on the Chinese agricultural industry. At the closing, the Company acquired a 51% equity interest in Jia-Heng.

As consideration for the acquisition, the Company issued 12,484,000 ordinary shares at the closing. In addition, pursuant to a profit guarantee agreement between the Company, LiNiu Network and Mr. Wang Shun Yang (the “Profit Guarantee Agreement”), the Company will make certain cash payments to the minority owners of LiNiu Network only if the after-tax income for LiNiu Network is equal to or in excess of the after-tax income specified in the below table (note, U.S. values based on February 3, 2017 exchange rate of \$1 = RMB6.88):

Year	Income after-tax	Cash payment
2017	RMB20 million (US \$2.9 million)	RMB5,412,000 (US \$0.8 million)
2018	RMB80 million (US \$11.6 million)	RMB21,648,000 (US \$3.1 million)
2019	RMB300 million (US \$43.6 million)	RMB81,182,000 (US \$11.8 million)
2020	RMB500 million (US \$72.7 million)	RMB135,303,000 (US \$19.7 million)
2021	RMB700 million (US \$101.7 million)	RMB189,425,860 (US \$27.5 million)
Total	RMB1.6 billion (US \$232.6 million)	RMB432,970,860 (US \$62.9 million)

Cash will be paid to the minority owners of LiNiu Network only when the after-tax income target is met or exceeded. The targets will be reviewed yearly and in aggregate at the end of the fifth year. For example, if the aggregate after-tax income target is met after the fifth year, the aggregate cash payment will be RMB432,970,860, even if all of the other after-tax income targets from 2017-2020 were not met. As a counterexample, if the after-tax income targets for 2017 and 2018 are met and the targets from 2019, 2020 and 2021 are not met (with the aggregate after-tax income also under the target of RMB1,600,000,000), then the current owners of LiNiu Network would only receive the cash payments for 2017 and 2018 (a total of RMB 27,060,000 or U.S. \$3.9 million).

Effective as of March 1, 2017, the Company effected several changes to its management and Board of Directors. Mr. Lam Chou In, Chief Operating Officer of the Company, has been promoted to co-Chief Executive Officer, responsible for the Macau gaming business. In addition, Mr. Wang Shun Yang has been appointed as co-CEO and a member of the Board of Directors, and will be responsible for the Company’s Chinese technology industry development. Finally, Mr. Fong Weng Nam has been appointed as the Company’s new Chairman of the Board of Directors. Mr. Lam Man Pou resigned as Chairman of the Company’s Board of Directors, and Mr. Vong Hon Kun resigned as CEO and a director. Both Mr. Lam and Mr. Vong will remain as Chief Marketing Officer and Chief Operating Officer of the Company, respectively.

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Mr. Wang, age 40, is the founder of LiNiu Network and has been developing its agricultural electronic trading platform since 2013. Prior to founding LiNiu Network from 2011 to 2013, he acted as Chief Consultant and led the industrial design, planning, investment and integration of the “Yunnan Agricultural Science and Technology Park,” which was jointly organized by the Ministry of Agriculture and Yunnan Province, to establish a systematic supply chain for the agricultural industry in the Park and the integration of industry and financial capital.

Mr. Fong, age 58, is a businessman that has been engaged in investment, real estate development and Macau’s gaming business for over 20 years. Mr. Fong currently is the Member of Jinwan Committee of Zhuhai of Chinese People’s Political Consultative Conference; Vice President of Hong Kong and Macao and Taiwan Cultural Exchange Association; Vice President of Macao Chong San Seak Kei Friendship Association and Chief Supervisor of Macao Henan Association.

The foregoing description of each of the Purchase Agreement, the Profit Guarantee Agreement and the related transactions does not purport to be complete and is qualified in its entirety by reference to the complete text of the Purchase Agreement filed as Exhibit 10.1 hereto and the Profit Guarantee Agreement filed as Exhibit 10.2 hereto. A copy of the press release relating to the acquisition is filed as Exhibit 99.1 hereto.

#### **Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
10.1 *	Stock Purchase Agreement dated February 7, 2017 between Iao Kun Group Holding Company Limited and Jia-Heng Industrial Ltd.
10.2 *	Profit Guarantee Agreement dated February 7, 2017 between Iao Kun Group Holding Company Limited, Guangzhou LiNiu Network Technology Co. Ltd. and Mr. Wang Shun Yang.
99.1	Press Release dated March 1, 2017.
99.2 +	Financial Statements of Jia-Heng Industrial Ltd.

\* Incorporated by reference to the corresponding exhibit number in the Company’s Form 6-K filed on February 13, 2017.

+ To be filed by amendment.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 3, 2017

**IAO KUN GROUP HOLDING COMPANY LIMITED**

By: /s/ Yip Cheuk Fai  
Name: Yip Cheuk Fai  
Title: Chief Financial Officer

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**IAO KUN GROUP HOLDING COMPANY COMPLETES ACQUISITION OF MAJORITY INTEREST IN  
GUANGZHOU LINIU NETWORK TECHNOLOGY CO. LTD.**

*Announces Management and Board of Directors Changes*

Hong Kong, China – March 1, 2017 – Iao Kun Group Holding Company Limited (“IKGH”) (NASDAQ: IKGH), announced today that it has completed the acquisition of 51% of Jia-Heng Industrial Ltd., the holding company of Guangzhou LiNiu Network Technology Co. Ltd. (“LiNiu Network”), a software technology development company that is currently developing an electronic B2C, C2C and O2O trading platform focused on the Chinese agricultural industry.

Upon the closing of the acquisition, IKGH also announced several changes to management and the Board of Directors. Effective immediately, Mr. Lam Chou In, Chief Operating Officer of IKGH, has been promoted to co-Chief Executive Officer, responsible for the Macau gaming business. In addition, Mr. Wang Shun Yang has been appointed as co-CEO and as a director of the Board, and will be responsible for IKGH’s Chinese technology industry development. Finally, Mr. Fong Weng Nam has been appointed as IKGH’s new Chairman of the Board of Directors.

In connection with the closing, Mr. Lam Man Pou has resigned as Chairman and director of IKGH’s Board of Directors, and Mr. Vong Hon Kun has resigned as CEO and director of the Board. Both Mr. Lam and Mr. Vong will remain as Chief Marketing Officer and Chief Operating Officer of IKGH, respectively.

“We are pleased to complete the acquisition and are moving forward rapidly to launch our agriculturally focused e-commerce platform within the next few months,” said Mr. Wang. “At the same time, we want to thank Mr. Lam and Mr. Vong for their leadership of IKGH over the years and are gratified to have them remain with IKGH as a valuable resource as we embark on this new chapter.”

Mr. Wang is the founder of LiNiu Network and has been developing its agricultural electronic trading platform since 2013. Prior to founding LiNiu Network, he acted as Chief Consultant and led the industrial design, planning, investment and integration of the “Yunnan Agricultural Science and Technology Park”, which was jointly organized by the Ministry of Agriculture and Yunnan Province, to establish a systematic supply chain for the agricultural industry in the Park and the integration of industry and financial capital.

Mr. Fong is a businessman that has been engaged in investment, real estate development and Macau’s gaming business for over 20 years. Mr. Fong currently is the Member of Jinwan Committee of Zhuhai of Chinese People’s Political Consultative Conference; Vice President of Hong Kong and Macao and Taiwan Cultural Exchange Association; Vice President of Macao Chong San Seak Kei Friendship Association and Chief Supervisor of Macao Henan Association.

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## **Forward-Looking Statements**

This press release includes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Forward-looking statements are statements that are not historical facts. Such forward-looking statements, based upon the current beliefs and expectations of IKGH's management, are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. The gaming industry is characterized by an element of chance. Theoretical win rates for IKGH's promotion entities' VIP gaming room operations depend on a variety of factors, some beyond their control. In addition to the element of chance, theoretical win rates are also affected by other factors, including gaming patrons' skill and experience, the mix of games played, the financial resources of gaming patrons, the spread of table limits, the volume of bets placed by IKGH's promotion entities' gaming patrons and the amount of time gaming patrons spend on gambling — thus VIP gaming rooms' actual win rates may differ greatly over short time periods, such as from quarter to quarter, and could cause their quarterly results to be volatile. These factors, alone or in combination, have the potential to negatively impact the VIP gaming rooms' win rates. Investors and potential investors should consult all of the information set forth herein and should also refer to the risk factors set forth in IKGH's Annual Report on Form 20-F filed in March 2016, and other reports filed or to be filed from time-to-time with the Securities and Exchange Commission.

## **About Iao Kun Group Holding Company Limited**

IKGH is a holding company that currently participates in the promotion of a VIP gaming room at the City of Dreams Macau in Cotai. In February 2017, IKGH announced its intent to diversify into non-gaming assets with the acquisition of a majority interest of Guangzhou LiNiu Network Technology Co. Ltd., which is developing an electronic trading platform focused on the Chinese agricultural industry.

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