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JOINT ANNOUNCEMENT

(1) COMPLETION OF THE SUBSCRIPTION

AND

(2) COMPLETION OF DISCLOSEABLE TRANSACTION IN RELATION TO THE DEEMED DISPOSAL OF SHAREHOLDING INTEREST IN OPG BY CSG

Reference is made to the joint announcement (the “**Joint Announcement**”) issued by Oriental Payment Group Holdings Limited (“**OPG**”) and China Smartpay Group Holdings Limited (“**CSG**”) dated 31 January 2022 in relation to, among others, (i) the subscription of 200,000,000 new ordinary shares of OPG (the “**Subscription Shares**”) by a subscriber, namely, Mr. Tsang Chi Kit under general mandate of OPG; and (ii) the deemed disposal of the shareholding interest of CSG in OPG as a result of the dilution of CSG’s shareholding interest in OPG upon the allotment and issue of the Subscription Shares, which constitutes a discloseable transaction for CSG. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

I. COMPLETION OF THE SUBSCRIPTION

The OPG Board is pleased to announce that as at the date of this joint announcement, all the Conditions Precedent to the Completion as set out in the Subscription Agreement have been fulfilled and that the Completion took place on 22 February 2022.

Upon Completion, all the Subscription Shares have been allotted and issued by OPG to the Subscriber at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement. The Subscription Shares, when issued and fully paid up, shall rank pari passu in all respects and inter se and with all other OPG Shares then in issue.

The Subscription Shares represent (i) 20% of the total issued share capital of OPG as at the date of the Subscription Agreement; and (ii) approximately 16.67% of the total issued share capital of OPG as enlarged by the allotment and issue of the Subscription Shares immediately after the Completion.

As at the date of this joint announcement, to the best of the OPG Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber is an Independent Third Party.

II. COMPLETION OF THE DEEMED DISPOSAL

As at the date of this joint announcement, immediately following the allotment and issue of the Subscription Shares by OPG to the Subscriber, the shareholding interest of CSG in OPG will be diluted from 32.50% to approximately 27.08%, representing a decrease of approximately 5.42% of the total issued share capital of OPG. Accordingly, such dilution of shareholding interest of CSG in OPG immediately after Completion is regarded as a deemed disposal by CSG of its shareholding interest in OPG pursuant to Rule 19.29 of the GEM Listing Rules.

Immediately after Completion, on one hand, each of CSG and Charm Act has ceased to be a controlling shareholder of OPG; and on the other hand, OPG has ceased to be a subsidiary of CSG, and the financial results and financial positions of the OPG Group are no longer consolidated into the consolidated financial statements of the CSG Group, and are accounted for using the equity method only.

III. EFFECT ON THE SHAREHOLDING STRUCTURE OF OPG

As at the date of this joint announcement, none of the conversion rights attaching to the Convertible Bonds have been exercised by the holders of the Convertible Bonds and therefore none of the Convertible Bonds have been converted into OPG Shares.

The following table illustrates the shareholding structure of OPG (i) as at the date of this joint announcement immediately after Completion without any conversion of the Convertible Bonds; and (ii) upon subsequent conversion of the Convertible Bonds in full (assuming that there will be no other change to the total issued share capital of OPG between the date of this joint announcement and the subsequent conversion of the Convertible Bonds in full):

| | (i) As at the date of this joint announcement immediately after Completion without any conversion of the Convertible Bonds | | (ii) Upon subsequent conversion of the Convertible Bonds in full | |
|---|---|---|---|---|
| | <i>Number of OPG Shares</i> | <i>Approximate shareholding percentage (Note 6)</i> | <i>Number of OPG Shares</i> | <i>Approximate shareholding percentage (Note 6)</i> |
| Shareholders | | | | |
| Charm Act <i>(Note 1)</i> | 325,000,000 | 27.08% | 325,000,000 | 25.41% |
| Straum Investments <i>(Note 2)</i> | 138,000,000 | 11.50% | 138,000,000 | 10.79% |
| Ms. Sui <i>(Note 3)</i> | 89,040,000 | 7.42% | 89,040,000 | 6.96% |
| Original Fortune <i>(Note 4)</i> | 67,500,000 | 5.63% | 67,500,000 | 5.28% |
| Holder of Convertible Bonds <i>(Note 5)</i> | – | – | 79,000,000 | 6.18% |
| The Subscriber | 200,000,000 | 16.67% | 200,000,000 | 15.64% |
| Other public OPG Shareholders | 380,460,000 | 31.71% | 380,460,000 | 29.75% |
| Total | <u>1,200,000,000</u> | <u>100%</u> | <u>1,279,000,000</u> | <u>100%</u> |

Notes:

- As at the date of this joint announcement, these 325,000,000 OPG Shares are held by Charm Act which is in turn wholly-owned by CSG. Accordingly, CSG is deemed to be interested in such 325,000,000 OPG Shares held by Charm Act pursuant to Part XV of the SFO.
- As at the date of this joint announcement, these 138,000,000 OPG Shares are held by Straum Investments which is in turn wholly-owned by Mr. Yu. Accordingly, Mr. Yu is deemed to be interested in such 138,000,000 OPG Shares held by Straum Investments pursuant to Part XV of the SFO. On the other hand, Ms. Choi Hiu Wa is the wife of Mr. Yu and hence Ms. Choi Hiu Wa is deemed to be interested in such 138,000,000 OPG Shares due to the interest of her spouse (i.e. Mr. Yu) pursuant to Part XV of the SFO.
- Pursuant to the disclosure of interest notice filed by Ms. Sui on 5 November 2021, these 89,040,000 OPG Shares are held by her.

4. As at the date of this joint announcement, these 67,500,000 OPG Shares are held by Original Fortune which is in turn wholly-owned by Mr. Sung. Accordingly, Mr. Sung is deemed to be interested in such 67,500,000 OPG Shares held by Original Fortune pursuant to Part XV of the SFO.
5. These 79,000,000 OPG Shares are inserted herein for illustration purposes only and are based on the assumption that all holders of the Convertible Bonds have exercised their conversion rights attaching to the Convertible Bonds and thus all the Convertible Bonds have been subsequently converted into OPG Shares in full.
6. Percentages may not add up to 100% due to rounding.

By Order of the OPG Board
Oriental Payment Group Holdings Limited
Dr. Ng Kit Chong
Chairman

By Order of the CSG Board
China Smartpay Group Holdings Limited
Mr. Zhang Xi
Chairman

Hong Kong, 22 February 2022

As at the date of this joint announcement, the OPG Board comprises (i) Dr. Ng Kit Chong and Mr. Lin Xiaofeng as executive directors; (ii) Mr. Xiong Wensen and Mr. Shiu Shu Ming as non-executive directors; and (iii) Mr. Chung, Wai Chuen Alfred, Ms. Huang Ping and Mr. Ng Ka Po as independent non-executive directors.

As at the date of this joint announcement, the CSG Board comprises (i) Mr. Zhang Xi, Mr. Wu Hao, Mr. Lin Xiaofeng and Mr. Song Xiangping as executive directors; and (ii) Mr. Wang Yiming, Mr. Lu Dongcheng and Dr. Yuan Shumin as independent non-executive directors.

This joint announcement, for which the OPG Directors or the CSG Directors (as the case may be) collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to OPG or CSG (as the case may be). The OPG Directors and the CSG Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this joint announcement misleading.

This joint announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the websites of each of OPG at www.ocg.com.hk and CSG at www.chinasmartpay.com, respectively.