



ASX ANNOUNCEMENT

TTG signs convertible bond and option subscription agreement

12 December 2016 (ASX : TUP)

TTG Fintech Limited (**TTG**) is pleased to announce that it has signed a convertible bond and option subscription agreement (Agreement) with an unrelated third party who has committed to invest HKD1.8 million convertible bonds according to the announcement made on 29 June 2016. The first tranche of HKD0.6 million convertible bonds was completed in June 2016. The second tranche of HKD1.2 million is expected to be completed on or about 24 December 2016.

As a result of execution of the Agreement, TTG today issues 2,500,000 zero-coupon unsecured convertible bonds for a total of AUD500,000 or its equivalent value in Renminbi pursuant to TTG's 15% placement capacity under ASX Listing Rule 7.1.

The convertible bonds are convertible into a maximum of 2,500,000 fully paid CHESS Depositary Interests (CDIs) in TTG with maturity on 31 December 2019 on identical terms of the existing CDIs on issue at a conversion price of AUD0.20 being the face value of each convertible bond.

In accordance with the Agreement, both parties agreed that the second tranche of the previously issued convertible bond in the amount of HKD1,200,000 on or before 24 December 2016 will be terminated.

TTG will further issue to the investor at nil issue price of 11,500,000 options expiring on 31 December 2019 with each carrying an option to acquire one CDIs in the capital of the Company at an exercise price of AUD0.20 pursuant to TTG's 15% placement capacity under ASX Listing Rule 7.1 .

The conversion price of AUD\$0.20 per CDI represents a premium of 165.60% to TTG's VWAP for the 5 day period to 9 December 2016. The proceeds of AUD500,000.00 will be used as working capital of the Company.

"Issue of the convertible bonds at premium represents investor confidence in our Company and his continual support to ease TTG's short term funding requirement " TTG's Chairman Mr Xiong said today.

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About TTG

TTG operates within the software and information services industry in the People's Republic of China. The main business of the consolidated entity derives its income from its self-developed technologies called Financial Electronic Authentication ("FEA") which provides the solution for clearing and settlement for multi parties, and "Tlinx", a smart cloud-supported point of sales ("POS") system.

By combining bank-card and non-bank-card bank accounts, this FEA technology allows clearing and settlement of digital currencies and payment of commissions. With the use of FEA technology, currency is not just a medium and consideration of exchange, but also a means of communication, sharing, analysis, transmission, promotion, data sourcing and labelling, and targeted marketing. FEA technology is now used in TTG's Tlinx systems, ULPOS platform, and is being extended to other applications.

Tlinx can be applied to different types of POS, both traditional and smart. Tlinx accommodates varying payment methodologies (e.g. cash, bank card, debit card, QR code, NFC, mobile payment, payment by royalty points, etc.) to be transacted on one hardware portal. Commercial banks, merchants, POS acquirers, traditional POS manufacturers, Management Information System (MIS) manufacturers, electronic tax invoice system providers, retail chains and other private companies all benefit from the use of our Tlinx.

Tlinx allows for data transmission and supports risk analysis of bank loan financing for commercial banks and financiers, MIS functions and financial planning for merchants, as well as numerous CRM functions (e.g. promotion of merchants, coupon, transaction data management, customer loyalty data analysis and management, etc) for diverse industries such as beverage, retail chain stores and B2C e-commerce.

In addition, our technology can serve to upgrade the traditional POS to the intelligent POS so that the clients with existing traditional POS facilities can enjoy the above value added services.

TTG is entitled to a percentage of fees generated on the ULPOS platform and other transactions that employ the FEA and Tlinx.

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For further information visit www.ttg.hk or contact Mr Gary Kwok, Company Secretary, TTG Fintech Limited +61 2 9276 2000.

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