

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares or other securities of the Company.



ORIENTAL PAYMENT GROUP

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)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Financial adviser to the Company



Diligent Capital Limited

THE SUBSCRIPTION

The Board announces that on 21 December 2022, the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to issue to the Subscribers, and the Subscribers have conditionally agreed to subscribe for, the Subscription Shares, being a total of 35,400,000 new Shares.

The Subscription Shares will be allotted and issued by the Company to the Subscribers under the General Mandate.

As at the date of this announcement, the Company has 1,348,000,000 Shares in issue. Assuming that there will be no change to the total issued share capital of the Company between the date of this announcement and the Completion Date, the Subscription Shares represent (i) approximately 2.63% of the existing total issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.56% of the total issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after the Completion.

Completion is conditional upon and subject to the fulfilment of the Conditions Precedent. If any of the Conditions Precedent is not fulfilled on or before the Long Stop Date, the Subscription Agreements will lapse and become null and void and the parties to the Subscription Agreements will be released from all obligations thereunder, save for the liabilities for any antecedent breaches thereof.

The gross proceeds from the Subscription amount to approximately HK\$4.67 million, while the net proceeds from the Subscription are estimated to be approximately HK\$4.64 million after deducting the estimated expenses for the Subscription. The Company intends to apply the net proceeds from the Subscription for the repayment of part of the Group's current debt, where to the extent that any part of the net proceeds is not applied for such purpose, such proceeds are intended to be applied for general working capital of the Group and/or any investment opportunities in payment related business as identified by the Group from time to time.

An application will be made by the Company to the Stock Exchange for the grant of listing of, and permission to deal in, the Subscription Shares.

GENERAL

As Completion is conditional upon fulfilment of the Conditions Precedent as set out in the paragraphs headed "Conditions Precedent" below, the Subscription may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

THE SUBSCRIPTION

On 21 December 2022, the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to issue to the Subscribers, and the Subscribers have conditionally agreed to subscribe for, the Subscription Shares.

The Subscription Agreements

Principal terms and conditions of the Subscription Agreements are summarised as follows:

Date : 21 December 2022

Parties : (1) the Company; and
(2) the Subscribers.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscribers and their ultimate beneficial owners are Independent Third Parties.

Subscription

Subject to the fulfilment of the Conditions Precedent and the terms and conditions of the Subscription Agreements, the Company agreed to allot and issue to the Subscribers, and the Subscribers agreed to subscribe for, the Subscription Shares, being a total of 35,400,000 new Shares, representing approximately 2.63% of the total issued share capital of the Company as at the date of this announcement.

Number of Subscription Shares

As at the date of this announcement, the Company has a total of 1,348,000,000 Shares in issue. Assuming that there will be no other changes to the total issued share capital of the Company between the date of this announcement and the Completion Date, the Subscription Shares represent (i) approximately 2.63% of the existing total issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.56% of the total issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after the Completion.

The aggregate nominal value of the Subscription Shares will be HK\$354,000.

The Subscription Shares, when issued and fully paid up, shall rank pari passu in all respects and inter se and with all other Shares then in issue.

An application will be made by the Company to the Stock Exchange for the grant of listing of, and permission to deal in, the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.132 per Subscription Shares represents:

- (i) a discount of approximately 20% to the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on 20 December 2022, being the last trading day immediately preceding the date of the Subscription Agreements; and
- (ii) a discount of approximately 15.92% to the average closing price of HK\$0.157 per Share as quoted on the Stock Exchange for the five trading days immediately preceding the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to, among other matters, the prevailing market price and the recent trading volume of the Shares.

Taking into account the estimated expenses for the Shares Subscription of approximately HK\$30,000, comprising fees, costs, charges and expenses of the Subscription, the net price of each Subscription Share amounts to approximately HK\$0.131 per Subscription Share.

Conditions Precedent

Completion shall be subject to the fulfilment of the following conditions:

- (a) the GEM Listing Committee shall have granted (either unconditionally or subject only to conditions to which neither the Company nor the Subscribers shall reasonably object) the listing of, and permission to deal in, the Subscription Shares;
- (b) the Company and the Subscribers shall have complied with all the requirements under the GEM Listing Rules in connection with the Shares Subscription and the approval of the Board shall have been obtained; and
- (c) any other necessary approvals, consents and/or waivers by the relevant governmental or regulatory authorities or bodies or such other third parties as may be required by applicable laws, rules or regulations for the Share Subscription shall have been obtained.

If any of the Conditions Precedent is not fulfilled on or before the Long Stop Date, the Subscription Agreements will lapse and become null and void and the parties to the Subscription Agreements will be released from all obligations and liabilities thereunder, save for the liabilities for any antecedent breaches thereof.

As at the date of this announcement, save and except for Condition Precedent (a) which has yet to be satisfied, all other aforesaid Conditions Precedent have been fulfilled.

Completion

Subject to the fulfilment of the Conditions Precedent, Completion shall take place on the Completion Date, at such place and at such time as the Company and the Subscribers may agree, and each party to the Subscription Agreements shall perform its obligations in relation to Completion as set out in the Subscription Agreements.

Without prejudice to any other remedies available to either the Company or the Subscribers, if the requirements set out in the Subscription Agreements are not complied with in any respect by either the or the Subscribers on the Completion Date, the non-defaulting party may:–

- (a) proceed to the Completion so far as practicable and in any case without prejudice to its rights under the Subscription Agreements; or
- (b) postpone the Completion to a date (being a Business Day) falling not more than 30 days after the date set for the Completion in accordance with the Subscription Agreements; or
- (c) rescind the Subscription Agreements without liability to the non-defaulting party whereupon and from such date the provisions of the Subscription Agreements (other than the confidentiality provision which shall remain in full force and effect) shall have no effect and no party to the Subscription Agreements shall have any liability under them (without prejudice to the rights of either party to the Subscription Agreements in respect of any antecedent breach of any provisions of the Subscription Agreements).

Lock-up undertakings by the Subscriber A

The Subscriber A undertakes to the Company that for a period of 2 years from the date of Completion, it will not and will procure that none of its nominees and companies controlled by it and trusts associated with it (whether individually or together and whether directly or indirectly) will:

- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) the Subscription Shares; or
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of Subscription Shares; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above,

unless with the prior written consent of the Company.

General Mandate to allot and issue the Subscription Shares

The Placing Shares will be allotted and issued by the Company to the Placee(s) under the General Mandate, pursuant to which the Directors are authorised to allot, issue and otherwise deal with up to 240,000,000 Shares, representing 20% of the total number of issued Shares as at the annual general meeting of the Company held on 30 September 2022 approving, among other matters, the granting of the General Mandate.

Following completion of the placing of 148,000,000 new Shares on 2 November 2022, 148,000,000 Shares out of the General Mandate has been utilized by the Company. Details of such placing of new Shares are set out in the announcements of the Company dated 7 October 2022, 21 October 2022 and 2 November 2022, respectively.

As at the date of this announcement, 92,000,000 Shares out of the General Mandate has not been utilized by the Company. Assuming that the Placing will be completed before the Completion Date and a maximum number of 35,000,000 would be successfully placed, 57,000,000 Shares out of the General Mandate shall remain unutilized, therefore, the Subscription is not subject to the approval of the Shareholders.

Reasons for the Subscription and intended use of proceeds by the Company

As disclosed in the announcement of the Company dated 7 October 2022, the Company entered into a placing agreement with the Placing Agent and Global Mastermind Securities Limited in relation to a placing of new Shares under General Mandate of up to a maximum of 240,000,000 Shares to not less than six places at the placing price of HK\$0.1 per placing share on a best effort basis (the “**Previous Placing**”), and the use of net proceeds from such placing is the same as that of the Placing as set out in this announcement. However, only a total of 148,000,000 placing Shares were successfully placed and the Previous Placing was completed on 2 November 2022.

Having considered that the cash balance of the Group, the current liabilities of the Group and the adverse impact on the Group’s business and operations brought by the prolonged effect of the COVID-19 pandemic as well as the ever-changing public health measures implemented by the local government of Thailand from time to time, the Directors are of the view that despite the existing cash resources held by the Group, it would be desirable for the Group to raise and reserve sufficient cash for satisfying the imminent cash flows needs of the Group in a timely manner with view to strengthening the financial position of the Group and for its general working capital so as to accommodate the operating cashflow needs. Therefore, the Directors considered that the Subscription represents a good opportunity for the Group to achieve the aforesaid purposes.

The Directors consider that the Subscription offers a good opportunity to raise further capital in a relatively cost-effective and time efficient manner in support of its need in business operation. The Directors also consider that the terms of the Subscription Agreements (including but not limited to the Subscription Price) are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Subscription amount to approximately HK\$4.67 million, while the net proceeds from the Subscription are estimated to be approximately HK\$4.64 million after deducting the estimated expenses for the Subscription. The Company intends to apply the net proceeds from the Subscription for the repayment of part of the Group’s current debt, where to the extent that any part of the net proceeds is not applied for such purpose, such proceeds are intended to be applied for general working capital of the Group and/or any investment opportunities in payment related business as identified by the Group from time to time.

Fund raising activities of the Company in the past 12 months

The Company has conducted the following equity fund raising activities in the past 12 months immediately preceding the date of this announcement:

Date of announcements	Fund raising activity	Net proceeds (approximate)	Intended use of proceeds as announced	Actual use of proceeds as at the date of this announcement
31 January 2022 and 22 February 2022	Subscription of new Shares under general mandate	HK\$15.4 million	(i) 30% for any investment as identified by the Group from time to time; and (ii) 70% for general working capital.	(i) applied as intended. (ii) applied as intended.
7 October 2022, 21 October 2022 and 2 November 2022	Placing of new Shares under general mandate	HK\$14.38 million	Repayment of part of the Group's current debt, where to the extent that any part of the net proceeds is not applied for such purpose, such proceeds are intended to be applied for general working capital of the Group and/or any investment opportunities in payment related business as identified by the Group from time to time.	(i) approximately HK\$2.54 million has been applied for repayment of current debt; (ii) approximately HK\$4.55 million has been applied for general working capital; (iii) approximately HK\$0.42 million has been applied for investment opportunities in payment related business; with the remaining to be used as intended.

Save as disclosed above, the Company has not conducted any fund raising activities in the past twelve months immediately prior to the date of this announcement.

Effect on the shareholding structure of the Company

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

As at the date of this announcement, the Company has 1,348,000,000 Shares in issue. The table below sets out, for the purpose of illustration only, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after Completion (assuming that there will be no other change to the total issued share capital of the Company between the date of this announcement and the Completion Date and none of the Convertible Bonds have been converted into the Shares in accordance with its terms thereof); (iii) immediately after Completion, completion of the Transfer and upon conversion of all the Convertible Bonds in full (assuming that there will be no other change to the total issued share capital of the Company between the Completion Date and upon the full conversion of the Convertible Bonds); (iv) immediately after Completion and completion of the Placing (assuming that there will be no other change to the total issued share capital of the Company between the date of this announcement and the Completion Date and none of the Convertible Bonds have been converted into the Shares in accordance with its terms thereof); and (v) immediately after Completion, completion of the Placing, completion of the Transfer and upon conversion of all the Convertible Bonds in full (assuming that there will be no other change to the total issued share capital of the Company between the Completion Date and upon the full conversion of the Convertible Bonds):

	(i) As at the Latest Practicable Date		(ii) Immediately after the Completion without any conversion of the Convertible Bonds		(iii) Immediately after the Completion and full conversion of the Convertible Bonds		(iv) Immediately after the Completion and completion of the Placing without any conversion of the Convertible Bonds		(v) Immediately after the Completion and completion of the Placing and full conversion of the Convertible Bonds	
	Number of Shares	Approximate shareholding percentage	Number of Shares	Approximate shareholding percentage	Number of Shares	Approximate shareholding percentage	Number of Shares	Approximate shareholding percentage	Number of Shares	Approximate shareholding percentage
Shareholders										
Metagate Investment SPC (“Metagate”) (Note 1, 7)	226,460,000	16.80%	226,460,000	16.37%	303,600,000	19.89%	226,460,000	15.97%	303,600,000	19.44%
Gold Track Ventures Limited (“Gold Track”) (Note 2)	200,000,000	14.83%	200,000,000	14.46%	200,000,000	13.10%	200,000,000	14.10%	200,000,000	12.81%
Straum Investments Limited (“Straum Investments”) (Note 3)	138,000,000	10.24%	138,000,000	9.98%	138,000,000	9.04%	138,000,000	9.73%	138,000,000	8.84%
Rainbow Elite International Limited (“Rainbow Elite”) (Note 4)	91,000,000	6.75%	91,000,000	6.58%	91,000,000	5.96%	91,000,000	6.41%	91,000,000	5.83%
Original Fortune Group Limited (“Original Fortune”) (Note 5)	67,500,000	5.01%	67,500,000	4.88%	67,500,000	4.42%	67,500,000	4.76%	67,500,000	4.32%
Best Practice Limited (“Best Practice”) (Note 6)	41,000,000	3.04%	41,000,000	2.96%	41,000,000	2.69%	41,000,000	2.89%	41,000,000	2.62%
Tsang Chi Kit (“Mr. Tsang”) (Note 2)	50,000	0.01%	50,000	0.00%	50,000	0.00%	50,000	0.00%	50,000	0.00%
Other holder of the Convertible Bonds	–	–	–	–	66,130,000	4.33%	–	–	66,130,000	4.23%
Subscriber A	–	–	29,500,000	2.13%	29,500,000	1.93%	29,500,000	2.08%	29,500,000	1.89%
Subscriber B	–	–	5,900,000	0.43%	5,900,000	0.39%	5,900,000	0.42%	5,900,000	0.38%
The Placees	–	–	–	–	–	–	35,000,000	2.47%	35,000,000	2.24%
Other public Shareholders	583,990,000	43.32%	583,990,000	42.21%	583,990,000	38.25%	583,990,000	41.17%	583,990,000	37.40%
Total	1,348,000,000	100.00%	1,383,400,000	100.00%	1,526,670,000	100.00%	1,418,400,000	100.00%	1,561,670,000	100.00%

Notes:

- As at the date of this announcement, pursuant to the disclosure of interest notice filed by Metagate on 28 November 2022, these 226,460,000 Shares were held by Metagate, which is in turn wholly-owned by Rainbow Capital Limited (“Rainbow Capital”). Accordingly, Rainbow Capital is deemed to be interested in such 226,460,000 Shares held by Metagate pursuant to Part XV of the SFO.

2. As at the date of this announcement, 50,000 Shares were directly held by Mr. Tsang, an existing executive Director and the managing director of the Group and 200,000,000 Shares were held by Gold Track, which was in turn wholly owned by Mr. Tsang. Accordingly, Mr. Tsang was deemed to be interested in such 200,000,000 Shares held by Gold Track pursuant to Part XV of the SFO.
3. As at the date of this announcement, these 138,000,000 Shares were held by Straum Investments which is in turn wholly-owned by Mr. Yu Chun Fai (“**Mr. Yu**”), an executive Director. Accordingly, Mr. Yu is deemed to be interested in such 138,000,000 Shares held by Straum Investments pursuant to Part XV of the SFO. On the other hand, Ms. Choi Hiu Wa is the wife of Mr. Yu and hence Ms. Choi Hiu Wa is deemed to be interested in such 138,000,000 Shares due to the interest of her spouse (i.e. Mr. Yu) pursuant to Part XV of the SFO.
4. As at the date of this announcement, these 91,000,000 Shares were held by Rainbow Elite which is in turn wholly-owned by Mr. Lam Hak Ha, Jasper (“**Mr. Lam**”). Accordingly, Mr. Lam is deemed to be interested in such 91,000,000 Shares held by Rainbow Elite pursuant to Part XV of the SFO.
5. As at the date of this announcement, these 67,500,000 Shares were held by Original Fortune which is in turn wholly-owned by Mr. Sung Hak Keung, Andy (“**Mr. Sung**”). Accordingly, Mr. Sung is deemed to be interested in such 67,500,000 Shares held by Original Fortune pursuant to Part XV of the SFO.
6. As at the date of this announcement, pursuant to the disclosure of interest notice filed by Best Practice on 16 March 2022, all these 41,000,000 Shares have been pledged to Best Practice pursuant to the loan agreement dated 14 March 2022 entered into between an Independent Third Party as chargor and Best Practice as lender. As at the Latest Practicable Date, Best Practice is wholly-owned by Mr. Shiu Shu Ming (“**Mr. Shiu**”) who is a non-executive Director. Accordingly, Mr. Shiu is deemed to be interested in such 41,000,000 Shares due to the security interest in those Shares acquired from such Independent Third Party pursuant to Part XV of the SFO.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is an investment holding company. The Group is principally engaged in merchant acquiring business in Thailand.

INFORMATION ON THE SUBSCRIBERS

The Subscriber A is a United States citizen and is a businessman.

The Subscriber B is a discretionary family trust for which Mr. Jungeun Oh acts as the trustee, and the beneficiaries of which are Mr. Alex Jaemin Oh and Ms. Kate Yerin Oh, who are the children of Mr. Jungeun Oh.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Subscriber A and Subscriber B and their ultimate beneficial owners are Independent Third Parties.

GENERAL

As Completion is conditional upon fulfilment of the Conditions Precedent as set out in the paragraphs headed “Conditions Precedent” below, the Subscription may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	board of Director(s)
“Business Day(s)”	any day(s) on which banks in Hong Kong are generally open for business (other than a Saturday, Sunday, public holiday or any day on which a tropical cyclone warning No.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“BVI”	British Virgin Islands
“Company”	Oriental Payment Group Holdings Limited (東方支付集團控股有限公司), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM (with stock code: 8613)
“Completion”	completion of the Subscription in accordance with the Subscription Agreements
“Completion Date”	a date falling within five (5) Business Days following the date on which all the Conditions Precedent are fulfilled (or such other date as the Company and the Subscribers may mutually agree in writing)
“Condition(s) Precedent”	condition(s) precedent to Completion as set out in the Subscription Agreements
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$11,850,000 issued by the Company on 26 June 2020
“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange

“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors to allot, issue and otherwise deal with up to 240,000,000 Shares, representing 20% of the total number of the issued Shares as at the annual general meeting of the Company held on 30 September 2022
“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 PRC
“Independent Third Party(ies)”	person(s) or entity(ies) who is/are third party(ies) independent of, and not connected with the Company and any of its respective connected persons
“Long Stop Date”	4 January 2023 (or such other date as the Company and the Subscribers may mutually agree in writing)
“Placing”	placing of a maximum of 35,000,000 Placing Shares by the Placing Agent in accordance with the terms of the Placing Agreement
“Placing Agent”	SBI China Capital Financial Services Limited, a corporation licensed to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	placing agreement dated 21 December 2022 entered into between the Company and the Placing Agent in relation to the Placing
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“Share(s)”	ordinary share(s) of nominal or par value of HK\$0.01 each in the share capital of the Company
“Subscription”	the subscription of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements

“Subscription Agreement”	the subscription agreements dated 21 December 2022 entered into between the Company and the Subscribers in respect of the Subscription
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber A”	Richard Severin Fuld, Jr., a United States citizen and is a businessman
“Subscriber B”	Kailash Peak Trust, family trust for which Mr. Jungeun Oh acts as the trustee, and the beneficiaries of which are Mr. Alex Jaemin Oh and Ms. Kate Yerin Oh
“Subscribers”	collectively Subscriber A and Subscriber B
“Transfer”	the transfer of the Convertible Bonds in accordance with the terms of the Agreement(s) the sale and purchase agreements dated 19 October 2022 entered into between the holder(s) of the Convertible Bonds and each of Metagate Investment SPC and Mr. Choy Hok Man
“%”	per cent.

By order of the Board
Oriental Payment Group Holdings Limited
Mr. Tsang Chi Kit
Executive Director

Hong Kong, 21 December 2022

As at the date of this announcement, the Board comprises Mr. Tsang Chi Kit and Mr. Yu Chun Fai as executive Directors, Mr. Shiu Shu Ming as non-executive Director and Mr. Chung, Wai Chuen Alfred, Mr. Ng Ka Po and Ir Dr. Ng Yu Ki 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 website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.ocg.com.hk.