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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)**

**DISCLOSEABLE TRANSACTION**  
**SUBSCRIPTION OF SHARES IN THE TARGET COMPANY**

**INTRODUCTION**

The Board is pleased to announce that on 9 March 2021 (after trading hours), the Subscriber (a wholly-owned subsidiary of the Company) entered into the Subscription Agreement with the Target Company and TNG FinTech, pursuant to which the Subscriber agreed to subscribe for, and the Target Company agreed to allot and issue, the Subscription Shares at the Subscription Consideration of US\$1,000,000 (equivalent to approximately HK\$7,800,000). The Subscription Shares represent 51% of the issued share capital of the Target Company upon Completion as enlarged by the allotment and issue of the Subscription Shares. Completion has taken place immediately after the signing of the Subscription Agreement.

**LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

**INTRODUCTION**

Reference is made to the announcements of the Company dated 13 July 2020 and 13 January 2021 in relation to the provision of loan by Mark Profit to the Target Company under the Mark Profit Loan Agreement and the memorandum of understanding in relation to the possible subscription for 51% equity interest in the Target Company by the Group.

The Board is pleased to announce that on 9 March 2021 (after trading hours), the Subscriber (a wholly-owned subsidiary of the Company) entered into the Subscription Agreement with the Target Company and TNG FinTech, pursuant to which the Subscriber agreed to subscribe for, and the Target Company agreed to allot and issue, the Subscription Shares at the Subscription Consideration of US\$1,000,000 (equivalent to approximately HK\$7,800,000). The Subscription Shares represent 51% of the issued share capital of the Target Company upon Completion as enlarged by the allotment and issue of the Subscription Shares.

## **THE SUBSCRIPTION AGREEMENT**

The principal terms of the Subscription Agreement are set out below:

### **Date**

9 March 2021

### **Parties**

- (1) The Subscriber;
- (2) The Target Company; and
- (3) TNG FinTech

On the date of the Subscription Agreement and immediately prior to Completion, the Target Company was owned as to 100% by TNG FinTech. TNG FinTech is an exempted company incorporated in the Cayman Islands with limited liability and is an investment holding company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Target Company, TNG FinTech and their ultimate beneficial owner(s) are Independent Third Parties.

### **Subject Matter**

The Subscriber agreed to subscribe for, and the Target Company agreed to allot and issue, the Subscription Shares at the Subscription Consideration of US\$1,000,000 (equivalent to approximately HK\$7,800,000), subject to the terms and conditions of the Subscription Agreement. The Subscription Shares, upon allotment and issue at Completion, are free from all encumbrances and rank *pari passu* in all respects with the other shares of the Target Company in issue or to be issued by the Target Company on or prior to the date of the Subscription Agreement. The Subscription Shares represent 51% of the issued share capital of the Target Company upon Completion as enlarged by the allotment and issue of the Subscription Shares.

## **Subscription Consideration**

The Subscription Consideration payable by the Subscriber to the Target Company for the Subscription Shares shall be US\$1,000,000 (equivalent to approximately HK\$7,800,000), all of which shall be set off against the principal amount of the loan in the amount of US\$1,000,000 (equivalent to approximately HK\$7,800,000) owed by the Target Company to Mark Profit as at the date of the Subscription Agreement under the Mark Profit Loan Agreement.

The Subscription Consideration was satisfied by the Group's internal resources.

The Subscription Consideration was determined and agreed between the Parties on normal commercial terms after arm's length negotiations taking into account (i) the Put Option as detailed in the paragraph headed "Put Option" below; (ii) the financial information of the Target Group; (iii) the business potentials and prospects of the Target Group; and (iv) the valuation of 100% equity interest of TNG Indompet as at 31 December 2020 of US\$2,728,000 (equivalent to approximately HK\$21,278,000) as valued by an independent professional valuer using market approach.

Unless otherwise agreed by the Parties, the Subscription Consideration shall only be applied for the working capital and/or the business development purposes of the Target Group to develop its business.

## **Completion**

Completion has taken place immediately after the signing of the Subscription Agreement. Upon Completion, the Target Company is owned as to 51% by the Group and as to 49% by TNG FinTech. After Completion, the Target Company has become an indirect subsidiary of the Company and its financial results will be consolidated into those of the Group.

## **Put Option**

In consideration of the Subscriber agreeing to enter into the Subscription Agreement, TNG FinTech granted to the Subscriber the Put Option which requires TNG FinTech to purchase all the Subscription Shares (“**Option Shares**”) from the Subscriber at an amount (“**Put Option Price**”) equivalent to the aggregate of (a) the Subscription Consideration in the amount of US\$1,000,000 (equivalent to approximately HK\$7,800,000) and (b) an amount in US\$ calculated at a rate of 11% per annum on the Subscription Consideration to be accrued daily from the date of Completion up to the date of completion of the sale and purchase of the Option Shares between the Subscriber and TNG FinTech, if each of the following is not obtained by the Long Stop Date (to the extent that the following are required to be obtained by the Group under the applicable laws): (i) written approval from Bank Indonesia (“**BI Approval**”) for the co-branding “W-Cash” electronic wallet scheme with a licensed e-money issuer (“**E-Money Issuer**”) in Indonesia pursuant to the cooperation between TNG Indompet and the E-Money Issuer (“**Cooperation**”); (ii) effective Trading Business License for Indonesian Business Standard Field Classifications (“**KBLI**”) 70209 of TNG Indonesia issued by the Government of Republic of Indonesia through the Online Single Submission (“**OSS**”) system; (iii) effective Industrial Business License for KBLI 63122 of TNG Indompet issued by the Government of Republic of Indonesia through the OSS system; (iv) effective Industrial Business License for KBLI 58200 of TNG Indompet issued by the Government of Republic of Indonesia through the OSS system; (v) effective E-Commerce Trading License for KBLI 63122 of TNG Indompet issued by the Government of Republic of Indonesia through the OSS system; and (vi) commercial/operational license for KBLI 58200 of TNG Indompet.

The Subscriber may exercise the Put Option by giving TNG FinTech a notice in writing, specifying the date (“**Put Option Completion Date**”) on which the completion of the sale and purchase of the Option Shares shall take place. TNG FinTech shall pay the Put Option Price to the Subscriber on the Put Option Completion Date in accordance with the Subscription Agreement.

The Put Option shall only become exercisable after the expiry of the Long Stop Date and shall lapse on the day falling six months after the Long Stop Date.

## **SHAREHOLDERS’ AGREEMENT**

At Completion, the Subscriber, Target Company and TNG FinTech entered into the Shareholders’ Agreement to govern their relationships with respect to the Target Company. The principal terms of the Shareholders’ Agreement are set out below:

### **Shareholder’ s Loan**

The Subscriber shall provide a shareholder’s Loan of up to the total sum of US\$1,000,000 (equivalent to approximately HK\$7,800,000) (“**Shareholder’s Loan**”) to the Target Company on or before the expiry of a period of two weeks from the date of Completion. The Shareholder’s Loan shall be interest-free, unsecured and repayable upon demand. Unless otherwise agreed by the shareholders of the Target Company, the Shareholder’s Loan shall only be applied for the working capital and/or the business development purposes of the Target Group to develop its business.

## **Board of directors**

The board of the Target Company shall comprise a maximum of three directors, out of which two, including the chairman of the board, shall be appointed by the Subscriber and one shall be appointed by TNG FinTech. The quorum for the board meetings of the Target Company shall be two directors. All resolutions at the board meetings of the Target Company shall be passed with the simple majority of votes of its directors.

## **Shareholders' meeting**

Two shareholders of the Target Company being present in person or by proxy shall constitute a quorum at a general meeting of the Target Company. A resolution put to the vote of a general meeting of the Target Company must be decided on a poll.

## **Share transfer restrictions**

Any transfers of shares in the Target Company by a shareholder of the Target Company will be subject to pre-emptive rights and tag-along rights of the other shareholders of the Target Company.

The aforesaid share transfer restrictions will not apply if (i) such transfer obtains the prior written consent of all other shareholders of the Target Company; (ii) such transfer is a transfer to an affiliate of the transferor; or (iii) such transfer is pursuant to the exercise of the Put Option by the Subscriber pursuant to the Subscription Agreement.

## **INFORMATION OF THE TARGET GROUP**

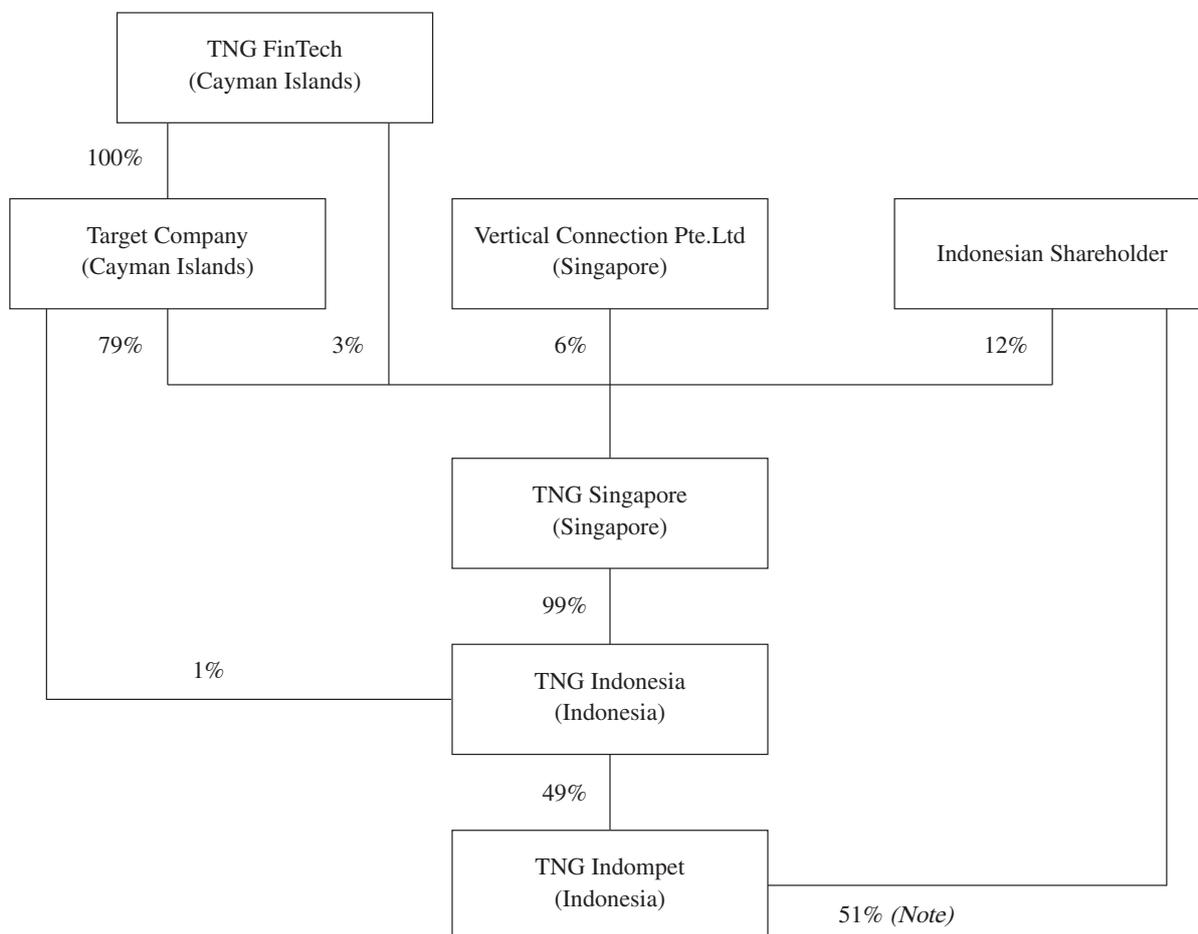
The Target Company is an exempted company incorporated in the Cayman Islands with limited liability. The Target Company is an investment holding company.

TNG Singapore is a company incorporated in Singapore with limited liability and is an investment holding company, which is owned as to 79% by the Target Company, 12% by the Indonesian Shareholder, 6% by Vertical Connection Pte Ltd, an Independent Third Party, and 3% by TNG FinTech.

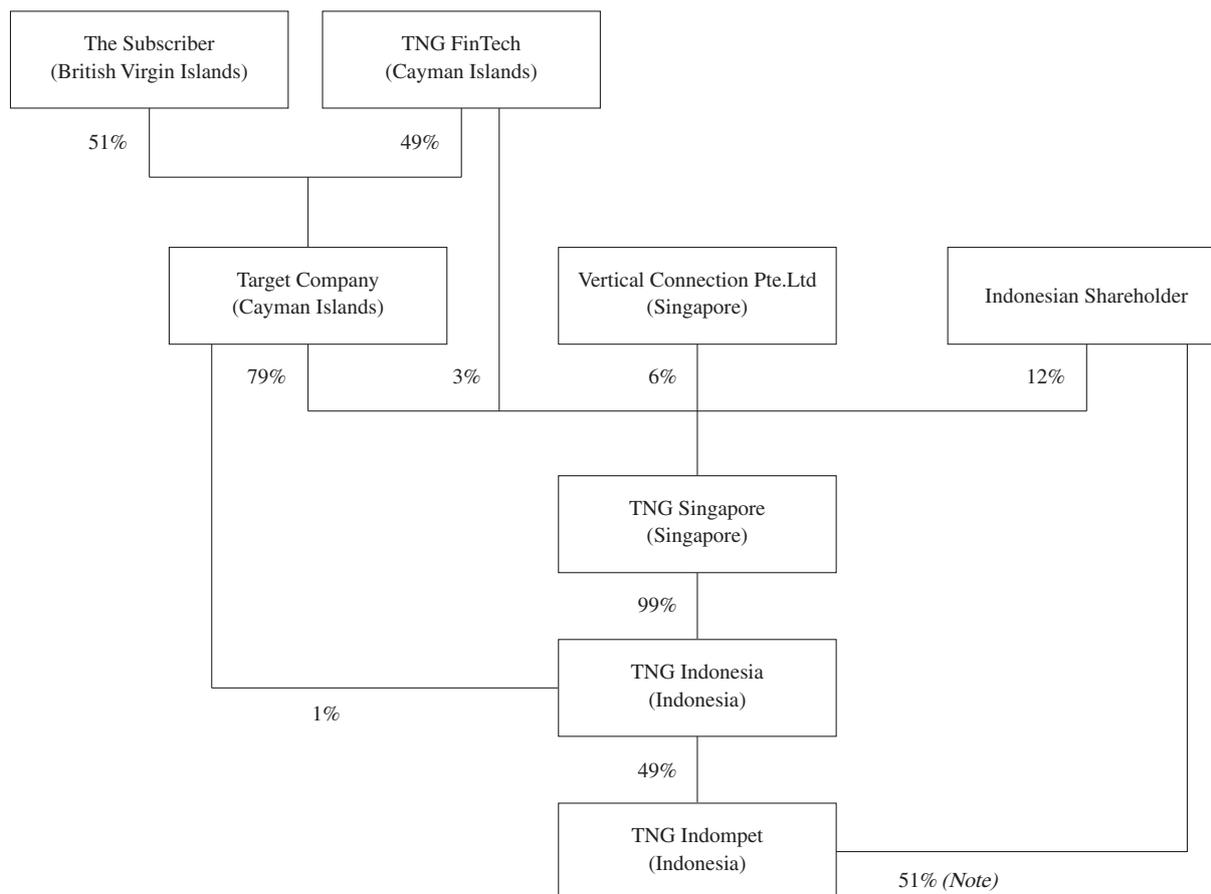
TNG Indonesia is company incorporated in Indonesia with limited liability and is an investment holding company, which is owned as to 99% by TNG Singapore and 1% by the Target Company.

TNG Indompet is a company incorporated in Indonesia with limited liability and is owned as to 49% by TNG Indonesia and 51% by the Indonesian Shareholder who has pledged his interest in favour of TNG Indonesia pursuant to the Contractual Arrangements, details of which are set out in the section headed “Information on the Contractual Arrangements” below. TNG Indompet is principally engaged in (1) Indosat mobile top-up distribution business of PT Dian Kencana Puri Prima for three (3) exclusive clusters, namely Balikpapan, Samarinda and Papua through traditional physical outlets; and (2) the co-branding “W-Cash” electronic wallet with the E-Money Issuer in Indonesia pursuant to the Cooperation. According to the applicable laws in Indonesia, the E-Money Issuer shall obtain the BI Approval from Bank Indonesia for the Cooperation, but as at the date of this announcement, the BI Approval has not been obtained. Pursuant to the Subscription Agreement, TNG FinTech and the Target Company have undertaken with the Subscriber that, among others, the BI Approval shall be obtained on or before the Long Stop Date, failing which, the Subscriber shall be entitled to exercise the Put Option.

To the best of the knowledge, information and belief of the Directors, the following diagram sets out the shareholding structure of the Target Group prior to Completion:



Upon Completion, the shareholding structure of the Target Group is as follows:



*Note:* The Indonesian Shareholder has pledged his 51% interest in TNG Indompet to TNG Indonesia pursuant to the Contractual Arrangements.

## FINANCIAL INFORMATION OF THE TARGET COMPANY

The following is the key financial information of the Target Company as extracted from its unaudited consolidated financial information for the period from 5 September 2019 (the date of incorporation of the Target Company) to 31 December 2019 and for the year ended 31 December 2020:

	<b>From 5 September 2019 to 31 December 2019 HK\$(approximately)</b>	<b>For the year ended 31 December 2020 HK\$(approximately)</b>
Loss before tax	7,238,000	7,955,000
Loss after tax	7,238,000	7,955,000

The unaudited consolidated total assets and net liabilities of the Target Company as at 31 December 2020 were approximately HK\$29,889,000 and approximately HK\$13,506,000.

## INFORMATION ON THE CONTRACTUAL ARRANGEMENTS

As stipulated in the articles of association of TNG Indompet, one of its objectives and purposes is to conduct business in the field of portal web and/or platform digital with commercial purposes in finance technology (fintech) activities. TNG Indompet is considered to fall under KBLI number 63122 since this category covers operation of digital platform and/or web portal/site with commercial purposes which are applications utilised to facilitate and/or mediate electronic transaction services. TNG Indompet, which has foreign share ownership, also falls under the category of Foreign Investment Company and is obliged to comply with the provisions related with foreign direct investment in Indonesia, which are regulated under the Law number 25 of 2007 concerning investment (“**Investment Law**”). Article 12 of the Investment Law stipulates that all business fields or business sectors are open to all foreign investment, except for the business field or business sector which have already declared closed and open with requirements.

Previously, pursuant to the provisions in Presidential Regulation Number 44 of 2016 concerning list of closed business field and open business field with requirements in the investment sector (“**DNI Regulations 2016**”), e-commerce business activities classified under KBLI number 63122 falls under the category of business field open with requirements and the maximum foreign share ownership is limited to 49% for companies with investment value less than 100 billion Indonesian Rupiah. Since the total investment value of TNG Indompet is less than 100 billion Indonesian Rupiah, under the previous DNI Regulations 2016, the maximum foreign share ownership in TNG Indompet shall be limited to 49%.

However, it should be noted that on 2 February 2021, the Indonesian government issued President Regulation No. 10 of 2021 on Investment Sector (“**PR No. 10/2021**”), which replaces and revoke DNI Regulations 2016 effectively as of 4 March 2021. PR No. 10/2021 no longer regulates the restriction of 49% maximum foreign ownership for the business activity of TNG Indompet. Based on verbal confirmation from the Indonesian Investment Coordinating Board (Badan Koordinasi Penanaman Modal – “**BKPM**”), a competent authority which is in charge of issuance of business license for foreign investment in Indonesia, despite the PR No. 10/2021 being effective, the electronic licensing system in Indonesia shall be updated to accommodate the requirements under such new regulation. Once the electronic licensing system is updated, the restriction of 49% maximum foreign ownership for the business activity of TNG Indompet shall no longer be applicable. As at the date of this announcement, there is no published formal instrument to show that the removal of the relevant foreign restriction applicable to TNG Indompet has become effective in the electronic licensing system or it is not yet able to effect the share changes of TNG Indompet to unwind the Contractual Arrangements now, since the integration of electronic licensing system is in its transitional period. Hence, the Contractual Arrangements is required to be maintained as of the date of this announcement.

Due to the current uncertainty on the applicability of the foreign ownership restrictions under the Indonesian laws and regulations as mentioned above, specifically the applicability of PR No. 10/2021 in the electronic licensing system, at as the date of this announcement, the Group is still required to rely on the Contractual Arrangements to enable TNG Indonesia to exercise effective control over the operations of TNG Indompet and enjoy the economic benefits generated by TNG Indompet. The Contractual Arrangements contain the following documents: (i) the Novation Agreement; (ii) the Loan Agreement; (iii) the Pledge Agreement; (iv) the Assignment Agreement; (v) the Share Option Agreement; (vi) the Power of Attorney to Sell; (vii) the Power of Attorney to Vote; and (viii) the Power of Attorney.

Under the Investment Law, TNG Indompet is classified as a company having foreign shares ownership, subject to the current uncertainty on the applicability of the foreign ownership restrictions under the Indonesian laws and regulations mentioned above. Save for the common proper notification to the MoLHR and updating licenses in the OSS system (which is supervised by the Indonesia Investment Coordinating Board), there shall be no other requirement as a result of TNG Indompet having foreign shares ownership, which cause TNG Indompet to be required to obtain approval and fulfil additional eligibility standards.

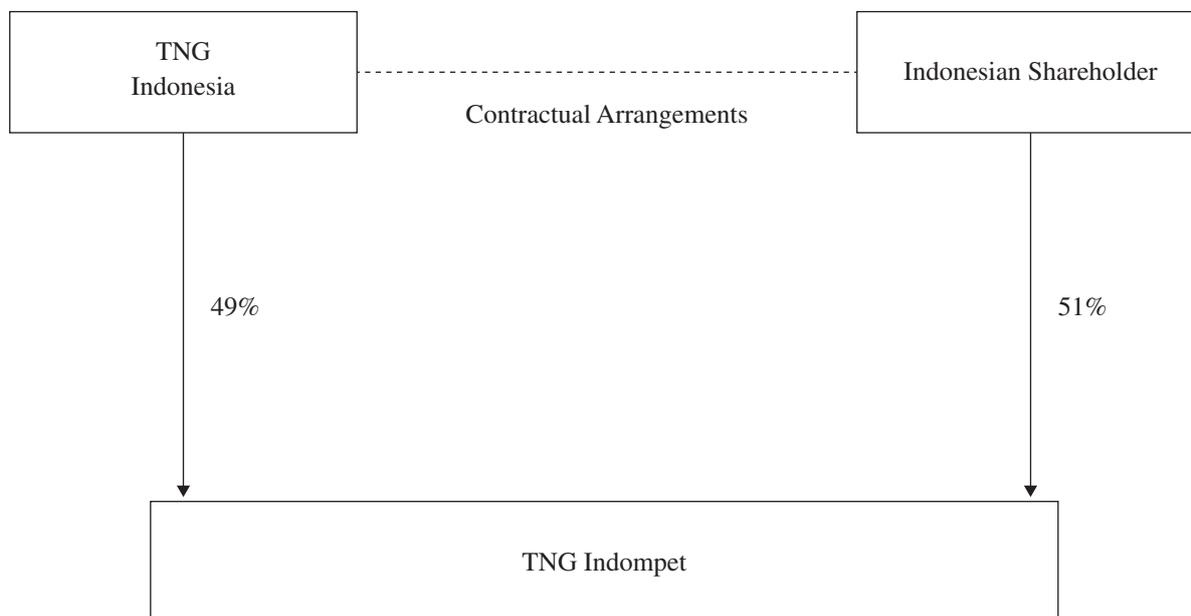
The Company has discussed with its auditor and confirms that the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company (with the financial results of TNG Indompet 100% consolidated into those of TNG Indonesia) in accordance with the then prevailing accounting principles after the entering into of the Contractual Arrangements.

### **Background of the Indonesian Shareholder**

Mr. Tri Putra Permadi Wiyono is an Indonesian citizen and is a businessman. The Indonesian Shareholder is the president director of TNG Indompet and a director of TNG Indonesia. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Indonesian Shareholder is an Independent Third Party.

## Diagram of the Contractual Arrangements

The following simplified diagram illustrates the flow of economic benefits from TNG Indompet to the Group stipulated under the Contractual Arrangements immediately upon Completion:



————— Direct legal ownership in the equity interest

----- Contractual relationship

## Summary of the Material Terms of the Contractual Arrangements

### *Novation Agreement*

In December 2017, TNG FinTech and TNG Indompet entered into a loan agreement (“**TNG Loan Agreement**”), pursuant to which TNG FinTech agreed to provide a loan in the sum of US\$300,000 (“**TNG Loan**”) to TNG Indompet. TNG FinTech, TNG Indompet, the Indonesian Shareholder and TNG Indonesia entered into the Novation Agreement, pursuant to which TNG FinTech intended to transfer all its rights and obligations in respect of the TNG Loan to TNG Indonesia and TNG Indompet intended to transfer all its rights and obligations in respect of the TNG Loan to the Indonesian Shareholder. The novation shall take effect when TNG Indonesia and the Indonesian Shareholder enter into the Loan Agreement. From the date the novation is effective, TNG FinTech and TNG Indompet shall be released from any obligations in respect of the TNG Loan.

### ***Loan Agreement***

In accordance with the terms of the Novation Agreement, TNG Indonesia as lender, and the Indonesian Shareholder as borrower, entered into the Loan Agreement, pursuant to which TNG Indonesia agreed to provide an interest-free loan in the sum of 4,244,205,000 Indonesian Rupiah (originally US\$300,000) (“**Loan**”) to the Indonesian Shareholder. The Loan was secured by all shares in TNG Indompet the Indonesian Shareholder currently has and will have in future pursuant to the Pledge Agreement. The Loan shall be repaid by the Indonesian Shareholder immediately in full on demand by TNG Indonesia if an event of default occurs. The Indonesian Shareholder may not sell or transfer any of his shares in TNG Indompet to any party without a prior written approval from TNG Indonesia.

The Loan Agreement is valid for the period of 10 years and will be automatically extended for 10 consecutive years without requiring any extension notice. The Loan shall be due and payable by the Indonesian Shareholder on demand made at any time by TNG Indonesia at its sole discretion. Unless demanded by TNG Indonesia at its sole discretion, no prepayment of the Loan in whole or in part is permitted at any time during the term of the Loan Agreement. The Loan shall bear no interest unless otherwise notified in writing by TNG Indonesia to the Indonesian Shareholder, which interest calculation including payment terms shall be further specified in such letter of notification.

### ***Pledge Agreement***

In order to ensure the performance of the Loan Agreement, TNG Indonesia as pledgee, and the Indonesian Shareholder as pledgor, entered into the Pledge Agreement, pursuant to which the Indonesian Shareholder pledged all shares he currently has in TNG Indompet, being 1,581 shares or representing 51% of the total issued and paid up capital in TNG Indompet, as well as the shares he may obtain in the future in TNG Indompet (“**Pledged Shares**”), in favour of TNG Indonesia as security for the Secured Obligations. The Pledge shall remain in full force and effect and shall not be terminated, revoked or cancelled until the Secured Obligations have been fully performed and discharged to the satisfaction of TNG Indonesia.

The Indonesian Shareholder undertook, among others, not to take any action which may impair or interfere with the enforceability of the rights of TNG Indonesia and not to sell, assign, transfer or otherwise dispose of in whatever manner any of the Pledged Shares without the prior written consent of TNG Indonesia.

Pursuant to the Pledge Agreement, the Indonesian Shareholder shall deliver to TNG Indonesia (i) the duly executed Power of Attorney to Sell, the Power of Attorney to Vote and the Power of Attorney; and (ii) the original share certificates in relation to the Pledged Shares.

The spouse of the Indonesian Shareholder, Mrs. Soraya Syafrida, has signed the Spousal Undertaking, pursuant to which she (i) confirmed her approval for the Indonesian Shareholder to enter into the Contractual Arrangements and acknowledged that the Indonesian Shareholder's entering into the Contractual Arrangements and other documents in relation to the shares of TNG Indompet that bound the Indonesian Shareholder would also be binding against her; (ii) confirmed that she was not the owner and therefore was not entitled to the shares registered under the name of the Indonesian Shareholder in TNG Indompet, being 1,581 shares or representing 51% of the total issued and paid-up shares in TNG Indompet and agreed and undertook to waive her rights, refused and would not claim the joint asset and/or inheritance of the Indonesian Shareholder specifically related to his shares in TNG Indompet and all rights attached to it; (iii) confirmed her approval for the Indonesian Shareholder to pledge his 1,581 shares in TNG Indompet to TNG Indonesia in relation to the Loan Agreement, by entering into the Pledge Agreement; and (iv) undertook to provide her best effort to cooperate in matters in relation to the entering into whatever documents, and appear before notary, to sign the transfer documents in relation to the 1,581 shares held by the Indonesian Shareholder to the designated parties of TNG Indonesia.

### ***Assignment Agreement***

In consideration of TNG Indonesia for providing the Loan, TNG Indonesia as assignee, and the Indonesian Shareholder as assignor, entered into the Assignment Agreement, pursuant to which the Indonesian Shareholder assigned all of his rights, titles and interests of his dividends being distributed by TNG Indompet from time to time, in respect of the shares currently held and owned by the Indonesian Shareholder in TNG Indompet, being 1,581 shares or representing 51% of the total issued and paid up capital in TNG Indompet, as well as the shares he may obtain in the future in TNG Indompet, for so long as there is any outstanding amount owed by the Indonesian Shareholder to TNG Indonesia pursuant to the Loan Agreement.

### ***Share Option Agreement***

In order to ensure the performance of the Loan Agreement, TNG Indonesia as option holder, and the Indonesian Shareholder as option grantor, entered into the Share Option Agreement, pursuant to which the Indonesian Shareholder granted an irrevocable option to TNG Indonesia to purchase all or part of the shares currently held and owned by the Indonesian Shareholder in TNG Indompet, being 1,581 shares or representing 51% of the total issued and paid up capital in TNG Indompet, as well as the shares he may obtain in the future in TNG Indompet, by TNG Indonesia or a party appointed by TNG Indonesia. Option granted by the Indonesian Shareholder to TNG Indonesia under the Share Option Agreement shall be irrevocable, and shall remain valid until the Loan provided by the TNG Indonesia to the Indonesian Shareholder under the Loan Agreement has been fully settled, or otherwise determined by the TNG Indonesia.

### **Power of Attorney to Sell**

The Indonesian Shareholder and TNG Indonesia entered into the Power of Attorney to Sell, pursuant to which the Indonesian Shareholder granted an irrevocable power of attorney to TNG Indonesia to do and execute the following acts and deeds as and when TNG Indonesia shall deem fit in relation to the Pledged Shares: (i) at any time and from time to time upon the expiration of 5 business days after an event of default under the Loan Agreement has been declared and not been remedied to the satisfaction of TNG Indonesia, to sell and transfer the Pledged Shares in the name and on behalf of the Indonesian Shareholder; (ii) to receive payment of the selling price of the Pledged Shares; (iii) to give and/or receive receipt thereof; and (iv) to represent the Indonesian Shareholder in any and all matters pertaining to the sale and transfer of the Pledged Shares. The rights, powers, authorities and discretions conferred upon TNG Indonesia in the Power of Attorney to Sell are irrevocable for so long as any of the Secured Obligations remain to be discharged.

### **Power of Attorney to Vote**

The Indonesian Shareholder and TNG Indonesia entered into the Power of Attorney to Vote, pursuant to which the Indonesian Shareholder granted an irrevocable power of attorney to TNG Indonesia to do and conduct the following acts and deeds as and when TNG Indonesia shall deem fit in relation to the Pledged Shares: (i) to attend all general meetings of the shareholders of TNG Indompet; (ii) to exercise all voting rights and take part in all meetings held with respect to the Pledged Shares at any such meeting in such manner as TNG Indonesia may deem appropriate and to assign proxies for the purpose of voting there at or for any other purposes related thereto; (iii) to sign any shareholders resolution of TNG Indompet in lieu of physical general meeting of shareholders taken by the shareholders in or outside a general meeting of shareholders; and (iv) to generally exercise all rights and privileges and perform all duties which now or hereafter may be necessary in relation to the Pledged Shares.

## **Power of Attorney**

The Indonesian Shareholder and TNG Indonesia entered into the Power of Attorney, pursuant to which the Indonesian Shareholder granted an irrevocable power of attorney to TNG Indonesia to do and execute, among others, the following acts and deeds as and when TNG Indonesia shall deem fit in relation to the Pledged Shares: (i) to do all acts and things which TNG Indonesia may consider necessary or advisable to perfect or to give proper effect to the intent and purpose of the Pledge Agreement; (ii) to receive or accept service of, or agreeing to waive, all or any notices or agreeing or accepting short notice for all or any meetings or class meetings in respect of the Pledged Shares; (iii) to demand, request, sue, and receive from any person all dividends, interests, bonuses, and any other sums that may become due in respect of any of the Pledged Shares and any capital sum represented by or comprised in any of such Pledged Shares as and when the same shall respectively be payable; (iv) to approve (if TNG Indonesia considers necessary or desirable) to any arrangement modifying the Indonesian Shareholder's rights arising out of or in connection with the Pledged Shares or any part thereof; and (v) to exercise any and all rights with respect to the Pledged Shares, including without limitation the rights to receive notices of any liquidation or dissolution of TNG Indompet and to receive the Indonesian Shareholder's share of the TNG Indompet's assets or the proceeds thereof in the event of any voluntary or involuntary liquidation or dissolution of the TNG Indompet. The rights, powers, authorities and discretions conferred upon TNG Indonesia in the Power of Attorney are irrevocable for so long as any of the Secured Obligations remain to be discharged.

## **DISPUTE RESOLUTION**

All agreements comprising the Contractual Arrangements contain a dispute resolution provision pursuant to which all claims, disputes or differences whatsoever between the Parties arising out of or in connection with the relevant agreement, including without limitation to any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre. The arbitrators may award remedies over the shares and assets of TNG Indompet, injunctive relief (such as for the conduct of business or to compel the transfer of assets) or order the winding up of TNG Indompet. For the purpose of enforcing any arbitral awards, the disputing parties shall go to the Clerks Office of the District Court of Central Jakarta. As advised by the Indonesian Legal Adviser, since both Singapore and Indonesia have ratified the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention 1958), any foreign arbitral award issued by the Singapore International Arbitration Centre will be recognised and enforced in Indonesia under the provisions of the prevailing laws and regulations in Indonesia. Pending formation of the arbitral tribunal or appropriate cases, the courts of Singapore and Indonesia shall have the jurisdictions to grant interim remedies in support of the arbitration.

## **CONFLICT OF INTERESTS**

To ensure the Group's effective control over TNG Indompel, the Group has implemented measures to protect against the potential conflicts of interest between TNG Indonesia and the Indonesian Shareholder. Under the Power of Attorney to Sell, the Power of Attorney to Vote and the Power of Attorney, the Indonesian Shareholder has irrevocably appointed TNG Indonesia to act as his attorney to exercise his rights in connection with matters concerning his rights as a shareholder of TNG Indompel, including the rights to vote in a shareholders' meeting, to sign minutes and to sell his shares. Based on the above, the Directors are of the view that the measures the Group has adopted are sufficient to mitigate the risks associated with the potential conflicts of interest between the Group and the Indonesian Shareholder and to protect the Group's interest in TNG Indompel.

## **WINDING UP OR LIQUIDATION OF TNG INDOMPET**

Pursuant to the Loan Agreement, the Loan shall be due and payable at any time on demand made by TNG Indonesia at its sole discretion. Therefore upon occurrence of winding up and/or liquidation of TNG Indompel, TNG Indonesia shall be entitled to declare the Loan immediately due and payable and enforce the securities granted by the Indonesian Shareholder and assets of TNG Indompel, which will be used to settle the Loan and for the benefit of TNG Indompel, subject to any prior settlement of any and all payable taxes.

## **DEATH, BANKRUPTCY OR DIVORCE OF THE INDONESIAN SHAREHOLDER**

It was stated in the Loan Agreement that, among others, (i) the death of the Indonesian Shareholder, (ii) the Indonesian Shareholder is declared bankrupt or insolvent or enters into any arrangement with or is granted a suspension of payment for any sum owed by him by any of his creditors definitely or temporarily, (iii) any step is taken by any person with a view to seize or take possession of any assets or property of the Indonesian Shareholder, and (iv) any event or circumstance occurs which TNG Indonesia reasonably believes has or is reasonably likely have a material adverse effect on the condition (financial or otherwise), or the ability of the Indonesian Shareholder to perform his obligations under any Contractual Arrangements is an event of default. The divorce of the Indonesian Shareholder is one of the conditions that may cause any steps taken by any person (i.e: his spouse) with a view to seize or take possession of any assets or property of the Indonesian shareholder, and a divorce is also a condition that may affect the ability of the Indonesian Shareholder to perform his obligations under any Contractual Arrangements. As the consequence of an event of default, TNG Indonesia shall be entitled to immediately accelerate the Loan and enforce the security by requiring the transfer of the shares of the Indonesian Shareholder in TNG Indompel to TNG Indonesia or any party designated by TNG Indonesia.

In the event of death or divorce of the Indonesia Shareholder, his spouse, based on the Spouse Undertaking, irrevocably undertakes that she will not claim for inheritance to the shares held by the Indonesian Shareholder or any rights to those shares.

As confirmed by the Indonesian Legal Adviser, there are appropriate arrangements in place to protect the Group's interest in the event of death, bankruptcy or divorce of the Indonesian Shareholder to avoid any practical difficulties in enforcing Contractual Arrangements.

## **LEGALITY OF THE CONTRACTUAL ARRANGEMENTS**

The Indonesian Legal Adviser is of the opinion that the Contractual Arrangements are valid and legally binding and enforceable on all parties to the Contractual Arrangements in accordance with their terms and comply in fact and in good faith, with all relevant Indonesian laws and regulations which currently prevails, and the Contractual Arrangements would not be deemed as "concealing illegal intentions with a lawful form" and void under the laws and regulations currently prevailing in Indonesia, including those applicable to the business of TNG Indonesia and TNG Indompet and do not violate the articles of association of TNG Indonesia and TNG Indompet, based on the following reasons that:

1. the Contractual Arrangements have met the elements required to establish a contract as stipulated in Article 1320 of Indonesian Civil Code, i.e.: (i) consent, where both TNG Indonesia and the Indonesian Shareholder have agreed to enter into the Contractual Arrangements; (ii) capacity, where both TNG Indonesia and the Indonesian Shareholder are legally capable of entering into the Contractual Arrangements; (iii) subject, where the subject of the Contractual Arrangements is loan transaction; and (iv) the Contractual Arrangements are not contrary to public order of Indonesia;
2. the Contractual Arrangements are ordinary loan transaction where the Indonesian Shareholder, who is the registered and legal owner of 51% of the shares in TNG Indompet, has pledged his shares in TNG Indompet to TNG Indonesia as security for the Loan Agreement. In the occurrence of an event of default in the Loan Agreement, TNG Indonesia will have the right to accelerate the Loan and enforce the securities granted by the Indonesian Shareholder under the Assignment Agreement, the Share Option Agreement and the Power of Attorney to Sell, including without limitation to cause all shares registered under the name of the Indonesian Shareholder in TNG Indompet be transferred from the Indonesian Shareholder to TNG Indonesia or any third party appointed by TNG Indonesia to avoid violation of the negative list requirement stipulated in DNI Regulation 2016;
3. the entering by the Indonesian Shareholder of the Contractual Arrangements has been approved by his spouse as evidenced by the Spousal Consent and the Spousal Undertaking;
4. TNG Indonesia has adopted the Contractual Arrangements in relation to the provision of financing by TNG Indonesia to the Indonesian Shareholder. The Contractual Arrangements are narrowly tailored to minimise potential conflicts with the relevant Indonesia laws and regulations to achieve the business purpose of TNG Indonesia and such loan transaction is quite commonly practiced in Indonesia;

5. there are no laws and regulations in Indonesia currently in force specifically disallowing foreign investors from using any loan agreement or contractual arrangement to gain control of or operate a foreign restricted business, and neither the execution by TNG Indonesia and the Indonesian Shareholder of the Contractual Arrangements, nor the compliance by TNG Indonesia and the Indonesian Shareholder with or performance of the terms and provisions thereof would: (i) contravene any judgment, decree or order of any court, arbitrator, administrative agency or other governmental institution to which TNG Indonesia and the Indonesian Shareholder or any of its/his assets are subject; (ii) violate any provisions of the articles of association of TNG Indompet; and (iii) violate or contravene any provisions of the laws, rules or regulations in Indonesia by any of TNG FinTech, TNG Indonesia, the Indonesian Shareholder and TNG Indompet, each being a party to the Contractual Arrangements;
6. none of the parties to the Contractual Arrangements, including TNG Indonesia, has encountered any interference or encumbrance from any governing bodies of Indonesia and therefore the Contractual Arrangements are in compliance with the prevailing laws and regulation of Indonesia; and
7. since the Contractual Arrangements are within the domain of private law in Indonesia which focuses on the legal relationship between two parties based on the principle of freedom of contract under Indonesian laws, the Indonesian government will not be involved in the use of the Contractual Arrangements.

The Indonesian Legal Adviser is of the opinion that since the transactions contemplated under the Contractual Arrangements are within the domain of private law in Indonesia which focuses on legal relationship between two parties based on the principle of freedom of contract under Indonesian laws, the Indonesia government will not be involved in the use of the Contractual Arrangements. The Indonesian Legal Adviser has attempted to obtain confirmation from the BKPM, who verbally confirmed that the Contractual Arrangements are under the domain of private law in Indonesia. Therefore the Indonesia government will not be involved in the contracts or any dispute on the legality of the use of the Contractual Arrangements which in effect allow TNG Indonesia to control indirectly 100% of TNG Indompet, and BKPM does not require companies to disclose or report loan transactions such as the Contractual Arrangements. The Indonesian Legal Adviser confirmed that it has taken all possible actions and steps to enable it to reach the above legal conclusions and opinions. In light of the above opinion from the Indonesian Legal Adviser and as the Contractual Arrangements have not encountered any interference or encumbrance from any governing bodies of Indonesia as at the date of this announcement, the Directors are of the view that the Contractual Arrangements are enforceable under the relevant Indonesian law and regulations.

## **INTERNAL CONTROL MEASURES**

The Contractual Arrangements contain certain provisions in order to exercise indirect effective control over and to safeguard the assets of TNG Indompet.

In addition to the internal control measures as provided in the Contractual Arrangements, it is the intention of the Company, through the Target Company, to adopt additional internal control measures against TNG Indompet as appropriate, which may include but not limited to management control, financial control and legal review as follows:

- (a) the Group will delegate representatives (“**Representatives**”) to TNG Indompet, mainly responsible for exercising management control of TNG Indompet; the Representatives will conduct reviews on the operations of TNG Indompet;
- (b) the Representatives shall meet with the shareholders or directors of TNG Indompet from time to time to investigate and report any suspicious matters to the Board;
- (c) the Board shall collect the management accounts and major operational data of the Target Group regularly for review which will be no less frequent than on a monthly basis; the financial team of the Company will seek explanations from the senior management of the Target Group on any material fluctuations;
- (d) the Board and the Representatives shall identify and review major issues arising from the implementation of and compliance with the Contractual Arrangements on a regular basis;
- (e) any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (f) the Board will consult the Company’s Indonesian legal advisers from time to time to check if there are any legal developments in the Indonesia affecting the arrangement contemplated under the Contractual Arrangements, and the Board will determine if any modification or amendment are required to be made; and
- (g) the Board will disclose the overall performance and compliance with the Contractual Arrangements in its annual report to update the Shareholders and potential investors.

## **THE BOARD’S VIEW ON THE CONTRACTUAL ARRANGEMENTS**

The Board is of the view that the Contractual Arrangements are narrowly tailored to achieve the Target Group’s business purpose and minimise the potential for conflict with relevant Indonesian laws and regulations. The Board considers that the Contractual Arrangements are an effective mechanism which enables the Target Company to gain control over the finance and business operations of TNG Indompet, and to obtain the economic interests and benefits of TNG Indompet.

The Directors believe the Contractual Arrangements are fundamental to TNG Indompet's legal structure and business operations because they enable the Target Company to gain indirect control over TNG Indompet under the legal framework of Indonesia. Pursuant to the relevant provisions of Contractual Arrangements, if in the future the relevant Indonesian laws allow TNG Indonesia to directly hold the entire equity interest of TNG Indompet, the Contractual Arrangements may be terminated upon completion of the acquisition of the equity interest in TNG Indompet by TNG Indonesia and no consideration would be payable by the Group to the Indonesian Shareholder in the unwinding of the Contractual Arrangements, unless stipulated otherwise. The Directors further believe that Contractual Arrangements are enforceable under the relevant Indonesia laws, and that the Contractual Arrangements will provide a mechanism that enables the Target Company to exercise effective control over TNG Indompet.

On the above basis, the Directors are of the view that the terms of the Contractual Arrangements and the transactions contemplated there under are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of the announcement, the Target Group has not encountered any interference or encumbrance from any governing bodies in operating its business through the Contractual Arrangements.

## **RISKS RELATING TO THE CONTRACTUAL ARRANGEMENTS**

The Group may bear economic risk which may arise from difficulties in the operation of TNG Indompet's business.

Since the financial results of the Target Group have been consolidated into the Group's financial results as a subsidiary after Completion under the applicable accounting principles and the financial results of TNG Indompet will be 100% consolidated into those of TNG Indonesia through the use of the Contractual Arrangements, the Group will share both profit and loss of the TNG Indompet and bear economic risks which may arise from difficulties in the operation of TNG Indompet's business. The Target Group may have to provide financial support in the event of financial difficulty of TNG Indompet. Under these circumstances, the Group's financial results and financial position may be adversely affected by the worsening financial performance of TNG Indompet and the need to provide financial support to it.

### **There are limitations when we exercise our rights to demand for and effect the transfer of the 51% shareholding in TNG Indompet under the Contractual Arrangements**

Subject to the applicability of PR No. 10/2021, due to the previous foreign ownership restriction under Indonesia law, specifically the DNI Regulations 2016, in the event of death or bankruptcy of the Indonesian Shareholder, TNG Indonesia would have to cause all of the shares registered under the name of the Indonesian Shareholder to be transferred to a third party designated by TNG Indonesia and such third party must also be an Indonesian citizen(s) or legal entity fully owned by Indonesian citizen(s) in accordance with the prevailing laws and regulations in Indonesia, and to procure such third party to take up and hold all such shares subject to arrangements similar to that of the Contractual Arrangements. In the event that TNG Indonesia is unable to procure such a third party to replace the Indonesian Shareholder to take up the shares subject to arrangements similar to that of the Contractual Arrangements and in the event that TNG Indonesia itself takes up those shares and becomes the registered shareholder of those shares, as advised by the Indonesia Legal Adviser, (i) TNG Indonesia may violate the Indonesia law which imposes the foreign ownership restriction which must further be adjusted in compliance with the prevailing laws; (ii) the relevant government authority may impose administrative measures to TNG Indompet such as warning letter, suspension of business identification number and revocation of business license in accordance with the prevailing laws and regulations; and (iii) any transfer of shares of TNG Indompet that violates Indonesia law and regulations may be declared null and void by Indonesia courts in case a party applies to the relevant Indonesia courts to nullify and void such transfers. In addition, such transfer of shares may also be subject to substantial costs including professional fees which may be incurred in preparing the relevant documentation and attending to the filing regarding such transfers.

### **The Indonesian government may determine that the Contractual Arrangements do not comply with the applicable laws and regulations**

There is no assurance that the Contractual Arrangements will be deemed by the relevant governmental or judicial authorities to be in compliance with the existing or future applicable Indonesian laws and regulations, or the relevant governmental or judicial authorities may in the future interpret the then prevailing laws or regulations with the result that the Contractual Arrangements will be deemed to be in compliance with the Indonesian laws and regulations. In such event, the Target Group's business, financial condition and results of operations in Indonesia may be adversely affected.

### **The Contractual Arrangements may not be as effective as direct ownership in providing control over TNG Indompet**

The Group relies on the Contractual Arrangements to exercise control over TNG Indompet. The Contractual Arrangements may not be as effective as direct ownership in providing the Group with control over TNG Indompet. For example, if TNG Indonesia has direct entire ownership of TNG Indompet, it will be able to exercise its rights as a shareholder to effect changes in the board of directors of TNG Indompet. However, under the Contractual Arrangements, the Group relies on the performance by the Indonesian Shareholder of his obligations under the Contractual Arrangements to exercise control over TNG Indompet.

In addition, if the Indonesian Shareholder or TNG Indompet fails to perform their respective obligations under the Contractual Arrangements or otherwise has disputes with the Group, the Group would need to bring a claim against them under the terms of the Contractual Arrangements, which involve significant uncertainties. There can be no assurance that the outcome will be in the Group's favour and it may adversely affect the Group's ability to control TNG Indompet.

**The Indonesian Shareholder may potentially have a conflict of interest with the Group**

The Group's control over TNG Indompet is based on the Contractual Arrangements. Therefore, conflict of interests of the Indonesian Shareholder will adversely affect the interests of the Company. Pursuant to the Power of Attorney to Sell, the Power of Attorney to Vote and the Power of Attorney, the Indonesian Shareholder has irrevocably appointed TNG Indonesia as his exclusive agent and authorised person to exercise his rights as the shareholders of TNG Indompet. Therefore, it is unlikely that there will be potential conflict of interests between the Group and the Indonesian Shareholder.

**The Contractual Arrangements may be subject to scrutiny of Indonesian tax authorities and additional tax may be imposed**

There is no assurance that there will not be any change in laws or regulations or change in the interpretation of laws or regulations by the Indonesian tax authorities in the future which may result in the Contractual Arrangements being scrutinized by the Indonesian tax authorities and higher tax rates or additional taxes being imposed on and incurred by TNG Indompet in connection with the Contractual Arrangements and thereby adversely affecting the operating and financial results of the Group.

**The Company does not have any insurance which covers the risks relating to the Contractual Arrangements and the transactions contemplated thereunder**

The insurance of the Group does not cover the risks relating to the Contractual Arrangements and the transactions thereunder and the Company has no intention to purchase any new insurance in this regard. If any risk arises from the Contractual Arrangements in the future, such as those affecting the enforceability of the Contractual Arrangements and the operation of TNG Indompet, the results of the Group may be adversely affected. However, the Group will monitor the relevant legal and operational environment from time to time to comply with the applicable laws and regulations. In addition, the Group will implement relevant internal control measures to reduce the operational risk. The Group will continue evaluating the feasibility, the cost and the benefit of insuring the transactions under the Contractual Arrangements.

## **UNWINDING THE CONTRACTUAL ARRANGEMENTS**

In the event that the current Indonesian law on foreign ownership restrictions has been confirmed to be applicable and allows foreign shareholders to directly hold 100% of the interest in an Indonesian company that is engaged in the business field of digital platform and/or web portal/site with commercial purposes, the Group will unwind the Contractual Arrangements as soon as possible, including but not limited to TNG Indonesia exercising its power under the Power of Attorney to Sell, and sell all shares of TNG Indompet owned by the Indonesian Shareholder to TNG Indonesia or to a member of the Group, so that TNG Indompet will become a wholly-owned subsidiary of the Group, provided that under the Indonesian law, a company must have at least two or more shareholders.

No consideration would be payable by TNG Indonesia or any member of the Group to the Indonesian Shareholder in the unwinding of the Contractual Arrangements mentioned above.

## **INFORMATION OF THE GROUP**

The Subscriber is an indirect wholly owned subsidiary of the Company. It is principally engaged in investment holding.

The Group is principally engaged in (i) mobile internet cultural business and provision of IT services; (ii) provision of hospitality and related services in Australia; (iii) money lending business; and (iv) assets investments business.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION**

As aforementioned, part of the Group's principal activities are mobile internet cultural business and provision of IT services and money lending business. Having regard to the Target Group's principal business in Indonesia, the Directors are of the view that the Subscription in the Target Company will fit into the Group's principal activities and provide an opportunity for the Group to develop its business in Indonesia as well as the bordering areas. The Directors are of the view that the Subscription would also strongly complement the Group's mobile internet cultural business and provision of IT services and money lending business as well as providing overall synergistic benefits to its principal activities.

The Directors hold a positive view towards the investment in the Target Company and the Board considers that the terms of the Subscription Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## IMPLICATION UNDER THE LISTING RULES

As one of the applicable percentage ratios in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Assignment Agreement”	the assignment agreement dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and supplemented by a first supplemental agreement dated 1 March 2021 entered into between entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Assignment Agreement”
“Board”	the Board of Directors
“Company”	Hang Tai Yue Group Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued shares of which are listed on GEM
“Completion”	completion of the Subscription pursuant to the Share Subscription Agreement
“Contractual Arrangements”	collectively, the Novation Agreement, the Loan Agreement, the Pledge Agreement, the Assignment Agreement, the Share Option Agreement, the Power of Attorney to Sell, the Power of Attorney to Vote and the Power of Attorney
“Connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“E2Pay”	PT E2Pay Global Utama, a limited liability company incorporated in Indonesia
“Finance Documents”	the Loan Agreement, the Pledge Agreement, any irrevocable powers of attorney and additional share pledge agreement to be entered into pursuant to the Pledge Agreement

“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	parties who are third parties independent of the Company and its connected persons and their respective associates
“Indonesian Legal Adviser”	Hutabarat Halm & Rekan, the legal adviser to the Company as to Indonesian laws
“Indonesian Shareholder”	Mr. Tri Putra Permadi Wiyono, an Indonesian citizen
“Loan Agreement”	the loan agreement dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and supplemented by a first supplemental agreement dated 29 December 2020 and a second supplemental agreement dated 26 February 2021, both entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Loan Agreement”
“Long Stop Date”	8 September 2021 (or such other date as the Parties may agree in writing)
“Mark Profit”	Mark Profit Finance Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Mark Profit Loan Agreement”	the loan agreement dated 13 July 2020 entered into among Mark Profit as lender, the Company as borrower and TNG FinTech as guarantor in respect of a loan in the principal amount of US\$1,000,000 (equivalent to approximately HK\$7,800,000), as amended and supplemented by a supplemental agreement dated 13 January 2021 entered into among Mark Profit, the Company and TNG FinTech, details of which are set out in the announcements of the Company dated 13 July 2020 and 13 January 2021
“MoLHR”	the Ministry of Law and Human Rights of the Republic of Indonesia

“Novation Agreement”	the novation agreement dated 7 December 2020 entered into between TNG FinTech, TNG Indompot, the Indonesian Shareholder and TNG Indonesia, details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Novation Agreement”
“Parties”	Parties to the Subscription Agreement, namely the Subscriber, the Target Company and TNG FinTech (“Party” means any of the Parties).
“Pledge”	the pledge created pursuant to the Pledge Agreement or a separate pledge agreement in respect of additional shares of TNG Indompot acquired or subscribed by the Indonesian Shareholder from time to time after the date of the Pledge Agreement
“Pledge Agreement”	the pledge agreement dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and supplemented by a first supplemental agreement dated 1 March 2021 entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Pledge Agreement”
“Power of Attorney”	the irrevocable power of attorney dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and restated by an amendment and restatement agreement dated 1 March 2021 entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Power of Attorney”
“Power of Attorney to Sell”	the irrevocable power of attorney to sell dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and restated by an amendment and restatement agreement dated 1 March 2021 entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Power of Attorney to Sell”

“Power of Attorney to Vote”	the irrevocable power of attorney to vote dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and restated by an amendment and restatement agreement dated 1 March 2021 entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Power of Attorney to Vote”
“Put Option”	the option granted by TNG FinTech to the Subscriber which gives the Subscriber the right to sell all the Option Shares to TNG FinTech at the Put Option Price in accordance with the terms and conditions of the Subscription Agreement
“Secured Obligations”	all obligations at any time and from time to time due, owing, or incurred by the Indonesian Shareholder to TNG Indonesia under any Finance Document, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity)
“Shareholders’ Agreement”	the shareholders’ agreement dated 9 March 2021 entered into among the Subscriber, the Target Company and TNG FinTech to govern their relationships with respect to the Target Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Option Agreement”	the share option agreement dated 7 December 2020 entered into between the Indonesian Shareholder and TNG Indonesia (as amended and supplemented by a first supplemental agreement dated 1 March 2021 entered into between the Indonesian Shareholder and TNG Indonesia), details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Share Option Agreement”
“Spousal Consent”	the spousal consent dated 10 December 2020 executed by Ms. Soraya Syafrida, who is the spouse of the Indonesian Shareholder

“Spousal Undertaking”	the spousal undertaking dated 1 March 2021 executed by Ms. Soraya Syafrida, who is the spouse of the Indonesian Shareholder, details of which are set out in “Information on the Contractual Arrangements – Summary of the material terms of the Contractual Arrangements – the Pledge Agreement”
“Subscriber”	Noble Tack International Limited, a company incorporated in the British Virgin Islands with limited liability and an wholly-owned subsidiary of the Company
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the share subscription agreement dated 9 March 2021 entered into among the Subscriber, the Target Company and TNG FinTech in relation to the Subscription
“Subscription Consideration”	the consideration of the Subscription, being US\$1,000,000 (equivalent to approximately HK\$7,800,000)
“Subscription Shares”	10,200 ordinary shares of the Target Company to be allotted and issued by the Target Company to the Subscriber pursuant to the Subscription Agreement
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	TNG Indonesia Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability
“Target Group”	the Target Company and its subsidiaries
“TNG FinTech”	TNG FinTech Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and is ultimately owned as to approximately 77.24% by Mr. Kong King Ong Alexander, approximately 5.74% by Mr. Leong Jonathan Zhan Hua and the remaining approximately 17.02% by several Independent Third Parties, each holding less than 5% equity interest of TNG FinTech
“TNG Indompet”	PT Walletku Indompet Indonesia, a company incorporated in Indonesia with limited liability
“TNG Indonesia”	PT TNG Wallet Indonesia, a company incorporated in Indonesia with limited liability

“TNG Singapore”	TNG Indonesia Pte Ltd, a company incorporated in Singapore with limited liability
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of HK\$7.80 per US\$1.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board  
**Hang Tai Yue Group Holdings Limited**  
**Hui Chun Sum**  
*Chairman*

9 March 2021

*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. Mui Wai Lun and Mr. Tsui Ka Kin.*

*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>.*