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JOINT ANNOUNCEMENT

COMPLETION OF PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE BY OPG AND FURTHER INFORMATION ON OPG'S USE OF PROCEEDS FROM THE PLACING

Reference is made to the joint announcement (the “**Joint Announcement**”) issued by Oriental Payment Group Holdings Limited (“**OPG**”) and China Smartpay Group Holdings Limited (“**CSG**”) dated 10 June 2020 in relation to, among others, (i) the placing of convertible bonds (the “**Convertible Bonds**”) in an aggregate principal amount of up to HK\$11,850,000 to not less than six placees by OPG through SBI China Capital Financial Services Limited as the placing agent on the best effort basis; and (ii) the deemed disposal of the shareholding interest of CSG in OPG as a result of the dilution of CSG’s shareholding interest in OPG upon the allotment and issue of the Conversion Shares (as defined in the Joint Announcement) assuming full exercise of the Conversion Rights (as defined in the Joint Announcement). Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

COMPLETION OF PLACING OF CONVERTIBLE BONDS

The OPG Board is pleased to announce that the conditions precedent to the Completion as set out in the Placing Agreement have been fulfilled and that the Completion took place on 26 June 2020.

The Convertible Bonds in an aggregate principal amount of HK\$11,850,000 have been successfully placed to not less than six Placees who, and where applicable, whose ultimate beneficial owners, are third parties independent of and not connected with OPG, CSG and/or any of their respective connected person(s), and that they are not acting in concert (as defined in the Takeovers Code) with OPG, CSG and/or any of their respective connected person(s) in relation to the control of OPG.

EFFECT ON THE SHAREHOLDING STRUCTURE OF OPG

The aggregate number of OPG Shares which may fall to be issued upon conversion in full of the Convertible Bonds at the initial Conversion Price of HK\$0.15 per OPG Share is 79,000,000 OPG Shares, representing 7.9% of OPG's existing issued share capital and approximately 7.32% of its issued share capital as enlarged by the allotment and issue of the Conversion Shares (assuming that there will be no other change to the issued share capital of OPG between the date of this joint announcement and the full conversion of the Convertible Bonds).

As at the date of this joint announcement, OPG has 1,000,000,000 OPG Shares in issue. The following table illustrates the shareholding structure of OPG (i) as at the date of this joint announcement; and (ii) upon conversion in full of the Convertible Bonds (assuming that there will be no other change to the issued share capital of OPG between the date of this joint announcement and the full conversion of the Convertible Bonds):

	As at the date of this joint announcement		Upon full conversion of the Convertible Bonds	
	<i>Number of OPG Shares</i>	<i>Shareholding percentage</i>	<i>Number of OPG Shares</i>	<i>Approximate shareholding percentage (Note 3)</i>
Shareholders				
Charm Act (<i>Note 1</i>)	325,000,000	32.50	325,000,000	30.12
Straum Investments Limited (<i>Note 2</i>)	157,500,000	15.75	157,500,000	14.60
The Placees	–	–	79,000,000	7.32
Other public OPG Shareholders	517,500,000	51.75	517,500,000	47.96
Total	<u>1,000,000,000</u>	<u>100</u>	<u>1,079,000,000</u>	<u>100</u>

Notes:

1. Charm Act is wholly owned by CSG. Accordingly, CSG is deemed to be interested in such 325,000,000 OPG Shares held by Charm Act for the purpose of SFO.
2. Straum Investments Limited is wholly owned by Mr. Yu Chun Fai. Accordingly, Mr. Yu Chun Fai is deemed to be interested in such 157,500,000 OPG Shares held by Straum Investments Limited for the purpose of SFO. On the other hand, Ms. Choi Hiu Wa is the wife of Mr. Yu Chun Fai and hence Ms. Choi Hiu Wa is deemed to be interested in such 157,500,000 OPG Shares due to the interest of her spouse (i.e. Mr. Yu Chun Fai) for the purpose of SFO.
3. The percentage figures are subject to rounding adjustments.

FURTHER INFORMATION ON THE INTENDED USE OF PROCEEDS BY OPG

As disclosed in the Joint Announcement, the net proceeds (after deducting estimated expenses incurred) of approximately HK\$11,650,000 are intended to be applied as general working capital for OPG's existing business operation, development and expansion. In addition, the Group would, as previously disclosed, proactively seek business opportunities that would contribute and sustain its future development. Accordingly, OPG intends to apply (i) approximately HK\$9,000,000 of the net proceeds for exploring investment opportunities in online and offline payment related business in Asia Pacific so as to diversify and expand its existing merchant acquiring business; and (ii) the remaining part of the net proceeds for general working capital.

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

By Order of the Board
Oriental Payment Group Holdings Limited
Song Qian
Chairlady

Hong Kong, 26 June 2020

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

As at the date of this joint announcement, the CSG Board comprises (i) Mr. Yan Dinggui, Ms. Song Qian, Mr. Song Xiangping, Mr. Lin Xiaofeng and Mr. Liu Liang as executive directors; and (ii) Mr. Wang Yiming, Mr. Lu Dongcheng and Dr. Yuan Shumin as independent non-executive directors.

This joint announcement, for which the OPG Directors and CSG 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 OPG and CSG, respectively. The OPG Directors and CSG Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this joint announcement misleading.

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