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**ASIA ENERGY LOGISTICS GROUP LIMITED**

**亞洲能源物流集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 351)**

**(1) DISCLOSEABLE AND CONNECTED  
TRANSACTION – PROPOSED ACQUISITION  
OF 100% SHAREHOLDING INTERESTS  
IN THE TARGET COMPANY INVOLVING THE ISSUE  
OF CONSIDERATION SHARES UNDER SPECIFIC  
MANDATE;  
AND  
(2) CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO THE CONTRACTUAL ARRANGEMENTS**

**THE PROPOSED ACQUISITION**

The Board is pleased to announce that on 5 May 2023 (after trading hours), the Company entered into the SPA with the Vendors, pursuant to which the Company conditionally agreed to purchase, and Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5 and Vendor 6 conditionally agreed to sell, Sale Shares 1, Sale Shares 2, Sale Shares 3, Sale Shares 4, Sale Shares 5 and Sale Shares 6, respectively, which together represent the Sale Shares, at Consideration 1 of HK\$69,577,284, Consideration 2 of HK\$11,198,880, Consideration 3 of HK\$2,545,200, Consideration 4 of HK\$1,527,120, Consideration 5 of HK\$10,879,316 and Consideration 6 of HK\$4,072,320, respectively. The aggregate Consideration is HK\$99,800,120, which shall be satisfied by the Company by way of the allotment and issue of an aggregate of 494,060,000 Consideration Shares at HK\$0.202 each.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results, assets and liabilities of the Target Group will be consolidated into the consolidated financial statements of the Company.

## **THE SPECIFIC MANDATE**

The Consideration Shares represent (a) approximately 24.7652% of the issued share capital of the Company as at the date of this announcement; and (b) approximately 19.8495% of the issued share capital of the Company as enlarged by the Consideration Shares (assuming that (i) the Consideration Shares are issued in full; and (ii) there is no other change in the issued share capital of the Company since the date of this announcement and up to the date when the Consideration Shares are issued in full).

The Consideration Shares shall be allotted and issued pursuant to the Specific Mandate to be obtained from the Independent Shareholders at the General Meeting. The Consideration Shares when allotted and issued shall rank *pari passu* in all respects with all other existing issued Shares on the Completion Date and shall be credited as fully paid. Application will be made by the Company to the Stock Exchange for the approval of the listing of, and permission to deal in, the Consideration Shares.

## **CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CONTRACTUAL ARRANGEMENTS**

The Target Company achieves effective control over, and receives the economic benefits generated by the PRC Opcos through the Contractual Arrangements between the TinyTiger Cos, on one hand, and each of PRC Opco (SZ) and the PRC Registered Shareholders, on the other hand. Immediately after Completion, the Target Company will become a wholly-owned subsidiary of the Company. Therefore, immediately after Completion, the Contractual Arrangements will enable the Company, via the Target Company and the TinyTiger Cos, to (i) enjoy the economic benefits from the PRC Opcos as consideration for the services provided by the TinyTiger Cos to PRC Opco (SZ); (ii) exercise effective control over the PRC Opcos; and (iii) hold an exclusive option to purchase all or part of the equity interests in PRC Opco (SZ) when and to the extent permitted by PRC laws.

## **LISTING RULES IMPLICATIONS**

### **The Proposed Acquisition**

As more than one applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Proposed Acquisition are more than 5% but all are less than 25%, the Proposed Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Given that Mr. Pang, an executive Director and a controlling shareholder of the Company who is beneficially interested in approximately 70.1763% of the total issued share capital of the Company, is the sole shareholder of Vendor 1, Vendor 1 is an associate of Mr. Pang and hence a connected person of the Company. Accordingly, the Proposed Acquisition constitutes a connected

transaction for the Company under Chapter 14A of the Listing Rules. As more than one applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Proposed Acquisition exceed 5%, the Proposed Acquisition is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **Contractual Arrangements**

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results, assets and liabilities of the Target Group (including the PRC Opco) will be consolidated into the consolidated financial statements of the Company. Ms. Quan, one of the PRC Registered Shareholders, is a substantial shareholder of PRC Opco (SZ) by virtue of being a registered owner of PRC Opco (SZ) holding 97% equity interests in PRC Opco (SZ). As such, Ms. Quan will be regarded as a connected person of the Company at subsidiary level. Furthermore, Mr. Zhou will also be regarded as a connected person of the Company at subsidiary level by virtue of being a director of the Target Company, TinyTiger (BVI), TinyTiger (HK), TinyTiger (SZ), TinyTiger (E-commerce) and Shiyi Tuling upon Completion. Since Ms. Quan is the registered owner of PRC Opco (SZ) holding 97% of PRC Opco (SZ)'s equity interests, PRC Opco (SZ) will be regarded as an associate of Ms. Quan under Chapter 14A of the Listing Rules. As such, the transactions contemplated under the Structured Contracts which were entered into by the TinyTiger Cos with Ms. Quan, Mr. Zhou and PRC Opco (SZ) will constitute continuing connected transactions of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

The Board has approved the transactions under the Contractual Arrangements and the Directors (including the independent non-executive Directors) have also confirmed that the terms thereof are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole. Therefore by virtue of Rule 14A.101 of the Listing Rules, the transactions under the Contractual Arrangements are subject to the reporting and announcement requirements applicable to connected transactions, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

In accordance with Rule 14A.52 of the Listing Rules, the Company has appointed Donvex Capital Limited as its independent financial adviser to explain why the Contractual Arrangements require a period exceeding three years and to confirm that such arrangement is normal business practice for agreements of this type to be of such duration. The letter of advice from Donvex Capital Limited will be included in the circular to be despatched by the Company to the Shareholders in due course.

In addition, the Company will apply for the CCT Waiver from strict compliance with (i) the requirement of fixing the term of the Contractual Arrangements under Rule 14A.52 of the Listing Rules; and (ii) the requirement of setting a maximum aggregate annual cap for the fees payable by PRC Opco (SZ) to the TinyTiger Cos under the Exclusive Business Consultancy Services Agreement and the amount of loans to be made available by TinyTiger (SZ) to the PRC

Registered Shareholders under the relevant Structured Contracts under Rule 14A.53 of the Listing Rules, details of which will be set out in the circular to be despatched by the Company in due course.

## **GENERAL**

The General Meeting will be convened for the Independent Shareholders to consider and, if thought fit, approve, among others, the SPA and the transactions contemplated thereunder, including the grant of the Specific Mandate for the issue of the Consideration Shares.

The Independent Board Committee has been established to advise the Independent Shareholders as to the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares). The Independent Financial Adviser, Donvex Capital Limited, has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares).

A circular containing, among others, (i) further details of the Proposed Acquisition, the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares); (ii) further details of the Contractual Arrangements; and (iii) such other information as required to be disclosed under the Listing Rules, is expected to be despatched to the Shareholders on or before 29 May 2023.

**As completion of the Proposed Acquisition is conditional upon fulfilment of the Conditions set out in this announcement, the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## **I. INTRODUCTION**

The Board is pleased to announce that on 5 May 2023 (after trading hours), the Company entered into the SPA with the Vendors, pursuant to which the Company conditionally agreed to purchase, and Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5 and Vendor 6 conditionally agreed to sell, Sale Shares 1, Sale Shares 2, Sale Shares 3, Sale Shares 4, Sale Shares 5 and Sale Shares 6, respectively, which together represent the Sale Shares, at Consideration 1 of HK\$69,577,284, Consideration 2 of HK\$11,198,880, Consideration 3 of HK\$2,545,200, Consideration 4 of HK\$1,527,120, Consideration 5 of HK\$10,879,316 and Consideration 6 of HK\$4,072,320, respectively. The aggregate Consideration is HK\$99,800,120, which shall be satisfied by the Company by way of the allotment and issue of an aggregate of 494,060,000 Consideration Shares.

## **II. THE SPA**

Set out below are the principal terms of the SPA:

### **Date**

5 May 2023

### **Parties**

Purchaser: The Company

Vendors: Vendor 1

Vendor 2

Vendor 3

Vendor 4

Vendor 5

Vendor 6

### **Assets to be acquired**

The Company conditionally agreed to purchase, and Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5 and Vendor 6 conditionally agreed to sell, Sale Shares 1, Sale Shares 2, Sale Shares 3, Sale Shares 4, Sale Shares 5 and Sale Shares 6, respectively, which together represent the Sale

Shares, i.e. 100% of the total issued share capital of the Target Company. Please refer to the section headed “V. Information on the Target Group” in this announcement for further details of the Target Group.

### Consideration

The Consideration shall be HK\$99,800,120 which shall be settled by the Company by way of the allotment and issue of a total of 494,060,000 Consideration Shares to the Vendors on the Completion Date, details of which are set out below:

Vendor	Consideration payable by the Company	Number of Consideration Shares to be allotted and issued by the Company
Vendor 1	HK\$69,577,284	344,442,000 Consideration Shares
Vendor 2	HK\$11,198,880	55,440,000 Consideration Shares
Vendor 3	HK\$2,545,200	12,600,000 Consideration Shares
Vendor 4	HK\$1,527,120	7,560,000 Consideration Shares
Vendor 5	HK\$10,879,316	53,858,000 Consideration Shares
Vendor 6	HK\$4,072,320	20,160,000 Consideration Shares
<b>Total:</b>	<b>HK\$99,800,120</b>	<b>494,060,000 Consideration Shares</b>

The Consideration has been arrived at after arm’s length negotiations between the Company and the Vendors with reference to, among others, (i) the initial investment cost incurred by the Vendors; (ii) the social net-working online platform “HOO World (HOO 世界)” (domestic and overseas versions) operated by the Target Group as well as the developed / registered copyright and software details of which are set out in the section headed “V. Information on the Target Group – Principal business of the Target Group” in this announcement; and (iii) the potential benefits of the Proposed Acquisition as set out in the section headed “XI. Reasons for and benefits of the Proposed Acquisition and the entering into of the Contractual Arrangements” in this announcement.

The original acquisition cost incurred by Vendor 1, a connected person of the Company, for the acquisition of Sale Shares 1 was approximately HK\$159,877,000.

Based on the aforesaid, the Directors (other than Mr. Pang who is required under the Listing Rules to abstain from voting at the relevant Board meeting and the independent non-executive Directors whose view will be set out in the circular to be issued by the Company after taking into consideration the advice from the Independent Financial Adviser) are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions to the Proposed Acquisition**

Completion is subject to the following Conditions being fulfilled and remaining satisfied as at Completion (or, where applicable, waived):

- (a) the approval by the Independent Shareholders for the SPA and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Consideration Shares) and all consents and acts required under the Listing Rules having been obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules having been obtained from the Stock Exchange;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Consideration Shares (whether with or without conditions), which has not been revoked as at Completion;
- (c) the Stock Exchange granting or agreeing to grant the CCT Waiver (whether with or without conditions), which has not been revoked as at Completion;
- (d) (if required) all requisite waivers, consents and approvals from any relevant governments or regulatory authorities or other relevant third parties in connection with the transactions contemplated by the SPA having been obtained;
- (e) the Company being satisfied with the results of the due diligence exercise (whether legal, accounting, business, financial, operational or other aspects that the Company considers relevant) on the Target Group and their related business assets, liability, activities, operations, prospects and other status which the Company, its agents or professional advisers think necessary and appropriate to conduct;
- (f) the Company being satisfied, from the date of the SPA and at any time before Completion, that the representations, warranties and undertakings given by the Vendors under the SPA remain true, accurate, not misleading or in breach in any material respect and that no events have suggested that there has been any breach of any warranties or other provisions of the SPA by the Vendors;
- (g) the Company being satisfied that, from the date of the SPA to Completion, there has not been any material adverse change in respect of any member of the Target Group;
- (h) the Equity Pledge Agreements having been duly registered with the relevant administration for industry and commerce in the PRC; and

- (i) the Vendors not having received notice of any injunction or other order, directive, or notice restraining or prohibiting the consummation of the transactions contemplated by the SPA and there being no action seeking to restrain or prohibit the consummation thereof, or seeking damages in connection therewith, which is pending or any such injunction, other order or action is threatened.

The Company may at its absolute discretion at any time waive in writing any of the Conditions referred to in paragraphs (e) to (g) above. For the avoidance of doubt, none of the parties to the SPA may waive any other Conditions.

If the Conditions are not fulfilled (or, where applicable, waived) on or before the Long Stop Date, the SPA shall lapse and be of no further effect except the surviving provisions (i.e. provisions covering interpretation, rescission, confidentiality and announcements, general, notices, governing law, jurisdiction and process agent) and no party to the SPA shall have any claim against or liability to the other parties, save in respect of any antecedent breaches of the SPA.

### **Completion**

Subject to satisfaction of all the Conditions in full (save for any Condition the full compliance with or satisfaction of which has been waived by the Company), Completion shall take place on the Completion Date. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results, assets and liabilities of the Target Group will be consolidated into the consolidated financial statements of the Company.

### **Rescission of the SPA**

If at any time before Completion any of the warranties given by the Vendors are found to be incorrect, untrue, inaccurate or misleading or have not been fully carried out in any material respect, or in the event of any of the Vendors becoming unable or failing to do anything required under the SPA to be done by them at or before the Completion Date or unable to perform any of its obligations arising after Completion, the Company may rescind the SPA by notice in writing to the Vendors. If the Company shall elect to rescind the SPA, each of the Vendors shall jointly and severally fully indemnify the Company and keep the Company fully and effectively indemnified in respect of all fees, costs and expenses (including legal fees) incurred by the Company in connection with the negotiation, preparation, execution and rescission of the SPA.



## **Deed of Tax Indemnity**

At Completion, the Vendors shall also execute a deed of tax indemnity with and in favour of the Company (for itself and as trustee of each member of the Target Group), pursuant to which each of the Vendors shall, jointly and severally, agree to indemnify the Company (for itself and as trustee of each member of the Target Group) from and against certain tax liabilities of the Target Group prior to the deed, subject to the terms and limitations therein.

### **III. ISSUE OF CONSIDERATION SHARES UNDER THE SPECIFIC MANDATE**

To satisfy the Consideration, a total of 494,060,000 Consideration Shares will be issued and allotted by the Company to the Vendors at HK\$0.202 each.

The Consideration Shares shall be allotted and issued pursuant to the Specific Mandate to be obtained from the Independent Shareholders at the General Meeting. The Consideration Shares when allotted and issued shall rank *pari passu* in all respects with all other existing issued Shares on the Completion Date and shall be credited as fully paid. Application will be made by the Company to the Stock Exchange for the approval of the listing of, and permission to deal in, the Consideration Shares.

The issue price of HK\$0.202 per Consideration Share represents:

- (1) a discount of approximately 12.55% to the closing price of HK\$0.231 per Share as quoted on the Stock Exchange on the date of the SPA;
- (2) a discount of approximately 9.82% to the average closing prices of HK\$0.224 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (3) a discount of approximately 11.01% to the average closing prices of HK\$0.227 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Consideration Shares represent (a) approximately 24.7652% of the issued share capital of the Company as at the date of this announcement; and (b) approximately 19.8495% of the issued share capital of the Company as enlarged by the Consideration Shares (assuming that (i) the Consideration Shares are issued in full; and (ii) there is no other change in the issued share capital of the Company since the date of this announcement and up to the date when the Consideration Shares are issued in full).

#### IV. SHAREHOLDING STRUCTURE OF THE COMPANY

To the best knowledge of the Directors and the Company, assuming that there are no other changes in the issued share capital of the Company after the date of this announcement, the table below sets forth the shareholding structure of the Company (1) as at the date of this announcement; and (2) immediately after the allotment and issue of the Consideration Shares in full upon Completion.

	As at the date of this announcement		Immediately after the allotment and issue of the Consideration Shares in full upon Completion	
	Number of Shares	Percentage of shareholding	Number of Shares	Percentage of shareholding
		(%)		(%)
<b>Substantial Shareholder</b>				
Oriental Solar Group Limited (Note 1)	1,400,000,000	70.1763%	1,400,000,000	56.2467%
<b>Core connected person</b>				
Mak Kwai Sheung (Note 2)	24,000	0.0012%	24,000	0.0010%
<b>Vendors</b>				
Vendor 1 (Note 3)	–	–	344,442,000	13.8384%
Vendor 2	–	–	55,440,000	2.2274%
Vendor 3	–	–	12,600,000	0.5062%
Vendor 4	–	–	7,560,000	0.3037%
Vendor 5	–	–	53,858,000	2.1638%
Vendor 6	–	–	20,160,000	0.8100%
<b>Other public Shareholders</b>	<u>594,951,244</u>	<u>29.8225%</u>	<u>594,951,244</u>	<u>23.9028%</u>
<b>Total</b>	<b><u>1,994,975,244</u></b>	<b><u>100.0000%</u></b>	<b><u>2,489,035,244</u></b>	<b><u>100.0000%</u></b>

Notes:

- (1) Oriental Solar Group Limited is wholly-owned by Mr. Pang, an executive Director and a controlling shareholder of the Company.
- (2) Ms. Mak Kwai Sheung is the spouse of Mr. Hui Wai, an executive Director.
- (3) Vendor 1 is wholly-owned by Mr. Pang, an executive Director and a controlling shareholder of the Company.
- (4) The percentage figures are subject to rounding adjustments. Accordingly, figures shown in the totals may not be an arithmetic aggregation of the figures preceding them.

## **V. INFORMATION ON THE TARGET GROUP**

### **Principal business of the Target Group**

The Target Company is a company incorporated in the Cayman Islands with limited liability.

The Target Group's principal business includes (i) the operation of the social networking online platform "HOO World (HOO 世界)" (domestic and overseas versions); and (ii) the provision of technology development service based on digital twin. In addition, the Target Group is in the process of launching the multi-channel network (MCN) based e-commerce business in the PRC.

#### ***(a) Social networking online platform "HOO World (HOO 世界)" (domestic and overseas versions)***

"HOO World (HOO 世界)" is an exclusive virtual interactive world specially created for young people in the new era. The target users of "HOO World (HOO 世界)" are the Internet natives, i.e. the young users of Generation Z. The total number of users in this group in the PRC market is more than 250 million, who are born between 1995 to 2009. This group of young users has the characteristics of strong payment ability, emphasis on spiritual consumption, and individualized aesthetics.

The predecessor of “HOO World (HOO 世界)” is PRC Opco (SZ)’s “Molecule APP (分子APP)”. After two years of operation, “Molecule APP (分子APP)” has accumulated more than 28 million young users of Generation Z, which overlaps with over 95% of the target user group of “HOO World (HOO 世界)”. The demo version of “HOO World (HOO 世界)” was launched in June 2022. In October 2022, the official version of “HOO World (HOO 世界)” was launched and made available on Google Play Store and App Store. In December 2022, “HOO World (HOO 世界)” and China Mobile’s Migu (中國移動咪咕) successfully organised the “World Cup Martial Arts Metaverse Concert” (世界盃•武俠元宇宙音樂會) whereby the Central National Orchestra, Tan Weiwei (譚維維), Mao Buyi (毛不易), Alan Dawa Dolma (阿蘭•達瓦卓瑪) and many other big names participated in the concert, bringing millions of new users downloading “HOO World (HOO 世界)”.

**(b) Provision of technology development service based on digital twin**

The PRC Opcos’ core technology covers digital human system, digital twin scene construction, digital large-screen interaction, Metaverse interactive gameplay development, domestic blockchain business, etc., which provides customers with first-class software solutions and services. The Target Group provides comprehensive technical support to its customers, including but not limited to the following services:

- (i) *Software customization development*: The PRC Opcos provide their customers with comprehensive software development services, including demand analysis, program formulation, avatar customization, system design, coding testing, etc.
- (ii) *Software maintenance and upgrade*: The PRC Opcos provide software maintenance and upgrade services to save time and labour costs for their customers, and improve the efficiency and quality of software maintenance and upgrades.
- (iii) *Software deployment*: The services provided by the PRC Opcos to their customers include cloud services, server deployment, oss storage, content review, IM services, CDN acceleration and other services, which enable its customers to reduce the cost of manpower and technology in operation and maintenance.
- (iv) *Software testing*: The PRC Opcos have an experienced testing team which ensures that the products of their customers are able to reach the best operating condition before they are officially launched.

The Target Group adopts advanced software technology and project management methods, and focuses on the integration of technology and business to ensure that each project can achieve the best results. The Target Group’s technical support team has rich experience and professional knowledge, and is able to formulate the most suitable solution for its customers. The Target Group’s service goal is to help its customers to reduce costs, improve efficiency, and promote the rapid development of its customers’ businesses.

(c) ***Multi-channel network (MCN)-based e-commerce business***

Through the influence of MCN anchors, products with high turnover and low return rate, such as daily necessities and beauty products, etc., will be marketed through live broadcast platform, thereby generating sales and revenue to the Target Group.

**Key financial information of the Target Group**

Based on the information provided by the Vendors, set out below are the unaudited financial information of the Target Group (including the PRC Opcos) for the two years ended 31 December 2022:

	<b>For the year ended/As at 31 December</b>	
	<b>2021</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue <i>(Note)</i>	4,087	4,637
Loss before taxation	160,114	32,490
Loss after taxation	160,116	32,496
Total assets	81,948	39,202
Net assets/(liabilities)	2,270	(52,295)

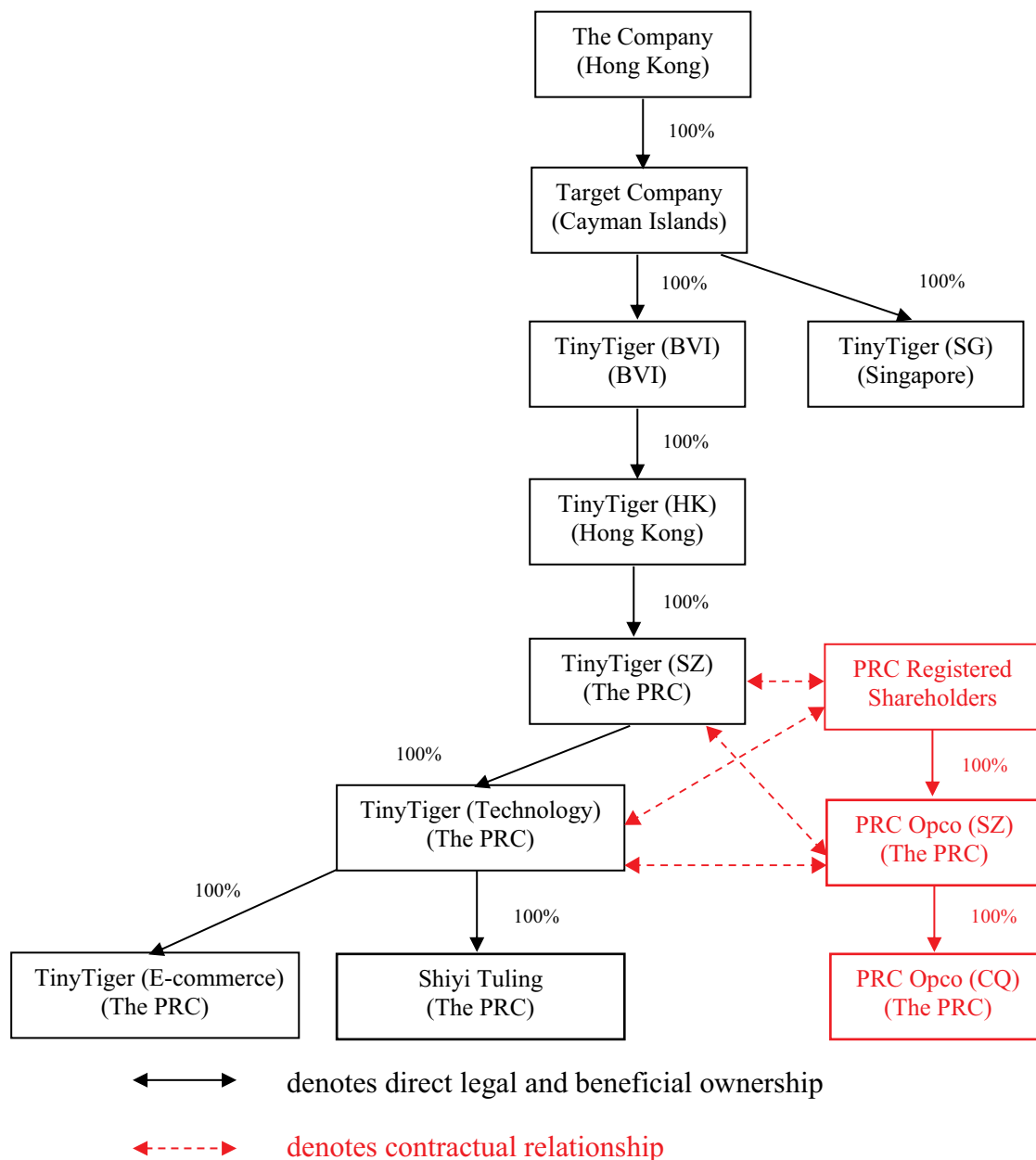
Note:

Out of the Target Group's revenue for the year ended 31 December 2021 and 2022, approximately HK\$771,000 and nil are generated by entities within the Target Group other than the PRC Opcos, respectively. Such revenue represents income generated from the Target Group's cybercafe business which was suspended in 2022 due to COVID-19 and has now been discontinued.

Under the Contractual Arrangements, TinyTiger (SZ) has effective control over the PRC Opcos and enjoys the economic benefits generated by the PRC Opcos. The Directors have discussed with the Company's auditors in respect of the Company's control over the PRC Opcos through the Contractual Arrangements. The Directors considered that under the prevailing accounting principles, upon Completion, the Company can consolidate the financial results of the PRC Opcos into its consolidated financial statements as an indirect wholly-owned subsidiary of the Company under the Hong Kong Financial Reporting Standards.

## VI. CONTRACTUAL ARRANGEMENTS

The following diagram illustrates the flow of economic benefits from the PRC Opcos to TinyTiger (SZ) as stipulated under the Contractual Arrangements immediately upon Completion:



## **A. Principal terms of each of the Structured Contracts**

### ***1. Exclusive Business Consultancy Services Agreement***

- Date : 28 April 2023
- Parties : (i) The TinyTiger Cos  
(ii) PRC Opco (SZ)
- Services : PRC Opco (SZ) agrees to appoint the TinyTiger Cos as its exclusive services provider to provide technical, consultancy and other services to it, including but not limited to:
- (i) authorising PRC Opco (SZ) to use any software which is legally owned by the TinyTiger Cos;
  - (ii) developing, maintaining and upgrading all software which is necessary for PRC Opco (SZ)'s business;
  - (iii) providing design, installation, daily management, maintenance and update services in respect of the computer network system, hardware equipment and database;
  - (iv) providing technical support and professional training to the relevant personnel of PRC Opco (SZ);
  - (v) assisting PRC Opco (SZ) in conducting consultation, information collection and research on technical and market information (save and except for such market research which are prohibited by PRC laws to be conducted by wholly-owned foreign companies);
  - (vi) providing enterprise management consultancy services to PRC Opco (SZ);
  - (vii) providing marketing and promotion services to PRC Opco (SZ);
  - (viii) providing customer order management and customer services to PRC Opco (SZ);

- (ix) transfer, lease and dispose of equipment or property; and
- (x) as required by PRC Opco (SZ) from time to time, providing such other services which are permitted under PRC laws.

Unless with the prior written consent of the TinyTiger Cos, during the term of the Exclusive Business Consultancy Services Agreement, PRC Opco (SZ) shall neither obtain the same or similar business consultancy services from any third parties nor enter into any arrangements with any third parties which are similar to those contemplated under the Exclusive Business Consultancy Services Agreement.

Fees : PRC Opco (SZ) shall pay service fees to the TinyTiger Cos on a monthly basis. Such service fees shall comprise management fees and service provision fees. The fees payable by PRC Opco (SZ) shall be determined with reference to (i) the complexity of the services provided; (ii) the seniority of the personnel engaged by the TinyTiger Cos for the provision of services and the time spent on such services; (iii) the actual scope and value of such services; (iv) the prevailing market price for such services; and (v) the business condition of PRC Opco (SZ).

The parties further agree that service fees shall generally be the consolidated profit of PRC Opco (SZ), after deduction of any accumulated deficit of PRC Opco (SZ) in respect of the preceding financial year, operating costs, taxes and other statutory contributions.

Furthermore, separate fees (to be determined on a case-by-case basis) shall be payable by PRC Opco (SZ) to the TinyTiger Cos in the event where (i) the TinyTiger Cos assign any technology to PRC Opco (SZ); (ii) PRC Opco (SZ) engages the TinyTiger Cos to develop any software or technologies; or (iii) the TinyTiger Cos lease any equipment or assets to PRC Opco (SZ).



Interests or claim over assets : PRC Opco (SZ) irrevocably grants an exclusive call option to TinyTiger (SZ), pursuant to which to the extent permitted under applicable PRC laws and regulations, TinyTiger (SZ) shall have the right to acquire part or all of PRC Opco (SZ)'s assets and businesses at the minimum amount of consideration as permitted under applicable PRC laws.

In the event of dissolution or winding-up of PRC Opco (SZ), TinyTiger (SZ) shall be entitled to all PRC Opco (SZ)'s remaining assets which the PRC Registered Shareholders are entitled to after PRC Opco (SZ) has settled all its payments in accordance with PRC laws and regulations.

Intellectual properties : The TinyTiger Cos shall have the exclusive ownership, rights and benefits in any and all intellectual property rights developed or created by PRC Opco (SZ) during the performance of the Exclusive Business Consultancy Services Agreement.

Term : The Exclusive Business Consultancy Services Agreement shall remain effective unless terminated (a) in accordance with the provisions thereunder; (b) in writing by the TinyTiger Cos; or (c) renewal of the expired business period of either the TinyTiger Cos or PRC Opco (SZ) is denied by relevant government authorities, at which time the Exclusive Business Consultancy Services Agreement will terminate upon termination of that business period.

## ***2. Exclusive Call Option Agreement***

Date : 28 April 2023

Parties : (i) Ms. Quan and Mr. Zhou  
(ii) TinyTiger (SZ)  
(iii) PRC Opco (SZ)

Subject matter : Each of the PRC Registered Shareholders irrevocably, unconditionally and severally grants an exclusive call option to TinyTiger (SZ), pursuant to which TinyTiger (SZ) may, to the extent permitted under applicable PRC laws and regulations and subject to the terms and conditions of the Exclusive Call Option Agreement, require each of the PRC Registered Shareholders to transfer his equity interests in PRC Opco (SZ) to TinyTiger (SZ) or its designee(s).

In the event where applicable PRC laws and regulations allow TinyTiger (SZ) or its designee(s) to become an owner of the entire equity interests in PRC Opco (SZ), TinyTiger (SZ) may require the PRC Registered Shareholders to transfer their entire equity interests in PRC Opco (SZ) to TinyTiger (SZ) or its designee(s). In the event where applicable PRC laws and regulations allow TinyTiger (SZ) or its designee(s) to own a certain percentage of the equity interests in PRC Opco (SZ), TinyTiger (SZ) may require the PRC Registered Shareholders to transfer to it or its designee(s), such amount of equity interests in PRC Opco (SZ) which is equivalent to the maximum amount of equity interests which TinyTiger (SZ) or its designee(s) may own under PRC laws and regulations.

Upon exercise of the call option, the consideration payable by TinyTiger (SZ) or its designee(s) for the transfer of equity interests shall be the lower of (i) the face value of the registered capital corresponding to the equity interests transferred; and (ii) the minimum amount of consideration as permitted under applicable PRC laws.

Any consideration received by the PRC Registered Shareholders for such transfer shall be returned to TinyTiger (SZ).

In addition, the PRC Registered Shareholders covenanted that, without the prior written consent of TinyTiger (SZ):

- (i) save and except for the Equity Pledge Agreements, the PRC Registered Shareholders shall not transfer, dispose or create any security or third party rights over the equity interests of PRC Opco (SZ);

- (ii) there shall not be any increase or decrease in the registered capital of PRC Opco (SZ) and no party shall promote or agree PRC Opco (SZ)'s division or merger with any other entity;
- (iii) no party shall dispose or cause PRC Opco (SZ)'s management to dispose of any material assets of PRC Opco (SZ) (except in the normal course of business) or create any security or third party rights over any material assets of PRC Opco (SZ);
- (iv) no party shall terminate or cause the PRC Opco (SZ)'s management to terminate any material contract entered into by PRC Opco (SZ) or cause PRC Opco (SZ) to enter into any contract which is in conflict with PRC Opco (SZ)'s existing material contracts;
- (v) no party shall appoint or dismiss any of PRC Opco (SZ)'s executive directors, board members (if any), supervisors or other management personnel which are appointed by existing owners of PRC Opco (SZ);
- (vi) no party shall cause PRC Opco (SZ) to declare or actually distribute any distributable profits, bonus or dividends;
- (vii) no party shall terminate, liquidate or dissolve PRC Opco (SZ);
- (viii) no party shall make amendments to PRC Opco (SZ)'s articles of association;
- (ix) no party shall enable PRC Opco (SZ) to extend advances, borrow loans, provide guarantees or other forms of security or undertake any substantive obligations which are outside PRC Opco (SZ)'s normal course of business;

- (x) no party shall in any way make or authorize others (including but not limited to the directors of PRC Opco (SZ) nominated by it/him/her) to make any resolutions, instructions, consents and orders to procure PRC Opco (SZ) to carry out any actions that will or may materially affect PRC Opco (SZ) (including PRC Opco (SZ)'s branches, subsidiaries and affiliates), PRC Opco (SZ)'s assets, rights, obligations or business transactions (the “**prohibited transactions**”), or sign any agreement, contract, memorandum or other form of transaction documents (the “**prohibited documents**”), and no party shall allow any prohibited transactions or the signing of any prohibited documents;
  
- (xi) no party shall cause PRC Opco (SZ) or PRC Opco (SZ)'s management to agree PRC Opco (SZ)'s subsidiaries or affiliates (collectively “**PRC Opco (SZ)'s Subsidiaries**”) to carry out the following activities:
  - (a) increase or reduce the registered capital of the PRC Opco (SZ)'s Subsidiaries or agree to the division or merger of the PRC Opco (SZ)'s Subsidiaries with any other entity;
  
  - (b) dispose or cause the management of the PRC Opco (SZ)'s Subsidiaries to dispose of any material assets of the PRC Opco (SZ)'s Subsidiaries (except in the normal course of business) or create any security or third party rights over any material assets of the PRC Opco (SZ)'s Subsidiaries;
  
  - (c) terminate or cause the management of the PRC Opco (SZ)'s Subsidiaries to terminate any material contract entered into by the PRC Opco (SZ)'s Subsidiaries or cause the PRC Opco (SZ)'s Subsidiaries to enter into any contract which is in conflict with the existing material contracts of the PRC Opco (SZ)'s Subsidiaries;

- (d) appoint or dismiss any of the directors, supervisors or other management personnel of the PRC Opco (SZ)'s Subsidiaries which are appointed by PRC Opco (SZ);
- (e) terminate, liquidate or dissolve the PRC Opco (SZ)'s Subsidiaries or engage in such other acts which affect or may affect the subsistence of the PRC Opco (SZ)'s Subsidiaries;
- (f) make amendments to the articles of association of the PRC Opco (SZ)'s Subsidiaries; and
- (g) extend advances, borrow loans, provide guarantees or other forms of security or undertake any substantive obligations which are outside the normal course of business of the PRC Opco (SZ)'s Subsidiaries.

The parties also agreed that, subject to applicable PRC laws and regulations, TinyTiger (SZ) shall have the right to (a) any form of profit distribution or dividends (after deduction of relevant taxes) received by the PRC Registered Shareholders from PRC Opco (SZ); and (b) any premium over the capital contribution to PRC Opco (SZ) received by each of the PRC Registered Shareholders upon transfer of his/her interests in PRC Opco (SZ).

Term : The Exclusive Call Option Agreement shall take effect from the date of its execution until the entire equity interests in PRC Opco (SZ) are transferred to TinyTiger (SZ) or its designee(s).

### **3. *Loan Agreements***

Date : 28 April 2023

Parties : (i) TinyTiger (SZ) (as lender)  
(ii) Ms. Quan and Mr. Zhou (as borrowers)

Principal : TinyTiger (SZ) shall provide an interest-free loan in the sum of RMB58.2 million to Ms. Quan and RMB1.8 million to Mr. Zhou.

- Purpose of the loan : Each of the PRC Registered Shareholders agrees and undertakes that the loans made available to him/her under the relevant Loan Agreement shall be injected as the registered capital of PRC Opco (SZ) and for funding PRC Opco (SZ)'s working capital.
- Term : Each of the Loan Agreements is for a term of 10 years and the parties thereto may mutually agree in writing to extend its term.
- Repayment : The loan under the Loan Agreements will become due and payable under any of the following circumstances:
- (i) 30 days after the relevant PRC Registered Shareholder's receipt of a written notice issued by TinyTiger (SZ) demanding repayment of the loan;
  - (ii) the relevant PRC Registered Shareholder dies, has no capacity for civil conduct or has limited capacity for civil conduct;
  - (iii) the relevant PRC Registered Shareholder ceases his/her employment with TinyTiger (SZ), PRC Opco (SZ) or their affiliated companies;
  - (iv) the relevant PRC Registered Shareholder commits criminal acts or becomes involved in criminal activities;
  - (v) foreign investors are permitted by PRC laws to engage in the business activities carried out by PRC Opco (SZ) in the PRC; the relevant PRC authorities have begun to approve such businesses; and TinyTiger (SZ) has decided to exercise the call option under the Exclusive Call Option Agreement.

On repayment, the relevant PRC Registered Shareholder shall transfer (i) his/her entire equity interests in PRC Opco (SZ); and (ii) where permitted under PRC laws, all income arising from such transfer, to TinyTiger (SZ) or its designee(s), to settle the outstanding loan under the respective Loan Agreement.

#### 4. *Equity Pledge Agreements*

- Date : 28 April 2023
- Parties : (i) Ms. Quan and Mr. Zhou (as pledgor)
- (ii) TinyTiger (SZ) (as pledgee)
- Pledge : Each of the PRC Registered Shareholders agrees to pledge all his/her equity interests in PRC Opco (SZ) (including any subsequent capital injection and dividend received) to TinyTiger (SZ) (the “**Pledged Assets**”) as security for (a) the performance of the contractual obligations by (i) the relevant PRC Registered Shareholder under the relevant Equity Pledge Agreement, the relevant Loan Agreement, the Exclusive Call Option Agreement and the Voting Rights Delegation Agreement; and (ii) PRC Opco (SZ) under the Voting Rights Delegation Agreement and the Exclusive Business Consultancy Services Agreement; and (b) the payment of outstanding debts by the relevant PRC Registered Shareholder (collectively, the “**Obligations**”).
- Registration : The pledges in respect of PRC Opco (SZ) as contemplated under each of the Equity Pledge Agreements shall take effect upon the completion of registration with the relevant administration for industry and commerce and shall remain valid until after all the contractual obligations of the relevant PRC Registered Shareholder and PRC Opco (SZ) under the relevant Structured Contracts have been fully performed and all the outstanding debts of the relevant PRC Registered Shareholder have been fully paid.
- Event of default : In the event of a breach of any of the Obligations, TinyTiger (SZ) shall, upon serving a written notice to the relevant PRC Registered Shareholder, have the right to exercise all such rights and powers as a secured party under applicable PRC laws and the relevant Equity Pledge Agreement, the relevant Loan Agreement, the Exclusive Call Option Agreement and the Voting Rights Delegation Agreement, including but not limited to, being paid in priority with the Pledged Assets being auctioned or sold.

As advised by the Vendors, applications for the registration of the Equity Pledge Agreements will be submitted to the relevant PRC legal authority pursuant to PRC laws and regulations as soon as practicable.

#### **5. *Voting Rights Delegation Agreement***

Date : 28 April 2023

Parties : (i) Ms. Quan and Mr. Zhou

(ii) PRC Opco (SZ)

(iii) TinyTiger (SZ)

Subject matter : Each of the PRC Registered Shareholders irrevocably appoints TinyTiger (SZ)'s designated personnel to exercise the rights of the relevant PRC Registered Shareholder as a shareholder of PRC Opco (SZ), including but not limited to the following:

(i) as the agent of the PRC Registered Shareholders, to convene and attend shareholders' meetings of PRC Opco (SZ) in accordance with PRC Opco (SZ)'s articles of association;

(ii) as the agent of the PRC Registered Shareholders, to discuss and resolve any matters which are discussed and tabled at the shareholders' meetings, including but not limited to appoint and elect directors, general managers and other senior officers of PRC Opco (SZ) which are to be appointed by PRC Opco (SZ)'s shareholders;

(iii) as the agent of the PRC Registered Shareholders, to exercise all other voting rights entitled by shareholders under PRC laws and regulations (as amended, supplemented, modified and restated from time to time); and

(iv) as the agent of the PRC Registered Shareholders, to exercise all the voting rights of shareholders under PRC Opco (SZ)'s articles of association (as amended from time to time).



Term : Unless otherwise terminated pursuant to the terms of the Voting Rights Delegation Agreement, the Voting Rights Delegation Agreement shall take effect from the date of its execution until the expiration of the term of business of PRC Opco (SZ) or TinyTiger (SZ), whichever is earlier.

Save and except where TinyTiger (SZ) has provided a 30-day prior notice to the other parties for not renewing the Voting Rights Delegation Agreement, the Voting Rights Delegation Agreement shall be renewed automatically for one year upon expiry.

The Voting Rights Delegation Agreement will be terminated:

- (i) if the parties thereto agree in writing to terminate the Voting Rights Delegation Agreement; or
- (ii) when TinyTiger (SZ) or PRC Opco (SZ) fails to apply for an extension of its term of business upon expiry and complete the relevant registration procedures.

Furthermore, in the event where a PRC Registered Shareholder, after obtaining the prior consent of TinyTiger (SZ), transfers his/her entire equity interests in PRC Opco (SZ) to a third party, such PRC Registered Shareholder shall cease to be bound by the Voting Rights Delegation Agreement. Nevertheless, the obligations and undertakings by the other parties to the Voting Rights Delegation Agreement shall remain unchanged.

#### **6. Registered Shareholders Undertakings**

Date : 28 April 2023

Signatories : Ms. Quan and Mr. Zhou

Subject matter : Each of the PRC Registered Shareholders has expressly and irrevocably undertaken to TinyTiger (SZ) and TinyTiger (Technology) that, among others:

- (i) in the event of his/her civil incapacity, death, divorce or any other event which causes his/her inability to exercise his/her rights as a shareholder of PRC Opco (SZ), he/she will take all necessary actions and sign all necessary documents to ensure that there will not be any adverse impact on the performance of the Structured Contracts;
- (ii) in the event of his/her civil incapacity, death, divorce or any other event which causes his/her inability to exercise his/her rights as a shareholder of PRC Opco (SZ), he/she will take all necessary actions and sign all necessary documents to ensure that there will not be any adverse impact on the performance of the Structured Contracts after his/her successors, guardians, spouse or any other person that may be entitled to assume rights and interests in the equity interests of PRC Opco (SZ) obtain the equity interests of PRC Opco (SZ);
- (iii) in the event of an increase or decrease in the registered capital, liquidation, reorganisation, merger, division or change in the shareholders of PRC Opco (SZ), he/she will and will procure PRC Opco (SZ) to take all necessary actions and sign all necessary documents to ensure that (a) the rights and obligations under the Structured Contracts shall continue to be legally binding on the relevant successor(s); and (b) any debt restructuring, reorganisation or agreement involving the disposal of PRC Opco (SZ)'s interests to which PRC Opco (SZ) (including its ultimate beneficial owners and related parties) is a contracting party shall be subject to the terms and conditions of the Structured Contracts;

- (iv) in the event of a dissolution or winding up of PRC Opco (SZ), each of the PRC Registered Shareholders agrees that TinyTiger (SZ) shall have the right to represent the relevant PRC Registered Shareholder in exercising the rights as the shareholders; and each of the PRC Registered Shareholders shall procure PRC Opco (SZ) to transfer to TinyTiger (SZ) or TinyTiger (SZ)'s designee, any remaining assets which such PRC Registered Shareholder is entitled to, at RMB1.00 or the minimum amount of consideration as permitted under applicable PRC laws;
- (v) (in respect of Mr. Zhou only) he confirmed that his spouse has been made fully aware of the Contractual Arrangements and his spouse has consented that Mr. Zhou is the sole beneficiary of all the rights and interests and solely assumes obligations under the Contractual Arrangements, further, his spouse confirms that she does not and will not have any interest or rights belonging to such PRC Registered Shareholder under the Contractual Arrangements, nor assumes any obligations thereunder; he and his spouse agree that in the event of a divorce, all the equity interests held by such PRC Registered Shareholder in PRC Opco (SZ) shall be deemed as assets solely owned by Mr. Zhou, not mutual assets jointly owned by Mr. Zhou and his spouse;
- (vi) the relevant PRC Registered Shareholder can make decisions in respect of PRC Opco (SZ) independently;
- (vii) (in respect of Mr. Zhou only) (a) the effectiveness of such decisions shall not be limited by or affected by his spouse's decisions even in the event of a divorce; (b) in the event of a divorce, Mr. Zhou shall take all appropriate measures to ensure the performance of the Structured Contracts; and (c) Mr. Zhou will not take any actions or measures which may be contrary to the purpose and intention of the Contractual Arrangements;

- (viii) (a) unless with the prior written consent of TinyTiger (SZ), he/she will not directly or indirectly engage in, own or acquire any business that compete or might compete with the business of PRC Opco (SZ); (b) he/she will not exploit any information obtained from PRC Opco (SZ) to directly or indirectly participate in any business that competes or might compete with the business of PRC Opco (SZ); and (c) he/she will not obtain any benefit from any business that competes or might compete with the business of PRC Opco (SZ);
- (ix) he/she will not take any action or omission which may be contrary to the purpose and intention of the Contractual Arrangements, which will give rise to conflict of interests between himself/herself and TinyTiger (SZ); and
- (x) in the event of any conflict of interests between (a) the PRC Registered Shareholder and/or PRC Opco (SZ); and (b) TinyTiger (SZ), he/she will take any action as instructed by TinyTiger (SZ) to eliminate such conflict.

## ***7. Spousal Undertaking***

Date : 28 April 2023

Signatory : Ms. Fan, the spouse of Mr. Zhou

Subject matter : Ms. Fan has expressly and irrevocably undertaken to TinyTiger (SZ) and TinyTiger (Technology) that, among others:

- (i) she has been made fully aware of the Contractual Arrangements and consented that Mr. Zhou is the sole beneficiary of all the rights and interests and solely assumes obligations under the Contractual Arrangements, further, she does not and will not have any interest or rights belonging to Mr. Zhou under the Contractual Arrangements, nor assumes any obligations thereunder;

- (ii) all the equity interests held by Mr. Zhou in PRC Opco (SZ) shall be deemed as assets solely owned by Mr. Zhou, not mutual assets jointly owned by her and Mr. Zhou; and
- (iii) she will not claim any interest or rights in the equities or assets of PRC Opco (SZ) held by Mr. Zhou; in the event of divorce (as the case may be), Mr. Zhou has sole discretion to decide how to dispose of his interests or assets in PRC Opco (SZ).

## **B. Dispute resolution**

Each of the Exclusive Business Consultancy Services Agreement, the Exclusive Call Option Agreement, the Loan Agreements, the Equity Pledge Agreements and the Voting Rights Delegation Agreement contains a dispute resolution provision. Pursuant to such provision, in the event of any dispute arising from the performance of or relating to the Contractual Arrangements, any party has the right to submit the relevant dispute to the Shenzhen Court of International Arbitration for arbitration, in accordance with the then effective arbitration rules. The arbitration award shall be final and binding on all parties. The dispute resolution provisions also provide that the arbitral tribunal may award remedies over the shares or assets of PRC Opco (SZ) or injunctive relief (e.g. limiting the conduct of business, limiting or restricting transfer or sale of shares or assets) or order the winding up of PRC Opco (SZ); any party may apply to the courts of Hong Kong, the PRC and the places where the principal assets of PRC Opco (SZ) are located for interim remedies or injunctive relief. However, the PRC Legal Advisers have advised that the above provisions may not be enforceable under the PRC laws. For instance, any arbitral award to order the winding up of PRC Opco (SZ) maybe unenforceable under PRC law. In addition, interim remedies or enforcement order granted by overseas courts such as Hong Kong or the BVI may not be recognizable or enforceable in the PRC. As a result of the above, in the event that PRC Opco (SZ) or the PRC Registered Shareholders breach any of the Exclusive Business Consultancy Services Agreement, the Exclusive Call Option Agreement, the Loan Agreements, the Equity Pledge Agreements and the Voting Rights Delegation Agreement, the Company may not be able to obtain sufficient remedies in a timely manner, and its ability to exert effective control over PRC Opco (SZ) and conduct its business could be materially and adversely affected. See the section headed “VIII. Risk Factors in relation to the Contractual Arrangements – Certain provisions in the Contractual Arrangements may not be enforceable under PRC laws.” in this announcement for further details.

### **C. Loss sharing**

None of the agreements constituting the Contractual Arrangements provide that the Company, the Target Company or the TinyTiger Cos is obligated to share the losses of the PRC Opcos or provide financial support to the PRC Opcos other than those provided under the Loan Agreements. Further, each of the PRC Opcos is a limited liability company and shall be solely liable for its own debts and losses with assets and properties owned by it. Under the PRC laws and regulations, TinyTiger (SZ), as the primary beneficiary of PRC Opco (SZ), is not expressly required to share the losses of PRC Opco (SZ) or provide financial support to PRC Opco (SZ). Despite the foregoing, upon Completion, given that the Company conducts the information service business (Internet information service only) in the PRC through the PRC Opcos via the Contractual Arrangements and that the PRC Opcos' financial condition and results of operations are consolidated into the Group's financial condition and results of operations under the applicable accounting principles, the Company's business, financial conditions and results of operations would be adversely affected if the PRC Opcos suffer losses. However, due to the relevant restrictive provisions in the Exclusive Call Option Agreement as more particularly set out above, the potential adverse effect on the TinyTiger Cos and the Company (upon Completion) in the event of any loss suffered from the PRC Opcos is limited.

### **D. Insurance**

The Target Company does not maintain an insurance policy to cover the risks relating to the Contractual Arrangements and the Company has no intention to purchase any insurance in this regard.

## **VII. LEGALITY OF THE CONTRACTUAL ARRANGEMENTS**

Based on the above, the PRC Legal Advisers are of the opinion that the Contractual Arrangements are narrowly tailored to minimise the potential conflict with relevant PRC laws and regulations and that:

- (a) The parties to each of the Structured Contracts have obtained all necessary internal approvals to execute the Structured Contracts. Save and except for (i) the registration of the Equity Pledge Agreements with the relevant administration for industry and commerce; and (ii) the exercise of the call option by TinyTiger (SZ) under the Exclusive Call Option Agreement may be required to be approved by the relevant regulatory authorities, the execution and the performance of the obligations by the contracting parties to the Structured Contracts do not require any approval or permits from any PRC regulatory authorities.

- (b) None of the Structured Contracts violates any provision of the articles of association of PRC Opco (SZ), TinyTiger (SZ) or TinyTiger (Technology) or PRC laws and mandatory provisions of the administrative regulations.
- (c) The legality and enforceability of the Structured Contracts shall be governed by the Civil Code of the PRC (《中華人民共和國民法典》) (the “**PRC Civil Code**”) and other laws and regulations regulating civil legal actions.
- (d) Pursuant to the relevant laws and regulations, although no written confirmations have been obtained from any regulatory authorities in respect of the legality and enforceability of the Structured Contracts, the PRC Legal Advisers are of the view that the provisions of the Structured Contracts do not violate any mandatory provisions under PRC laws and regulations and none of the Structured Contracts would be deemed as “concealment of illegal intentions with a lawful form” under the PRC Civil Code and void under the Chapter on Contract Law of the PRC Civil Code.
- (e) The PRC Legal Advisers are of the view that (i) no approvals are required to be obtained from any authorities in order for the Structured Contracts to become effective; and (ii) the conduct of business via the Contractual Arrangements is not explicitly prohibited by the relevant regulatory authorities supervising the business of the PRC Opcos and the relevant laws and regulations applicable to the PRC Opcos.
- (f) Each of the Structured Contracts is valid, legally binding and enforceable under the PRC laws except for the following provisions: (i) any arbitral award to order the winding up of PRC Opco (SZ) maybe unenforceable under PRC law; (ii) interim remedies or enforcement order granted by overseas courts such as Hong Kong or the BVI may not be recognizable or enforceable in the PRC; (iii) the Equity Pledge Agreements have to be registered with the relevant administration for industry and commerce before they could become enforceable; and (iv) the arbitral awards provided under the dispute resolution provisions of the relevant Structured Contracts shall be recognized by PRC courts before compulsory enforcement.

The PRC Legal Advisers have taken all possible actions or steps to enable them to reach the legal conclusions as set forth above.

## **VIII. RISK FACTORS IN RELATION TO THE CONTRACTUAL ARRANGEMENTS**

**If the PRC government finds that the agreements that establish the structure for the Group to operate certain businesses in the PRC through the Contractual Arrangements do not comply with applicable PRC laws, or if these regulations or their interpretations change in the future, the Group could be subject to severe consequences, including the nullification of the Contractual Arrangements and the relinquishment of the Group’s interest in the PRC Opcos.**

Various regulations in the PRC restrict or prohibit foreign-invested enterprises from holding certain licences required to operate the information service business (Internet information service only) in the PRC. The Company is a company incorporated under the laws of Hong Kong and TinyTiger (SZ) is a foreign-invested enterprise. In light of the abovementioned restrictions, by means of entering into the Contractual Arrangements, the Company, via the TinyTiger Cos is able to exercise effective control of PRC Opco (SZ) and the TinyTiger Cos are able to receive substantially all of the economic benefits from the operation by the PRC Opco with effect from Completion. However, there are substantial uncertainties regarding the interpretation and application of PRC laws, including without limitation the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, and other relevant PRC laws. Accordingly, there can be no assurance that the PRC regulatory authorities that regulate the information service business (Internet information service only) in the PRC, will ultimately take a view that is consistent with the opinion of the PRC Legal Advisers.

The relevant PRC regulatory authorities have broad discretion in determining whether a particular contractual structure violates PRC laws. If the corporate structure and the agreements under the Contractual Arrangements are deemed to be illegal, either in whole or in part, by competent PRC authorities, such corporate structure and/or Contractual Arrangements may have to be modified to comply with regulatory requirements. Further, if such corporate structure and/or Contractual Arrangements were found to be in violation of any existing or future PRC laws, the relevant PRC regulatory authorities would have broad discretion in dealing with such violations, including, without limitation: (a) revoking the Contractual Arrangements; (b) revoking the business and operating licenses of PRC Opco (SZ) and/or PRC Opco (CQ); (c) discontinuing or restricting the operations of PRC Opco (SZ) and/or PRC Opco (CQ) in the PRC; (d) imposing fines or confiscating any of the income that they deem to have been obtained through illegal operations; (e) imposing conditions or requirements with which the Company and/or the Target Group Companies may not be able to comply; (f) requiring the Company and/or the Target Group Companies to restructure the relevant corporate structure and/or Contractual Arrangements; or (g) taking other regulatory or enforcement actions that could be harmful to the business operation of the Target Group.

Any of these actions could cause significant disruption to the business operation of the Target Group, and may materially and adversely affect the business, financial condition and results of operations of the Company. In addition, it is unclear what impact the PRC government actions would have on the Company and on its ability to consolidate the financial results of the PRC Opco in the Company's consolidated financial statements, if the PRC governmental authorities find the abovementioned legal structure and Contractual Arrangements to be in violation of PRC laws and regulations. In addition, if the imposition of any of these penalties or requirement to restructure of corporate structure causes the Company to lose the rights to direct the activities of PRC Opco (SZ) and/or PRC Opco (CQ) or the Company's right to receive economic benefits from PRC Opco (SZ) and/or PRC Opco (CQ), the Company would no longer be able to consolidate the financial results of PRC Opco (SZ) and/or PRC Opco (CQ) in the Company's financial statements.



**The Contractual Arrangements may not be as effective in providing operational control as direct ownership and PRC Opco (SZ), PRC Opco (CQ) or relevant parties may fail to perform their obligations under the Contractual Arrangements.**

Upon Completion, the revenue and cash flow from the Target Group will mainly be contributed by the PRC Opcos. The Contractual Arrangements may not be as effective as direct ownership in providing the Company (via the Target Company) with control over the PRC Opcos. Direct ownership would allow the Group, for example, to directly or indirectly exercise its rights as a shareholder to effect changes in the boards of directors of each of PRC Opco (SZ) and PRC Opco (CQ), which, in turn, could affect changes, subject to any applicable fiduciary obligations at the management level. However, under the Contractual Arrangements, as a legal matter, if PRC Opco (SZ) fails to perform its obligations under the Contractual Arrangements, the Group (via the Target Company) may have to incur substantial costs and expend significant resources to enforce those arrangements and resort to litigation or arbitration and rely on legal remedies under PRC laws. These remedies may include seeking specific performance or injunctive relief and claiming damages, any of which may not be effective. In the event we are unable to enforce these Contractual Arrangements or the Company experience significant delays or other obstacles in the process of enforcing these Contractual Arrangements, the Company may not be able to exert effective control over PRC Opco (SZ) and/or PRC Opco (CQ) and may lose control over the assets owned by PRC Opco (SZ) and/or PRC Opco (CQ). As a result, the Company may be unable to consolidate PRC Opco (SZ) and/or PRC Opco (CQ) in its consolidated financial statements, which could materially and adversely affect its financial condition and results of operations.

**The PRC Registered Shareholders may potentially have a conflict of interests with the Group.**

The Group's control over the PRC Opcos is based on the contractual arrangements under the Structured Contracts. Therefore, conflict of interests of the registered shareholders of PRC Opco (SZ) (i.e. the PRC Registered Shareholders) will adversely affect the interests of the Company. However, under the Structured Contracts, the PRC Registered Shareholders will irrevocably appoint any person as designated by TinyTiger (SZ) as their representative to exercise the voting rights of the shareholders. Therefore, it is unlikely that there will be potential conflict of interests between the Company and such PRC Registered Shareholders. However, in the unlikely event that conflict of interests arises and cannot be resolved, the Company will consider removing and replacing the registered shareholders.

**The Contractual Arrangements may be subject to scrutiny of the PRC tax authorities and transfer pricing adjustments and additional tax may be imposed.**

The Group could face material adverse tax consequences if the PRC tax authorities determine that the arrangements under any Structured Contract was not entered into based on arm's length negotiations. If the PRC tax authorities determine that these agreements were not entered into on an arm's length basis, they may adjust the income and expenses of PRC Opco (SZ), PRC Opco (CQ), TinyTiger (SZ) and/or TinyTiger (Technology) for PRC tax purposes, which could result in higher tax liabilities.

The operating and financial results of the Group may be materially and adversely affected if the tax liabilities of PRC Opco (SZ) or PRC Opco (CQ) or TinyTiger (SZ) or TinyTiger (Technology) increase significantly or if they are required to pay interest on late payments and other penalties.

**TinyTiger (SZ)'s ability to acquire the shares in PRC Opco (SZ) may be subject to various limitations and substantial costs.**

Pursuant to the Contractual Arrangements, TinyTiger (SZ) (or its designee(s)) has the exclusive right to purchase all or any part of the shares in PRC Opco (SZ) from the PRC Registered Shareholders at a price equivalent to the lower of (i) the face value of the registered capital corresponding to the equity interests transferred; and (ii) the minimum amount of consideration as permitted under applicable PRC laws. The PRC Registered Shareholders will be subject to PRC individual income tax on the difference between the purchase price and the capital contribution amount that has been paid in by such PRC Registered Shareholders to PRC Opco (SZ). Pursuant to the Contractual Arrangements, any consideration received by the PRC Registered Shareholders for such transfer shall be returned to TinyTiger (SZ). The amount to be received by TinyTiger (SZ) may also be subject to enterprise income tax. As such, the costs incurred from TinyTiger (SZ)'s exercise of the call option under the Contractual Arrangements could be substantial.

**The Group may bear economic risk which may arise from difficulties in the operation of PRC Opco (SZ) and/or PRC Opco (CQ).**

As the primary beneficiary of PRC Opco (SZ), TinyTiger (SZ) will share both profit and loss of PRC Opco (SZ) and/or PRC Opco (CQ). Equally, TinyTiger (SZ) bears economic risks which may arise from difficulties in the operation of the businesses of PRC Opco (SZ) and/or PRC Opco (CQ). TinyTiger (SZ) may have to provide financial support in the event of financial difficulty of PRC Opco (SZ) and/or PRC Opco (CQ). Since TinyTiger (SZ) will become a wholly-owned subsidiary of the Company upon Completion and its financial results will be consolidated into the consolidated financial statements of the Company, under the aforementioned circumstances, the Group's financial results and financial position may be adversely affected by the worsening financial performance of PRC Opco (SZ) and/or PRC Opco (CQ) and the need to provide financial support to PRC Opco (SZ) and/or PRC Opco (CQ).

**Certain provisions in the Contractual Arrangements may not be enforceable under PRC laws.**

All the agreements which constitute the Contractual Arrangements are governed by PRC laws and provide for the resolution of disputes through arbitration in the PRC. Accordingly, these agreements would be interpreted in accordance with PRC laws and disputes would be resolved in accordance with PRC legal procedures. There are uncertainties in the PRC legal system which could limit the Company's ability to enforce the Contractual Arrangements. In the event that the Company, the Target Company and/or the TinyTiger Cos is unable to enforce the Contractual Arrangements, or if the Company, the Target Company and/or the TinyTiger Cos suffers significant time delays or other obstacles in the process of enforcing them, it would be very difficult to exert effective control over PRC Opco (SZ) and/or PRC Opco (CQ), and the Company's ability to conduct certain businesses and the financial condition, results of operations and prospects of the Company may be materially and adversely affected.

Under PRC laws, an arbitral body does not have the power to grant injunctive relief or to issue a provisional or final liquidation order for the purpose of protecting assets of or shares in PRC Opco (SZ) and/or PRC Opco (CQ) in case of disputes. In addition, interim remedies or enforcement order granted by overseas courts such as Hong Kong and the BVI may not be recognizable or enforceable in the PRC. PRC laws do not allow the arbitral body to grant an award of transfer of assets of or shares in PRC Opco (SZ) and/or PRC Opco (CQ) in favor of an aggrieved party. Therefore, in the event of breach of any agreements constituting the Contractual Arrangements, and if the Company, the Target Company and/or the TinyTiger Cos is unable to enforce the Contractual Arrangements, the Company may not be able to exert effective control over PRC Opco (SZ) and/or PRC Opco (CQ) via the Target Company and the TinyTiger Cos, which could materially and adversely affect the ability to conduct certain businesses by the Company.

**The Company may lose the ability to use and enjoy the assets held by PRC Opco (SZ) and/or PRC Opco (CQ) if PRC Opco (SZ) and/or PRC Opco (CQ) declares bankruptcy or becomes subject to a dissolution or liquidation proceeding.**

PRC Opco (SZ) and/or PRC Opco (CQ) holds certain assets that are critical to the licensed operations. The Contractual Arrangements contain terms that specifically obligate the PRC Registered Shareholders to ensure the valid existence of PRC Opco (SZ) and/or PRC Opco (CQ) and that it may not be voluntarily liquidated without the consent of TinyTiger (SZ). However, in the event that the PRC Registered Shareholders breach this obligation and voluntarily liquidate PRC Opco (SZ) and/or PRC Opco (CQ), or PRC Opco (SZ) and/or PRC Opco (CQ) declares bankruptcy, all or part of the assets of PRC Opco (SZ) and/or PRC Opco (CQ) may become subject to liens or rights of third-party creditors and the Company (via the Target Company and the TinyTiger Cos) may be unable to continue some or all of the licensed operations, which could materially and adversely affect the business, financial condition, results of operations and prospects of the Company. If the PRC Registered Shareholders breach or cause PRC Opco (SZ) to breach the Contractual Arrangements, the Company and/or the

TinyTiger Cos would have to rely on legal proceedings, to resolve disputes between the TinyTiger Cos, PRC Opco (SZ) and/or the PRC Registered Shareholders, which may be expensive, time-consuming and disruptive to the operations of the Company. There is also substantial uncertainty as to the outcome of any such legal proceedings.

**The Group does not have any insurance which covers the risks relating to the Contractual Arrangements and the transactions contemplated thereunder.**

The insurance of the Group does not cover the risks relating to the Contractual Arrangements and the transactions contemplated thereunder and the Company has no intention to purchase any insurance in this regard. If any risk arises from the Contractual Arrangements in the future, such as those affecting the enforceability of the Contractual Arrangements and the operation of PRC Opco (SZ) and/or PRC Opco (CQ), the financial results and financial position of the Group may be adversely affected. However, the Group will monitor the relevant legal and operational environment from time to time to comply with the applicable laws and regulations.

**Uncertainties exist with respect to the interpretation and implementation of the Foreign Investment Law and how it may impact the viability of the current corporate structure, Contractual Arrangements, corporate governance and business operations of the Group and the Target Group.**

#### *Description of the Foreign Investment Law*

On 15 March 2019, the National People's Congress of the PRC approved the Foreign Investment Law, which has come into effect on 1 January 2020.

The Foreign Investment Law embodies the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. However, there are uncertainties in relation to its interpretation and implementation. For instance, under the Foreign Investment Law, "foreign investment" refers to the investment activities directly or indirectly conducted by foreign individuals, enterprises or other entities in the PRC. Though it does not explicitly classify contractual arrangements as a form of foreign investment, there is no assurance that foreign investment via contractual arrangement would not be interpreted as a type of indirect foreign investment activities under the aforementioned definition of "foreign investment" in the future. In addition, the aforementioned definition of "foreign investment" contains a catch-all provision which includes investments made by foreign investors through means stipulated in laws or administrative regulations or other methods prescribed by the State Council. Therefore, it still leaves leeway for future laws, administrative regulations or provisions promulgated by the State Council to provide for contractual arrangements as a form of foreign investment.

### ***Impact of the Foreign Investment Law on variable interest entity (the “VIE”)***

The VIE structure has been adopted by many fully or partially foreign-owned companies (including the Target Company by way of the Contractual Arrangements) which, through its subsidiaries in the PRC, assumes control over an operating company incorporated in the PRC which holds the necessary licenses and permits in the industries that are currently subject to foreign investment restrictions or prohibitions in the PRC. It will be uncertain whether the Contractual Arrangements will be deemed to be in violation of the market access requirements for foreign investment under the PRC laws and regulations.

In addition, the Foreign Investment Law further specifies that foreign investments shall be conducted in line with the negative list issued by or approved to be issued by the State Council. If a foreign invested enterprise or a foreign invested entity (the “FIE”) proposes to conduct business in an industry subject to foreign investment “restrictions” in the “negative list”, the FIE must meet certain conditions under the “negative list” before being established. An FIE shall not conduct or engage in business in an industry subject to foreign investment “prohibitions” in the “negative list”. It is uncertain whether the businesses operated by PRC Opco (SZ) and/or PRC Opco (CQ) from time to time will be or continue to be subject to the foreign investment restrictions or prohibitions under the “negative list” to be issued in future.

Furthermore, if future laws, administrative regulations or provisions prescribed by the State Council mandate further actions to be taken by companies with respect to existing contractual arrangements, there will be substantial uncertainties as to whether such actions can be completed by the Group and the Target Group Companies in a timely manner, or at all. Failure to take timely and appropriate measures to cope with any of these or similar regulatory compliance requirements could materially and adversely affect the current corporate structure and business operations of the Group and the Target Group, as well as the ability of the Group and the Target Group to be or continue to be engaged in businesses subject to the foreign investment restrictions or prohibitions.

### ***Potential risks to the Group***

The Contractual Arrangements, in the worst case scenario, may be regarded as invalid and illegal. As a result, the Group may be required to dispose of the business under the Contractual Arrangements and will lose rights to receive the economic benefits from PRC Opco (SZ) and/or PRC Opco (CQ), such that the financial results of PRC Opco (SZ) and/or PRC Opco (CQ) would no longer be consolidated into the Company’s financial results and the Company will have to de-recognize assets and liabilities of PRC Opco (SZ) and/or PRC Opco (CQ) according to the relevant accounting standards. If the Company no longer has a sustainable business after such disposal, the Stock Exchange may delist the Company.

### *Measures adopted by the Company to mitigate against any potential risk arising from the Foreign Investment Law*

The Foreign Investment Law was approved by the National People's Congress of the PRC on 15 March 2019 and came into effect on 1 January 2020. As aforementioned, there are uncertainties with respect to the interpretation and implementation of the Foreign Investment Law. The Board will closely monitor the development of the Foreign Investment Law with the help of the Company's PRC legal advisers, including but not limited to any new negative list issued by or approved to be issued by the NDRC and the MOFCOM, or any future laws, administrative regulations or provisions prescribed by relevant governmental authorities. The Company will then discuss with its PRC legal advisers in order to assess any possible impact arising from the development of the Foreign Investment Law on the Contractual Arrangements and the business operation of the Group.

In case there would be material and adverse effect on the Group or the business of the Target Group arising from the Foreign Investment Law, the Company will disclose, as soon as possible: (i) updates of material development to the Foreign Investment Law as and when it occurs; and (ii) specific measures taken by the Company to fully comply with the development to the Foreign Investment Law supported by a PRC legal opinion and any material impact of the development of the Foreign Investment Law on the Company's operations and financial position.

## **IX. INTERNAL CONTROL MEASURES TO BE IMPLEMENTED BY THE GROUP**

In addition to the internal control measures provided in the Structured Contracts, it is the intention of the Company, following Completion, to implement, through the TinyTiger Cos, additional internal control measures adopted by the Group from time to time. The Company will also put in place internal reporting procedures to ensure the PRC Opcos' management provides adequate and complete information to the Board in a timely manner which enables the Board to closely manage and supervise the operations of the PRC Opcos. Such internal control measures and internal reporting procedures include but not limited to the following:

- (a) the Group will appoint an executive Director to the board of PRC Opco (SZ) who shall mainly be responsible for exercising management control of the PRC Opcos (the "**Responsible Person**"). The Responsible Person will conduct reviews on the operations of the PRC Opcos and report their findings to the Board from time to time;
- (b) the PRC Opcos' management shall report to the executive Directors the business operations of the PRC Opcos on a weekly basis;
- (c) the PRC Opcos' management shall promptly communicate with the executive Directors in respect of any major issues or decisions concerning the PRC Opcos;

- (d) the Board and the Responsible Person shall identify issues arising from the implementation of and compliance with the Structured Contracts;
- (e) any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (f) the Responsible Person or other delegates of the Board shall meet with the PRC Registered Shareholders or directors of the PRC Opcos to investigate and report any suspicious matters to the Board;
- (g) the Company's finance team will obtain the PRC Opcos' monthly management accounts, bank statements and cash balances for review within 30 days after the end of each month. The Company's finance team will also seek explanations from the senior management of the PRC Opcos for any significant fluctuations in the above collected operation data;
- (h) upon the Company's request, the PRC Opcos shall assist the Group to conduct all on-site internal audits;
- (i) the Board will consult the Company's PRC legal advisers from time to time to check if there are any legal developments in the PRC affecting the arrangement contemplated under the Structured Contracts, and the Board will determine if any modification or amendment is required to be made;
- (j) major issues arising from implementation and performance of the Structured Contracts, if any, will be reviewed by the Board on a regular basis; the Board will determine, as part of its periodic review process, whether legal advisers and/or other professionals will need to be retained to assist the Group to deal with specific issues arising from the Structured Contracts;
- (k) the Board will disclose the overall performance and compliance with the Structured Contracts in its annual report to update the Shareholders and potential investors; and
- (l) the Company will comply with the conditions prescribed under the CCT Waiver.

## **X. INFORMATION ON THE COMPANY AND THE VENDORS**

The Company is an investment holding company incorporated in Hong Kong. The Group is principally engaged in the (i) shipping and logistics business; and (ii) telecommunications related business in the PRC.

Vendor 1 is a company incorporated in the BVI and is wholly-owned by Mr. Pang, an executive Director and a controlling shareholder of the Company. Vendor 1 is principally engaged in investment holding.

Vendor 2 is a company incorporated in the BVI and is wholly-owned by Ms. Quan. Vendor 2 is principally engaged in investment holding. Ms. Quan is interested in 40% shareholding interests in Beishang Limited (Cayman Islands) and Beishang Limited (Cayman Islands) is interested in 40% shareholding interests in Beishang Limited (BVI), an indirect non-wholly owned subsidiary of the Company.

Vendor 3 is a company incorporated in the BVI and is wholly-owned by Ms. Wu Ju. Vendor 3 is principally engaged in investment holding.

Vendor 4 is a company incorporated in the BVI and is wholly-owned by Mr. Zhou. Vendor 4 is principally engaged in investment holding.

Vendor 5 is a company incorporated in the BVI and is wholly-owned by Mr. Yuen Hoi Po. Vendor 5 is principally engaged in investment holding.

Vendor 6 is a company incorporated in the BVI and is wholly-owned by Mr. Xue Yuewu. Vendor 6 is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, each of Vendor 2, Vendor 3, Vendor 4, Vendor 5 and Vendor 6 and their respective ultimate beneficial owner are third parties independent of the Company and its connected persons.

## **XI. REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION AND THE ENTERING INTO OF THE CONTRACTUAL ARRANGEMENTS**

### **(1) Reasons for and benefits of the Proposed Acquisition**

The Group currently operates a fleet of two dry bulk carriers trading worldwide and both vessels are on charter contracts which will run until the third quarter of 2024 and the Group's management expects that these two vessels will continue generating positive contribution in the upcoming year. In addition, the Group also operates a telecommunications related business which mainly focuses on the provision of SMS services and 5G communication solution. The Group's management expects the telecommunications related business will benefit from the recovery and growth of economic activities in the PRC.

The existing shipping business of the Group is subject to economic cycles. The ongoing Sino-US trade war and the material geo-political issues added to the uncertainties faced by the shipping industry. In light of the current market uncertainties and that any direct expansion of the current fleet of the Group will involve substantial capital expenditure and may increase the Group's gearing and finance costs, the Group has adopted a cautious approach in expanding its current business, such as (a) continue monitoring the current market, in particular, demand for charters; (b) the financial position of the Company; and



(c) undertaking feasibility study of expansion into the wider logistics and telecommunications industry, instead of just focusing on the vessel charter, which could bring synergy with and positive contributions to the Group's existing business in the long-run. In addition to the shipping and logistics industry, the Group is also considering attractive investment opportunities to diversify its business portfolio, such as the Proposed Acquisition.

In the past years, the PRC has been actively promoting the intensified transformation of digital economy and the continuous development of mobile technologies such as 5G telecommunications. Mobile social networking has become a crucial part of the PRC's mobile internet users' daily lives. The main monetization methods of PRC's social networks mainly consist of value-added services, such as virtual items, membership subscriptions, advertising services and others.

Given the PRC has become the world's largest mobile social networking market and having considered the qualifications, business strategies, development potential and prospects of the PRC Opcos in the mobile social networking market, the Board considers that the Proposed Acquisition will enable the Group to strengthen its investment portfolio through investment in a business sector with stable growth potential in the coming years, achieve attractive capital appreciation over the long term and bring synergy benefit to the existing telecommunications related business of the Group.

The Target Group has developed an operational business model, combining social networking platform, 3D avatar creation and entertainment. This innovative approach allows the customers of the Target Group to spontaneously design/create their own virtual identities and interact with others through virtual identities in the form of avatars on the social networking platform.

The Board believes that the Proposed Acquisition represents an opportunity for the Group to invest in the Target Group and diversify the business portfolio of the Group. The Board also believes that this will increase the revenue sources and customer base of the Group, benefit the Group's growth, and benefit the Company and the Shareholders as a whole in the light of the growing mobile social networking market in the PRC.

In view of the above, the Board is optimistic on the business prospects of the Target Group and considers that the Proposed Acquisition would enhance the profitability of the Group.

In light of the above, the Directors (other than Mr. Pang who is required under the Listing Rules to abstain from voting at the relevant Board meeting and the independent non-executive Directors whose view will be set out in the circular to be issued by the Company after taking into consideration the advice from the Independent Financial

Adviser) consider that the Proposed Acquisition is fair and reasonable and on normal commercial terms and the entering into of the SPA is in the interests of the Company and its Shareholders as a whole.

## **(2) Reasons for and benefits of the entering into of the Contractual Arrangements**

Foreign investment activities in the PRC are mainly governed by the Catalogue of Industries for Encouraging Foreign Investment (《鼓勵外商投資產業目錄》) (the “**Encouraging Catalogue**”) and the Special Administrative Measures (Negative List) for the Access of Foreign Investment (《(外商投資准入特別管理措施(負面清單))》) (the “**Negative List**”) which were promulgated and amended from time to time jointly by the MOFCOM and the NDRC, the Foreign Investment Law and their respective implementation rules and subsidiary regulations. The Negative List and the Encouraging Catalogue divide industries into four categories in terms of foreign investment, namely, “encouraged”, “restricted”, “prohibited” and “permitted” (the last category of which includes all industries not listed under the “encouraged”, “restricted” and “prohibited” categories).

As advised by the PRC Legal Advisers, the PRC Opcos are engaging in information service business (Internet information service only) which falls under the “prohibited” category, i.e. foreign investors are prohibited from holding equity interests in the PRC Opcos. Due to such prohibition, the PRC Legal Advisers are of the view that it is necessary for the Target Company to conduct the information service business (Internet information service only) in the PRC through the PRC Opcos via the Contractual Arrangements.

## **XII. THE BOARD’S VIEWS ON THE CONTRACTUAL ARRANGEMENTS**

The transactions contemplated under the Contractual Arrangements constitute an important and integral mechanism of the Company to, via the TinyTiger Cos, control and manage the business of the PRC Opcos in the PRC which falls under the “prohibited” category and to receive and enjoy the economic benefits derived from the PRC Opcos. As such, it is in the interests of the Company to ensure that the Company will continue to do so without setting any annual cap which may otherwise limit the economic benefits received by the Company, via the TinyTiger Cos, and/or expiration of the terms of the Contractual Arrangements which may otherwise lead to the Group losing control over the PRC Opcos. The Directors also consider that it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to the Company for (a) the transactions contemplated under each of the Structured Contracts to be subject to the requirement of fixing the term of the Structured Contracts for a period of not exceeding three years under Rule 14A.52 of the Listing Rules; and (b) setting a maximum aggregate annual cap for the fees payable by PRC Opco (SZ) to the TinyTiger Cos under the Exclusive Business Consultancy Services Agreement and the amount of loans to be made available by TinyTiger (SZ) to the PRC Registered Shareholders under the relevant Structured Contracts under Rule 14A.53 of the Listing Rules. Furthermore, all the agreements that

comprise the Contractual Arrangements are common agreements, and as advised by the PRC Legal Advisers, are valid and legally binding. The use of the Contractual Arrangements are in accordance with common and necessary practice of listed issuers in industries which are subject to foreign investment restrictions in the PRC and are fundamental for the Company to effectively exercise and maintain control over the operations of the PRC Opcos, obtain the economic benefits and prevent leakage of the assets and values of the PRC Opcos to the PRC Registered Shareholders after Completion.

Pursuant to the relevant provisions of the Structured Contracts, the Structured Contracts may be unwound as soon as the relevant PRC laws allow TinyTiger (SZ) or its designee(s) to register itself as the shareholder of PRC Opco (SZ). The Board further believes that save as disclosed in this announcement, the Structured Contracts are enforceable under the relevant PRC laws, and that the Structured Contracts will provide a mechanism that enables the TinyTiger Cos to exercise effective control over the PRC Opcos.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of the announcement, none of the PRC Opcos has encountered any interference or encumbrance from any governing bodies in operating its business.

The Board believes that the Contractual Arrangements are narrowly tailored as they are used to enable the Group to conduct the information service business (Internet information service only) in the PRC that are subject to foreign investment restrictions.

The Directors (including the independent non-executive Directors) consider that upon Completion, (i) the Contractual Arrangements are an integral part of the transactions contemplated under the SPA; (ii) the Contractual Arrangements allow the Group, via the Target Company and the TinyTiger Cos, to take control and enjoy the economic benefits of the PRC Opcos; and (iii) a number of other companies use similar arrangements to accomplish the same purpose, and therefore, the Contractual Arrangements are fair and reasonable, on normal commercial terms and in the ordinary and usual course of the business of the Group, and are in the interest of the Company and the Shareholders as a whole.

The Board has approved the transactions contemplated under the Contractual Arrangements. None of the Directors had material interests in the Contractual Arrangements. Therefore, no Director is required to abstain from voting on the resolutions of the Board approving the Contractual Arrangements.

### **XIII. LISTING RULES IMPLICATIONS**

#### **(1) The Proposed Acquisition**

As more than one applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Proposed Acquisition are more than 5% but all are less than 25%, the Proposed Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Given that Mr. Pang, an executive Director and a controlling shareholder of the Company who is beneficially interested in approximately 70.1763% of the total issued share capital of the Company, is the sole shareholder of Vendor 1, Vendor 1 is an associate of Mr. Pang and hence a connected person of the Company. Accordingly, the Proposed Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As more than one applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Proposed Acquisition exceed 5%, the Proposed Acquisition is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

#### **(2) The Contractual Arrangements**

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results, assets and liabilities of the Target Group (including the PRC Opco) will be consolidated into the consolidated financial statements of the Company. Ms. Quan, one of the PRC Registered Shareholders, is a substantial shareholder of PRC Opco (SZ) by virtue of being a registered owner of PRC Opco (SZ) holding 97% equity interests in PRC Opco (SZ). As such, Ms. Quan will be regarded as a connected person of the Company at subsidiary level. Furthermore, Mr. Zhou will also be regarded as a connected person of the Company at subsidiary level by virtue of being a director of the Target Company, TinyTiger (BVI), TinyTiger (HK), TinyTiger (SZ), TinyTiger (E-commerce) and Shiyi Tuling upon Completion. Since Ms. Quan is the registered owner of PRC Opco (SZ) holding 97% of PRC Opco (SZ)'s equity interests, PRC Opco (SZ) will be regarded as an associate of Ms. Quan under Chapter 14A of the Listing Rules. As such, the transactions contemplated under the Structured Contracts which were entered into by the TinyTiger Cos with Ms. Quan, Mr. Zhou and PRC Opco (SZ) will constitute continuing connected transactions of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

The Board has approved the transactions under the Contractual Arrangements and the Directors (including the independent non-executive Directors) have also confirmed that the terms thereof are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole. Therefore by virtue of Rule 14A.101 of the Listing Rules, the transactions under the Contractual Arrangements are subject to the reporting and announcement requirements applicable to connected transactions, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

### **Relevant requirements under Chapter 14A of the Listing Rules and the CCT Waiver**

Rule 14A.52 of the Listing Rules requires that the period for a connected transaction agreement must be fixed and must not exceed three years except in special circumstances where the nature of the transaction requires a longer period. In this case, the listed issuer must appoint an independent financial adviser to explain why the agreement requires a longer period and to confirm that it is normal business practice for agreements of this type to be of such duration.

Rule 14A.53 of the Listing Rules requires the listed issuer to set an annual cap for the continuing connected transactions. The annual cap must be: (1) expressed in monetary terms; (2) determined by reference to previous transactions and figures in the published information of the listed issuer's group. If there were no previous transactions, the annual cap must be set based on reasonable assumptions; and (3) approved by shareholders if the transaction requires shareholders' approval.

In accordance with Rule 14A.52 of the Listing Rules, the Company has appointed Donvex Capital Limited as its independent financial adviser to explain why the Contractual Arrangements require a period exceeding three years and to confirm that such arrangement is normal business practice for agreements of this type to be of such duration. The letter of advice from Donvex Capital Limited will be included in the circular to be despatched by the Company to the Shareholders in due course.

In addition, the Company will apply for the CCT Waiver from strict compliance with (i) the requirement of fixing the term of the Contractual Arrangements under Rule 14A.52 of the Listing Rules; and (ii) the requirement of setting a maximum aggregate annual cap for the fees payable by PRC Opco (SZ) to the TinyTiger Cos under the Exclusive Business Consultancy Services Agreement and the amount of loans to be made available by TinyTiger (SZ) to the PRC Registered Shareholders under the relevant Structured Contracts under Rule 14A.53 of the Listing Rules, details of which will be set out in the circular to be despatched by the Company in due course.

#### **XIV. GENERAL**

The General Meeting will be convened for the Independent Shareholders to consider and, if thought fit, approve, among others, the SPA and the transactions contemplated thereunder, including the grant of the Specific Mandate for the issue of the Consideration Shares.

The Independent Board Committee has been established to advise the Independent Shareholders as to the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares). The Independent Financial Adviser, Donvex Capital Limited, has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares).

A circular containing, among others, (i) further details of the Proposed Acquisition, the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares); (ii) further details of the Contractual Arrangements; and (iii) such other information as required to be disclosed under the Listing Rules, is expected to be despatched to the Shareholders on or before 29 May 2023.

Mr. Pang, an executive Director and a controlling shareholder of the Company, is the ultimate beneficial owner of Vendor 1. As such, Mr. Pang, who was present at the Board meeting was not counted in the quorum and he has abstained from voting at the Board meeting to approve the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares). Save as disclosed above, none of the Directors attending the Board meeting has a material interest in or is required to abstain from voting on the board resolutions to approve (a) the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares); and (b) the transactions under the Contractual Arrangements.

Shareholders who have a material interest are required to abstain from voting in respect of the resolution(s) in respect of the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares) at the General Meeting. As at the date of this announcement, Mr. Pang, is the beneficial owner of 1,400,000,000 Shares, representing approximately 70.1763% of the total issued share capital of the Company. Mr. Pang and his associates will abstain from voting on the resolution(s) to be proposed at the General Meeting in respect of the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares).

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the relevant resolution approving the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares) at the General Meeting.

**As completion of the Proposed Acquisition is conditional upon fulfilment of the Conditions set out in this announcement, the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## **XV. DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“CCT Waiver”	the waiver to be applied by the Company to the Stock Exchange from strict compliance with (i) the requirement of fixing the term of the Contractual Arrangements under Rule 14A.52 of the Listing Rules; and (ii) the requirement of setting a maximum aggregate annual cap for the fees payable by PRC Opco (SZ) to the TinyTiger Cos under the Exclusive Business Consultancy Services Agreement and the amount of loans to be made available by TinyTiger (SZ) to the PRC Registered Shareholders under the relevant Structured Contracts under Rule 14A.53 of the Listing Rules
“Company”	Asia Energy Logistics Group Limited 亞洲能源物流集團有限公司, a company incorporated in Hong Kong with limited liability whose issued Shares are listed on the Stock Exchange
“Completion”	completion of the Proposed Acquisition
“Completion Date”	the fifth Business Day after the fulfillment (or, where applicable, waiver) of all the Conditions or such other date as the Vendors and the Company may agree in writing as the date on which Completion shall take place
“Condition(s)”	condition(s) precedent to the Proposed Acquisition
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

“Consideration”	HK\$99,800,120, the total consideration for the Proposed Acquisition
“Consideration 1”	the consideration for the Sale Shares 1, being HK\$69,577,284
“Consideration 2”	the consideration for the Sale Shares 2, being HK\$11,198,880
“Consideration 3”	the consideration for the Sale Shares 3, being HK\$2,545,200
“Consideration 4”	the consideration for the Sale Shares 4, being HK\$1,527,120
“Consideration 5”	the consideration for the Sale Shares 5, being HK\$10,879,316
“Consideration 6”	the consideration for the Sale Shares 6, being HK\$4,072,320
“Consideration Shares”	an aggregate of 494,060,000 new Shares to be issued by the Company to the Vendors or their respective nominee(s) to settle the Consideration
“Contractual Arrangements”	the series of contractual arrangements entered into among TinyTiger (SZ), TinyTiger (Technology), PRC Opco (SZ) and the PRC Registered Shareholders, details of which are set out in the section headed “VI. Contractual Arrangements” in this announcement
“Director(s)”	director(s) of the Company
“Equity Pledge Agreement(s)”	the equity pledge agreement(s) dated 28 April 2023 and entered into between TinyTiger (SZ) and each of Ms. Quan and Mr. Zhou, details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 4. Equity Pledge Agreements” in this announcement
“Exclusive Business Consultancy Services Agreement”	the agreement dated 28 April 2023 and entered into among TinyTiger (SZ), TinyTiger (Technology) and PRC Opco (SZ) in relation to the provision of business consultancy services by the TinyTiger Cos to PRC Opco (SZ), details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 1. Exclusive Business Consultancy Services Agreement” in this announcement



“Exclusive Call Option Agreement”	the agreement dated 28 April 2023 and entered into among Ms. Quan, Mr. Zhou, PRC Opco (SZ) and TinyTiger (SZ), in relation to, among others, the grant of exclusive call option by the PRC Registered Shareholders to TinyTiger (SZ), details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 2. Exclusive Call Option Agreement” in this announcement
“Foreign Investment Law”	the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》)
“General Meeting”	the general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among others, the SPA and the transactions contemplated thereunder, including the grant of the Specific Mandate for the issue of the Consideration Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Ng Kwun Wan, Mr. Wong Cheuk Bun and Mr. Hon Ming Sang, and formed to advise the Independent Shareholders in relation to the SPA and the transactions thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares)
“Independent Financial Adviser”	Donvex Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser appointed to (A) advise on the terms and conditions of the SPA and the transactions contemplated thereunder (including the grant of the Specific Mandate for the issue of the Consideration Shares); and (B) explain why the Contractual Arrangements require a period exceeding three years and to confirm that such arrangement is normal business practice for agreements of this type to be of such duration

“Independent Shareholder(s)”	Shareholders who are not required under the Listing Rules to abstain from voting on the resolution(s) for approving, among others, the SPA and the transactions contemplated thereunder at the General Meeting
“Last Trading Day”	4 May 2023, being the last trading day on which the Shares were traded on the Stock Exchange immediately prior to the date of the SPA
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement(s)”	the loan agreement(s) dated 28 April 2023 and entered into between TinyTiger (SZ) and each of Ms. Quan and Mr. Zhou, details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 3. Loan Agreements” in this announcement
“Long Stop Date”	31 August 2023 (or such later date as the parties to the SPA may agree in writing)
“MOFCOM”	the Ministry of Commerce of the PRC
“Mr. Pang”	Mr. Pang Yuet (彭越), an executive Director and a controlling shareholder of the Company
“Mr. Zhou”	Mr. Zhou Ping (周平), the sole legal and beneficial owner of Vendor 4 and the registered shareholder of 3% equity interests of PRC Opco (SZ)
“Ms. Fan”	Ms. Fan Min (范敏), the spouse of Mr. Zhou
“Ms. Quan”	Ms. Quan Hong (權紅), the sole legal and beneficial owner of Vendor 2 and the registered shareholder of 97% equity interests of PRC Opco (SZ)
“NDRC”	the National Development and Reform Commission
“PRC”	The People’s Republic of China, and for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“PRC Registered Shareholders”	the persons with the PRC nationality who are the registered shareholders of PRC Opco (SZ) and hold the entire equity interests of PRC Opco (SZ), namely Ms. Quan (holding 97% equity interests in PRC Opco (SZ)) and Mr. Zhou (holding 3% equity interests in PRC Opco (SZ))
“PRC Legal Advisers”	Shu Jin Law Firm, the PRC legal advisers to the Company
“PRC Opco (CQ)”	虎諾互聯網科技(重慶)有限公司 (Hunuo Internet Technology (Chongqing) Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of PRC Opco (SZ)
“PRC Opco (SZ)”	深圳小虎電競網路有限公司 (Shenzhen TinyTiger E-sport Network Co., Ltd.*), a company established in the PRC
“PRC Opcos”	collectively, PRC Opco (SZ) and PRC Opco (CQ)
“Proposed Acquisition”	the proposed acquisition of the Target Company by the Company from the Vendors pursuant to the terms of the SPA
“Registered Shareholders Undertaking(s)”	the undertaking(s) dated 28 April 2023 and given by Ms. Quan and Mr. Zhou to TinyTiger (SZ) and TinyTiger (Technology), details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 6. Registered Shareholders Undertakings” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	35,290 Targetco Shares, representing 100% of the issued share capital of the Target Company
“Sale Shares 1”	24,603 Targetco Shares, representing approximately 69.72% of the total issued share capital of the Targetco which are owned by Vendor 1 as at the date of this announcement
“Sale Shares 2”	3,960 Targetco Shares, representing approximately 11.22% of the total issued share capital of the Targetco which are owned by Vendor 2 as at the date of this announcement
“Sale Shares 3”	900 Targetco Shares, representing approximately 2.55% of the total issued share capital of the Targetco which are owned by Vendor 3 as at the date of this announcement

“Sale Shares 4”	540 Targetco Shares, representing approximately 1.53% of the total issued share capital of the Targetco which are owned by Vendor 4 as at the date of this announcement
“Sale Shares 5”	3,847 Targetco Shares, representing approximately 10.90% of the total issued share capital of the Targetco which are owned by Vendor 5 as at the date of this announcement
“Sale Shares 6”	1,440 Targetco Shares, representing approximately 4.08% of the total issued share capital of the Targetco which are owned by Vendor 6 as at the date of this announcement
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shiyi Tuling”	深圳市拾壹圖靈網路科技有限公司 (Shenzhen Shiyi Tuling Network Technology Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of TinyTiger (Technology)
“SPA”	the sale and purchase agreement dated 5 May 2023 and entered into between the Company and the Vendors in relation to the Proposed Acquisition
“Specific Mandate”	the specific mandate to be obtained from the Independent Shareholders at the General Meeting to allot and issue the Consideration Shares
“Spousal Undertaking”	the spousal undertaking dated 28 April 2023 and given by Ms. Fan, the spouse of Mr. Zhou, to TinyTiger (SZ) and TinyTiger (Technology), details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 7. Spousal Undertaking” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Contracts”	collectively, the Exclusive Business Consultancy Services Agreement, the Exclusive Call Option Agreement, the Loan Agreements, the Equity Pledge Agreements, the Voting Rights Delegation Agreement, the Registered Shareholders Undertakings and the Spousal Undertaking

“Target Company”	Tinytiger Internet Technology Company Limited, a company incorporated in the Cayman Islands with limited liability
“Target Group”	the Target Company and its subsidiaries, including the PRC Opcos which are controlled by the Target Company through the Contractual Arrangements
“Target Group Company(ies)”	company(ies) within the Target Group
“Targetco Share(s)”	ordinary share(s) in the capital of the Target Company
“TinyTiger (BVI)”	TinyTiger E-sport Limited, a company incorporated in the BVI and a wholly-owned subsidiary of the Target Company
“TinyTiger (E-commerce)”	深圳市小虎電商科技有限公司 (Shenzhen TinyTiger E-commerce Technology Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of TinyTiger (Technology)
“TinyTiger (HK)”	TinyTiger E-sport Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of TinyTiger (BVI)
“TinyTiger (SG)”	TinyTiger Technology (Singapore) Pte. Ltd., a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of the Target Company
“TinyTiger (SZ)”	深圳市小虎商務諮詢有限公司 (Shenzhen TinyTiger Business Consultancy Co., Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Target Company
“TinyTiger (Technology)”	小虎互聯科技(深圳)有限公司 (TinyTiger Internet Technology (Shenzhen) Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of TinyTiger (HK)
“TinyTiger Cos”	collectively, TinyTiger (SZ) and TinyTiger (Technology)
“Vendor 1”	Jetport Development Limited 鉅寶發展有限公司, a company incorporated in the BVI with limited liability, and is wholly-owned by Mr. Pang, a connected person of the Company
“Vendor 2”	Bailan Limited, a company incorporated in the BVI with limited liability, and is wholly-owned by Ms. Quan

“Vendor 3”	Brim Elite Limited, a company incorporated in the BVI with limited liability, and is wholly-owned by Ms. Wu Ju (武桔)
“Vendor 4”	Zhouping Limited, a company incorporated in the BVI with limited liability, and is wholly-owned by Mr. Zhou
“Vendor 5”	Splitnew Limited 嶄新有限公司, a company incorporated in the BVI with limited liability, and is wholly-owned by Mr. Yuen Hoi Po (袁海波)
“Vendor 6”	Galaxy Bond Holdings Limited 銀邦控股有限公司, a company incorporated in the BVI with limited liability, and is wholly-owned by Mr. Xue Yuewu (薛躍武)
“Vendors”	collectively, Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5 and Vendor 6
“Voting Rights Delegation Agreement”	the shareholder voting rights delegation agreement dated 28 April 2023 and entered into among Ms. Quan, Mr. Zhou, TinyTiger (SZ) and PRC Opco (SZ), details of which are set out in the section headed “VI. Contractual Arrangements – A. Principal terms of each of the Structured Contracts – 5. Voting Rights Delegation Agreement” in this announcement
“%”	per cent.

\* For identification purpose only

By Order of the Board  
**Asia Energy Logistics Group Limited**  
**Pang Yuet**  
*Chairman and Executive Director*

Hong Kong, 5 May 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Pang Yuet, Mr. Sun Peng and Mr. Hui Wai; and the independent non-executive directors of the Company are Mr. Ng Kwun Wan, Mr. Wong Cheuk Bun and Mr. Hon Ming Sang.*