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**FingerTango Inc.**

指尖悅動控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6860)**

## **ANNOUNCEMENT**

This announcement is made by FingerTango Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) in accordance with Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (“**SFO**”), and also pursuant to Rule 13.51B(2) of the Listing Rules in relation to the details required to be disclosed under Rule 13.51(2)(u) of the Listing Rules.

References are made to the announcements of the Company dated 17 April 2023 and 18 April 2023 (collectively, the “**Announcements**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

## **PETITION**

On 6 October 2023, the Company was served with a petition dated 6 October 2023 (the “**Petition**”) with the SFC as petitioner, (i) the Company as the 1st respondent; (ii) Mr. Liu Jie (“**Mr. Liu**”), the chairman of the Board, chief executive officer and executive Director of the Company, as the 2nd respondent; and (iii) seven former directors of the Company (the “**Former Directors**”) as the other respondents.

In the Petition, the SFC refers to two corporate activities conducted by the Group: (a) the subscription (“**Leading Global Subscription**”) of wealth management product issued by Leading Global Fund SPC (“**Leading Global**”) in the principal amount of HK\$450 million (which was disclosed in the announcement of the Company dated 14 June 2019); and (b) the subscription (“**Orbitronic Subscription**”) of secured notes (the “**Notes**”) issued by Orbitronic Global Development Co., Limited (“**Orbitronic Global**”) in the principal amount of HK\$250 million (which was disclosed in the announcement of the Company dated 13 December 2019). Among others, the SFC alleged that:

- (1) The Leading Global Subscription was made without conducting proper due diligence about Leading Global such as its track record and portfolio.
- (2) The Company did not have knowledge about, among others, the business of Orbitronic Global and the details about the trade receivables charged to the Company as security for the Notes. The Company had not conducted an independent verification exercise of the authenticity and recoverability of the trade receivables. As the Notes remain outstanding, the Company has suffered loss and damages in the amount of HK\$250 million plus interest.
- (3) In relation to the Leading Global Subscription, Mr. Liu and the Former Directors failed to, among others, (i) carry out, or cause to be carried out, proper procedures and due inquiries and diligence before allowing or permitting the Company to enter into the relevant subscription agreement; and (ii) ensure that an effective operational and internal control system had been put in place in the Company.
- (4) In relation to the Orbitronic Subscription, Mr. Liu and the Former Directors failed to, among others, (i) carry out, or cause to be carried out, proper procedures and due inquiries and diligence before allowing or permitting the Company to enter into the relevant subscription agreement and the relevant security documents; (ii) properly assess the suitability of the Notes as an investment, Orbitronic Global’s ability to repay the Company upon the maturity date of the Notes, and to verify the authenticity and recoverability of the trade receivables; and (iii) ensure that an effective operational and internal control system had been put in place in the Company.
- (5) Each of Mr. Liu and the Former Directors was wholly or partly responsible for the business or affairs of the Company having been conducted as aforesaid and therefore are liable to compensate or make good the losses suffered by the Company in the sum of HK\$250 million arising from the Orbitronic Subscription.

The SFC seeks, inter alia, (i) a disqualification order against each of Mr. Liu and the Former Directors; (ii) a compensation order that each of Mr. Liu and the Former Directors shall pay the Company loss suffered from the Orbitronic Subscription, in the aggregate amount of HK\$250 million with interest thereon on a joint and several basis; and (iii) an order that the Company shall appoint an external auditor (after consultation with the SFC) to review and prepare a report on its internal control procedures.

The Petition will be heard at the High Court of Hong Kong on 23 May 2024. In this regard, the Company is currently seeking legal advice.

The Board preliminarily considers that the Petition will not have any material and adverse impact on or disrupt the Company's daily operations and business. The Company will make further announcement(s) to update the shareholders and investors on any further developments on the Petition in accordance with the Listing Rules and the SFO.

Shareholders and potential investors of the Company are advised to exercise caution when dealing with the shares of the Company.

By order of the Board  
**FingerTango Inc.**  
**LIU Jie**  
*Chairman and Chief Executive Officer*

Guangzhou, the People's Republic of China, 8 October 2023

*As at the date of this announcement, the Board comprises Mr. LIU Jie and Dr. Chan Man Fung as executive Directors and Mr. Chow Wing Yiu, Mr. Jiang Huihui and Mr. Shin Ho Chuen as independent non-executive Directors.*