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**恆泰裕集團控股有限公司**  
**HANG TAI YUE GROUP HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8081)**

**(1) VERY SUBSTANTIAL DISPOSAL AND  
CONNECTED TRANSACTION:  
DISPOSAL OF 51.46% OF THE EQUITY INTEREST IN ZHIQU  
IN RETURN FOR CONSIDERATION SHARES IN THE  
PURCHASER AND CASH PAYMENT;  
AND  
(2) MAJOR TRANSACTION:  
ACQUISITION OF EQUITY INTERESTS IN THE PURCHASER –  
UPDATE ON ADJUSTMENT OF CONSIDERATION**

Reference is made to the announcements of Hang Tai Yue Group Holdings Limited (“**Company**”, together with its subsidiaries, “**Group**”) dated 8 December 2015, 11 January 2016, 29 February 2016, 20 May 2016, 5 July 2016, 5 September 2016, 7 September 2016, 31 August 2017, 14 December 2018, 15 March 2019, 9 April 2019, 29 April 2019 and 8 November 2019 and the circular of the Company dated 11 February 2016 (“**Circular**”), in relation to, among other matters, the disposal of the Group’s interest in 上海智趣廣告有限公司 (in English for identification purpose only, Shanghai Zhiqu Advertisement Co., Ltd., “**Zhiqu**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular unless otherwise specified.

The Board announces that as set out in the announcement of the Purchaser dated 3 December 2019:

- (i) based on the Special Audit Report in respect of the Audited NOP of Zhiqu for FY 2018, the Audited NOP of Zhiqu for FY 2018 amounted to approximately RMB7,701,500, which is less than the 2018 Target NOP of Zhiqu (i.e. RMB98,020,000);
- (ii) in view of the Audited NOP of Zhiqu for FY 2018 being RMB7,701,500 and based on the formula and mechanism as set out on pages 16 and 17 of the Circular, the 2018 Adjustment Amount shall be RMB402,738,466.59; and

(iii) the 2018 Adjustment Amount shall be settled by the Purchaser Shares previously allotted and issued to Mr. Xu Jialiang and Mr. Xu Xiaofeng, and where such shares are insufficient, in cash by Mr. Xu Jialiang and Mr. Xu Xiaofeng. Given that Mr. Xu Jialiang and Mr. Xu Xiaofeng no longer hold any Purchaser Shares, they will be required to compensate the Purchaser in cash. The Purchaser will issue a demand notice for compensation to Mr. Xu Jialiang and Mr. Xu Xiaofeng after the compensation proposal in respect of the 2018 Adjustment Amount has been approved by the shareholders of the Purchaser. If Mr. Xu Jialiang and Mr. Xu Xiaofeng do not settle the 2018 Adjustment Amount in full within 30 days after the issue of the demand notice, Jixiang will be required to settle the 2018 Adjustment Amount by way of the 45,779,220 Purchaser Shares that it holds and, if such shares are insufficient, by way of cash, which is subject to a cap of RMB25,510,009 (being the amount of cash consideration received by Jixiang in relation to the Acquisition). In addition, Jixiang will also be required to return the cash bonus in relation to the Purchaser Shares that it has received from the Purchaser, the amount of which as determined in accordance with the amount of compensation that Jixiang is required to pay. If there is still a shortfall in the settlement of the 2018 Adjustment Amount, Mr. Xu Jialiang and Mr. Xu Xiaofeng, who are jointly liable for such settlement, will be required to compensate the Purchaser in cash. The Purchaser will seek approval from its shareholders in respect of the above compensation proposal.

As at the date of this announcement, the Group has not received any demand notice from the Purchaser in relation to the settlement of the 2018 Adjustment Amount. The Company will keep the shareholders of the Company and potential investors informed of any further material developments in connection with the above matter by way of further announcement(s) as and when appropriate.

On behalf of the Board  
**Hang Tai Yue Group Holdings Limited**  
**Hui Chun Sum**  
*Chairman*

3 December 2019

*As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Hui Chun Sum, Ms. Lam Ching Yee and Ms. Pauline Lam; and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Lee King Fui and Mr. Ho Kin Wai.*

*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 Company Announcements" page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of publication and on the website of the Company at <http://www.hangtaiyue.com>.*