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FingerTango Inc.

指尖悅動控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6860)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

THE DISPOSAL

The Board is pleased to announce that on 28 March 2024, the Company disposed of an aggregate of 8,706,500 Sale Shares which was effected through cross trade on the open market at an aggregate cash consideration of approximately HK\$10.45 million (exclusive of transaction costs), representing a selling price of HK\$1.20 per Sale Share.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE DISPOSAL

The Board is pleased to announce that on 28 March 2024, the Company disposed of an aggregate of 8,706,500 Sale Shares which was effected through cross trade on the open market at an aggregate cash consideration of approximately HK\$10.45 million (exclusive of transaction costs), representing a selling price of HK\$1.20 per Sale Share.

Completion of the Disposal will take place on the second trading day from the date of this announcement.

INFORMATION OF THE TARGET GROUP

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Target Company is a company incorporated in Bermuda with limited liability, the issued NSRI Shares of which are listed and dealt in on the Stock Exchange (Stock Code: 970). It is principally engaged in the dealerships of luxury goods and automobiles, provision of after-sales services, property management services, property rental services, film related business including development and investment in films and television program and money lending business.

The following financial information of the Target Group is extracted from its published annual reports for the years ended 31 March 2022 and 2023:

| | For the year ended 31 March | |
|-------------------------------|---------------------------------|---------------------------------|
| | 2023 (audited) (HK\$'000) | 2022 (audited) (HK\$'000) |
| Revenue | 3,997,656 | 4,324,487 |
| (Loss)/profit before taxation | (59,852) | 9,619 |
| (Loss)/profit for the year | (53,623) | 31,514 |

As at 30 September 2023, the Target Group has unaudited net assets of approximately HK\$2,086,026,000.

INFORMATION OF THE PURCHASER

As the Disposal was effected through cross trade on the open market, the Company was not aware of the identity of the purchaser of the Sale Shares.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, each of (1) the buy-side securities company and its ultimate beneficial owner; and (2) the purchaser of the Sale Shares (including its ultimate beneficial owner(s), if applicable) is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in development, operation and publishing of mobile game business in the PRC. The Group also makes investment such as listed equity securities, subscription of private equity fund and wealth management products to utilize its capital and increase income from idle funds of the Group.

Having considered, among others, (i) a stock analysis report on the Target Company made available to the Board; (ii) the recent volatility of the share prices and the low liquidity of NSRI Shares; (iii) the uncertainty brought about by the recent change of control in and legal proceedings involved by the Target Company; and (iv) the overall unfavourable market sentiment on the stock market in Hong Kong, the Directors believe the Disposal represents an opportunity for the Group to realise its investments and reallocate its financial resources to other business needs.

The consideration per each Sale Share represents: (i) a discount of approximately 7.69% to the closing price of HK\$1.30 per NSRI Share as quoted on the Stock Exchange as at the date of this announcement; and (ii) a discount of approximately 10.45% to the average closing price of HK\$1.34 per NSRI Share for the last five trading days as quoted on the Stock Exchange up to and including the date of this announcement. The Directors consider that it is an appropriate timing to effect the Disposal as the consideration falls within a reasonable price range by reference to the recent trading performance of the NSRI Shares.

In view of the above, the Directors are of the view that the Disposal is fair and reasonable, on normal commercial terms and is beneficial to the Group and is in the interest of the Company and its shareholders as a whole.

FINANCIAL EFFECT AND USE OF PROCEEDS

The Company is expected to recognise a loss on disposal of approximately HK\$23.79 million with reference to the consideration (exclusive of transaction costs) of the Disposal and the acquisition cost of the Sale Shares.

The net proceeds from the Disposal (after deducting transaction costs, tax and professional expenses) will be approximately HK\$10.22 million. The Group intends to use the net proceeds from the Disposal for general working capital of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the same following meanings as set out below:

| | |
|--------------------------------|---|
| “Board” | the board of Directors |
| “Company” | FingerTango Inc., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange (Stock Code: 6860) |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Disposal” | the disposal of the Sale Shares by the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | third parties who are independent of, and not connected with, the Company and its connected persons |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “NSRI Share(s)” | ordinary share(s) of HK\$0.032 each in the share capital of the Target Company |
| “PRC” | the People’s Republic of China |

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|------------------|--|
| “Sale Shares” | 8,706,500 NSRI Shares held by the Company immediately before the Disposal |
| “Share(s)” | ordinary share(s) of US\$0.000005 each in the share capital of the Company |
| “Stock Exchange” | the Stock Exchange of Hong Kong Limited |
| “Target Company” | New Sparkle Roll International Group Limited, a company incorporated in Bermuda with limited liability, the issued NSRI Shares of which are listed on the Stock Exchange (Stock Code: 970) |
| “Target Group” | the Target Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of the Hong Kong |
| “US\$” | United States dollars, the lawful currency of the United States of America |
| “%” | per cent. |

By order of the Board
FingerTango Inc.
Chik Wai Chun
Company Secretary

Guangzhou, the People’s Republic of China, 28 March 2024

As at the date of this announcement, the Board comprises Mr. LIU Jie and Dr. CHAN Man Fung as executive Directors and Mr. CHOW Wing Yiu, Mr. SHIN Ho Chuen and Mr. JIANG Huihui as independent non-executive Directors.