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**ORIENTAL PAYMENT GROUP HOLDINGS LIMITED**

**東方支付集團控股有限公司**

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

**(Stock Code: 8613)**

**DISCLOSEABLE TRANSACTION  
ACQUISITION OF 33% OF THE ENTIRE ISSUED SHARE CAPITAL OF  
THE TARGET COMPANY**

**SHARE PURCHASE AGREEMENTS**

The Board is pleased to announce that after trading hours on 29 October 2019, the Company entered into the Share Purchase Agreements with each of the Vendors respectively, pursuant to which the Company conditionally agreed to acquire, and the Vendors conditionally agreed to sell, the Sale Shares at a total consideration of HK\$2,200,000 subject to the terms and conditions of the Share Purchase Agreements.

**SHAREHOLDERS' AGREEMENT**

The Board is pleased to announce that after trading hours on 29 October 2019, the Company, the Vendors and the Target Company entered into the Shareholders' Agreement in relation to, among other matters, the management of the Target Company and the relationship among the shareholders of the Target Company, in accordance with the terms of the Share Purchase Agreements.

**GEM LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios (as defined in Rule 19.07 of the GEM Listing Rules) exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

**GENERAL**

**As Completion is subject to the fulfilment (or waiver, as the case may be) of the conditions precedent to the Share Purchase Agreements, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## **THE ACQUISITION**

The Board is pleased to announce that after trading hours on 29 October 2019, the Company entered into the Share Purchase Agreements with each of the Vendors respectively, pursuant to which the Company conditionally agreed to acquire, and the Vendors conditionally agreed to sell, the Sale Shares at a total consideration of HK\$2,200,000 subject to the terms and conditions of the Share Purchase Agreements.

Save as otherwise stated, the terms and conditions of the Share Purchase Agreements are substantially identical, the principal terms and conditions of which are set out below:

### **SHARE PURCHASE AGREEMENTS**

**Date:** : 29 October 2019 (after trading hours)

**Parties:** : (i) Each of the Vendors; and  
(ii) the Company

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Vendors and their respective ultimate beneficial owners, if any, are third parties independent of and not connected with the Company and its connected persons.

### **Assets to be acquired**

Pursuant to the terms and conditions of the Share Purchase Agreements, the Company conditionally agreed to acquire, and the Vendors conditionally agreed to sell, the Sale Shares, representing an aggregate of 33% of the entire issued share capital of the Target Company as at the date of this announcement.

### **Consideration**

The aggregate Consideration for the Acquisition shall be HK\$2,200,000 payable by the Company as to HK\$1,100,000 to each of the Vendors in cash to be financed by the internal resources of the Company upon Completion.

The Consideration was determined after arm's length negotiations between the Vendors and the Company after taking into account, among other matters, the net book value as at 30 June 2019, and the future development potential of the Target Company.

## Conditions precedent

Completion shall be subject to and conditional upon the satisfaction (or waiver, as the case may be) of the following conditions, among others:

- (a) the procurement of each of the Vendors to execute and complete the respective Share Purchase Agreements (as the case may be) simultaneously;
- (b) the Target Company having obtained, and at all times having complied with, and having done all that is necessary to maintain in full force and effect, any authorisation required under any applicable law to (i) enable the Company to be registered as holder of any and all of the Sale Shares; (ii) give effect to all transactions contemplated under the Share Purchase Agreements; and (iii) carry on its business activities and operations in the usual way so as to undertake and maintain its Business as a going concern, such authorisation not having been revoked, expired, amended or withdrawn on or before the Completion Date and remaining valid and in full force and effect, where applicable;
- (c) evidence of payment by the Vendors of their respective portion of taxes in accordance with the terms of the Share Purchase Agreements in respects of the Acquisition;
- (d) the results of a due diligence exercise over the Target Company and investigations on its controlling shareholders and their associates, its executive directors and key executive officers (the “**Due Diligence Investigations**”), being satisfactory to the Company;
- (e) the rectification, or the procurement of such rectification, to the satisfaction of the Company, by the Vendors, of all issues or irregularities uncovered by the Company and its representatives during the Due Diligence Investigations on the Target Company and its controlling shareholders or the provision of such representation, warranty or indemnity by the Vendors, acting reasonably, to the Company to address any such issues or irregularities, to the satisfaction of the Company;
- (f) there not having occurred any matter, fact or circumstance which, in the opinion of the Company, results in, or is reasonably likely to result in (i) the revocation or cancellation of, or amendment to the terms of any licence, permit or ruling held by the Target Company which is applicable or necessary to the Target Company to conduct its Business or to own its assets or properties; or (ii) an adverse effect on the Business, operations, assets, financial condition and/or prospects of the Target Company taken as a whole;
- (g) the receipt by the Company of a written confirmation issued by the Vendors in accordance with the terms of the Share Purchase Agreements in relation to, among others, the representations, warranties and undertakings of the Vendors;

- (h) all necessary approvals, waivers and consents having been granted (and not having been withdrawn, suspended, amended or revoked) by the relevant governmental authorities for conducting the Business by the Target Company and to give effect to the Acquisition, and such approvals, waivers or consents remaining valid and in full force and effect, where applicable;
- (i) Vendor A having duly appointed a process agent; and
- (j) none of the Vendors having breached, in any respect, any provision of the Share Purchase Agreements.

Each of the Vendors shall use his/her best endeavours to procure satisfaction of each of the above conditions precedent on or before the Long Stop Date. Save for the aforesaid conditions precedent (b) and (h) which cannot be waived, the Company may, at any time on or before the Long Stop Date, waive any of the aforesaid conditions precedent in whole or in part in writing.

If the aforesaid conditions precedent have not been satisfied (or waived, as the case may be) on or before the Long Stop Date, the Share Purchase Agreements and the transactions contemplated thereunder shall terminate (save and except certain clauses which survive termination and shall continue to have full force and effect) and no parties thereto shall have any obligations and liabilities to the other party, save in respect of any antecedent breaches of the terms thereof.

### **Completion**

Completion shall take place on the fifth (5th) Business Day from the date on which the Company informs each of the Vendors in writing that all the conditions precedent under the respective Share Purchase Agreements have been satisfied (or waived, as the case may be), or such other date as the Vendors and the Company may agree in writing.

Following Completion, the Target Company will be owned by Vendor A, Vendor B and the Company as to 33.5%, 33.5% and 33% respectively. The Target Company will only be accounted for as an associate of the Company and its financial results will not be consolidated with the Group's accounts.

### **Non-Competition Undertaking**

Pursuant to the terms and conditions of the Share Purchase Agreements, each of the Vendors undertakes to the Company that save in respect of the Target Company, he/she shall not, and shall procure that his/her affiliates shall not, within two (2) years after the Completion Date, among others, (i) establish, carry on, be engaged in or be economically interested in any entity or person that engages in a business which is similar to or competitive with the Business in all jurisdictions; or (ii) in competition with the Business, canvass or solicit the custom of any person, firm or company who is, or was within two (2) years prior to Completion, a customer or supplier of the Target Company; or (iii) induce or seek to induce engagement or employment of any employees of the Target Company who has access to trade secrets or other confidential information of the Target Company; has participated in discussions relating to the transactions contemplated under the Share Purchase Agreements; or holds the position of manager or higher.

## **Board Composition and Management Control**

Pursuant to the terms of the Share Purchase Agreements, the Company is entitled to nominate one (1) director of the Target Company. Upon Completion, Mr. Lin Xiaofeng (being the executive Director) shall be nominated as a director of the Target Company accordingly.

## **SHAREHOLDERS' AGREEMENT**

The Board is pleased to announce that after trading hours on 29 October 2019, the Company, the Vendors and the Target Company entered into the Shareholders' Agreement in relation to, among other matters, the management of the Target Company and the relationship among the shareholders of the Target Company, in accordance with the terms of the Share Purchase Agreements.

Principal terms and conditions of the Shareholders' Agreement are set out below:

**Effective Date:** The Shareholders' Agreement shall take effect from the Completion Date.

**Board composition and director nomination right:** The board of directors of the Target Company shall be composed of a maximum of three (3) directors, consisting of one (1) director nominated by the Company; and two (2) directors jointly nominated by the Vendors.

**Pre-emptive right:** The Company and its affiliates, followed by the remaining shareholders of the Target Company, have pre-emptive rights to subscribe for any new Target Company Instruments with respect to any future new issues of such Target Company Instruments after the Completion Date.

**Right of first refusal:** If any of the Vendors proposes to transfer all or part of his/her Target Company Instruments to a third party other than a shareholder of the Target Company, then such transferring Vendor shall notify the Target Company and the other shareholders of the Target Company with details of the proposed transfer. The other shareholders of the Target Company may exercise their right to acquire all or part of such Target Company Instruments proposed to be transferred from such transferring Vendor *pro rata* to his/her/its shareholding in the Target Company on the same proposed terms.

**Tag-along right:** If any of the Vendors proposes to transfer all or part of his/her Target Company Instruments to a third party other than a shareholder of the Target Company, the other shareholders of the Target Company shall have, in addition to their right of first refusal above, the right to participate in such transfer with respect to any Target Company Instruments held by such other shareholders, based on their respective *pro rata* shareholding in the Target Company.

**Mandatory transfers  
by the Vendors:**

In the event that any of the Vendors (i) ceases to be an employee of the Target Company without cause or with the approval of the board and the Company; or (ii) is removed as a director of the Target Company other than for his/her misconduct, negligence or fraud, or resigns as a director of the Target Company with the approval of the board and the Company, within twelve (12) months of the Completion Date, the Company shall be entitled (but not obliged) to purchase all or part of the Target Company Instruments held by such leaving Vendor.

In the event that any of the Vendors (i) ceases to be an employee of the Target Company for cause or without the approval of the board and the Company; or (ii) is removed as a director of the Target Company for his/her misconduct, negligence or fraud, or resigns as a director of the Target Company without the approval of the board and the Company, within twelve (12) months of the Completion Date, the Target Company shall have the right to buy back all or part of the Target Company Instruments held by such leaving Vendor. The Company shall be entitled (but not obliged) to purchase the Target Company Instruments held by such leaving Vendor *pro rata* to its shareholding in the Target Company if the Target Company does not exercise such right.

**Non-competition:**

Each of the Vendors agrees that he/she (or his/her spouse) will not, and will procure his/her affiliates will not (so long as he/she is an employee, a director or a shareholder of the Target Company and for a period of two (2) years after such Vendor ceases to be employed by, or serve as a director of, the Target Company, or hold any shares in the Target Company, as the case may be), among others, (a) set up, solicit business, render any services to, engage in or have any affiliation in, any business or endeavour which is engaged in the business of a similar nature as the Business or competitive with the Target Company; and (b) assume management, directorship, or lead responsibility in any other business of a similar nature as the Business or competitive with the Target Company, except on behalf of the Target Company and with the prior written approval of the Company.

**Reserved matters:**

The Target Company, its shareholders, directors, or any of their respective delegates shall not undertake various reserved matters without the Company's affirmative written consent or approval in board or shareholders' meetings, which include but not limited to any change in its capital structure, amendment of its constitutional documents, material change in Business, approval of budgets, change in the size of its board, material external investments and incurring material debt, etc.

## **INFORMATION OF THE COMPANY AND THE GROUP**

The Company is principally engaged in investment holding, while the Group is principally engaged in merchant acquiring business in Thailand (the “**Merchant Acquiring Business**”).

## **INFORMATION OF THE TARGET COMPANY AND THE VENDORS**

The Target Company is principally engaged in the business of development of e-commerce applications, specifically for online alternative payment and settlement and development of software and programmes, specifically software solution and internet content development.

As at the date of this announcement, the Target Company is owned by Vendor A and Vendor B as to 50% and 50% respectively. Vendor B is currently a director and the chief executive officer of the Target Company.

## **FINANCIAL INFORMATION OF THE TARGET COMPANY**

Set out below is the unaudited financial information of the Target Company prepared in accordance with the applicable accounting standard in Singapore:

	<b>For the year ended 30 June</b>	
	<b>2018</b>	<b>2019</b>
	<i>(S\$)</i>	<i>(S\$)</i>
	(unaudited)	(unaudited)
Profit before taxation	283,534	299,885
Profit after taxation	243,534	259,885

As disclosed above, the profits before taxation of the Target Company for the two years ended 30 June 2019 are S\$283,534 (equivalent to approximately HK\$1,610,473) and S\$299,885 (equivalent to approximately HK\$1,703,347) respectively, while the profits after taxation of the Target Company for the two years ended 30 June 2019 are S\$243,534 (equivalent to approximately HK\$1,383,273) and S\$259,885 (equivalent to approximately HK\$1,476,147) respectively.

The unaudited net asset values of the Target Company as at 30 June 2018 and 30 June 2019 were approximately S\$816,467 (equivalent to approximately HK\$4,637,533) and S\$1,076,352 (equivalent to approximately HK\$6,113,679) respectively.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE ENTERING INTO OF THE SHAREHOLDERS’ AGREEMENT**

The Group is principally engaged in the Merchant Acquiring Business. As disclosed in the prospectus of the Company dated 27 September 2018, in view of the high level of competition in Thailand’s merchant acquiring market in recent years and the proliferation of mobile internet and e-commerce in Thailand, the Group has been deploying resources in updating and enhancing functions for its POS terminals and other equipment to capture on going market demand arising from the technological development in alternative payment method and has been actively identifying business opportunities to expands its Merchant Acquiring Business.

In light of the principal engagement in the business of development of e-commerce applications, specifically for online alternative payment and settlement and development of software and programmes, specifically software solution and internet content development by the Target Company, the Board believes that the Acquisition represents a viable business opportunity for the Group to strengthen its Merchant Acquiring Business and the investment in the Target Company will complement its existing services to provide more comprehensive, up-to-date and high quality merchant acquiring services to its customers in Thailand and other countries in the Association of Southeast Asian Nations. The Board considers that the entering into of the Shareholders' Agreement would allow the Company to regulate the management and operation of the Target Company and to protect the interests of the Company as a shareholder holding 33% of the total issued share capital of the Target Company upon Completion.

Having considered the above, the Board is of the view that the terms of the Share Purchase Agreements (including the amount of the Consideration), the Shareholders' Agreement, and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios (as defined in Rule 19.07 of the GEM Listing Rules) exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

## **GENERAL**

**As Completion is subject to the fulfilment (or waiver, as the case may be) of the conditions precedent to the Share Purchase Agreements, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Acquisition”	acquisition of the Sale Shares pursuant to the Share Purchase Agreements
“Board”	board of Director(s)



“Business”	the principal business in which the Target Company is engaged (including but not limited to the business of development of e-commerce applications, specifically for online alternative payment and settlement), together with its assets, as at the date of this announcement
“Business Day(s)”	a day on which commercial banks are open for business in Singapore and Hong Kong (other than Saturdays, Sundays or public holidays)
“Company”	Oriental Payment Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on GEM with stock code: 8613
“Completion”	completion of the Acquisition pursuant to the Share Purchase Agreements
“Completion Date”	the date on which Completion takes place
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	consideration for the sale and purchase of the Sale Shares payable by the Company to each of Vendor A and Vendor B pursuant to the Share Purchase Agreements
“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Long Stop Date”	31 December 2019 or such other date as the Vendors and the Company may mutually agree in writing
“POS”	point-of-sale, the location where a transaction occurs
“S\$”	Singapore dollars, the lawful currency of Singapore

“Sale Shares”	a total of 235,950 ordinary shares of the Target Company which are beneficially owned by Vendor A and Vendor B as to 117,975 shares and 117,975 shares respectively, representing an aggregate of 33% of the entire issued share capital of the Target Company as at the date of this announcement
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement dated 29 October 2019 entered into among the Company, the Vendors and the Target Company in relation to, among other matters, the management of the Target Company and the relationship among the shareholders of the Target Company
“Share Purchase Agreement I”	the conditional share purchase agreement dated 29 October 2019 entered into between the Company and Vendor A in relation to the acquisition of 117,975 ordinary shares in the Target Company, representing 16.5% of the entire issued share capital of the Target Company, by the Company from Vendor A on similar terms with Share Purchase Agreement II
“Share Purchase Agreement II”	the conditional share purchase agreement dated 29 October 2019 entered into between the Company and Vendor B in relation to the acquisition of 117,975 ordinary shares in the Target Company, representing 16.5% of the entire issued share capital of the Target Company, by the Company from Vendor B on similar terms with Share Purchase Agreement I
“Share Purchase Agreements”	collectively, the Share Purchase Agreement I and the Share Purchase Agreement II
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Alldebit Pte. Ltd., a company incorporated in Singapore with limited liability, comprising 715,000 issued shares, 357,500 of which are owned by Vendor A and 357,500 of which are owned by Vendor B respectively, as at the date of this announcement
“Target Company Instruments”	any shares, securities, rights, options, warrants, appreciation rights or other convertible or exchangeable instruments in the Target Company

“Vendor A”	Ms. Jiang Zhengyan
“Vendor B”	Mr. Tham Kar Wai Derrick (Tan Jiawei Derrick)
“Vendor(s)”	collectively, Vendor A and Vendor B
“%”	per cent.

*For the purpose of this announcement, the exchange rate of S\$1 = HK\$5.68 has been used for currency conversions. This is for the purpose of illustration only and does not constitute a representation that any amounts in S\$ or HK\$ have been, could have been or may be converted at such rate or any other exchange rate.*

*Save for the exchange rate, all numerical figures have been rounded to the nearest integer in this announcement.*

By order of the Board  
**Oriental Payment Group Holdings Limited**  
**Lin Xiaofeng**  
*Executive Director*

Hong Kong, 29 October 2019

*As at the date of this announcement, the Board comprises Mr. Lin Xiaofeng as executive Director, Mr. Xiong Wensen as non-executive Director and Mr. Chung, Wai Chuen Alfred, Ms. Huang Ping and Mr. Ng Ka Po as independent non-executive Directors.*

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

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company at [www.ocg.com.hk](http://www.ocg.com.hk).*