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## China Innovationpay Group Limited

中國創新支付集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code : 8083)

### ANNOUNCEMENT IN RELATION TO THE ESTIMATED PERFORMANCE RESULTS

This announcement is made by China Innovationpay Group Limited (the “Company”) pursuant to Rule 17.10 of the GEM Listing Rules. The Company and all members of the Board of Directors confirm that all the information contained in this announcement is true, accurate and complete and that there is no false and misleading statement or material omission herein.

#### I. Estimated results of the current period

1. Type of estimated performance results: Turnaround in profit and earnings per share when compared to corresponding period in the last year.
2. Estimated results are as follows:

##### (A) January to September 2011

Item	1 January 2011 to 30 September 2011 HK\$'000	1 January 2010 to 30 September 2010 HK\$'000	Increased with reference to same period as last year (%)
Net profit / (loss) attributable Owners of the Company	1,000 - 2,500	(57,910)	101 - 104
Basic earnings / (loss) per share	0.03 HK cents - 0.07 HK cents	(2.54) HK cents	101 - 103

##### (B) July to September 2011

Item	1 July 2011 to 30 September 2011 HK\$'000	1 July 2010 to 30 September 2010 HK\$'000	Increased with reference to same period as last year (%)
Net profit / (loss) attributable Owners of the Company	14,000 – 15,500	(24,239)	158 - 164
Basic earnings / (loss) per share	0.75 HK cents – 0.79 HK cents	(1.01) HK cents	174 - 178

3. Reference is also made to the Company's announcement dated 21 October 2011 concerning the proposed very substantial disposal of the Company's loss-making PRC subsidiaries. Upon its completion, it is expected that the Company will be a pure profit making entity that will give the shareholders a very good return on investment in future.

## **II. Unaudited figures**

This announcement is only based on the preliminary review of the unaudited management accounts of the Company, which has not been confirmed nor audited by the Company's auditors. No figures of the estimated results contained in this announcement have been audited by any certified public accountants firm.

## **III. Reasons for change in results**

Just after the completion of the acquisition of the Country Praise Enterprises Ltd ("CPE") and its subsidiaries (the "CPE Group") on 28 February 2011, CPE Group started to contribute to the Group performance positively. CPE Group is principally engaged in (i) the development and operation of electronic payment tool; (ii) trading of computers and communication equipment; and (iii) the issue and operation of a prepaid card business in the PRC. The performance of CPE Group has been very promising in that the sales revenue, since 28 February 2011 to 30 September 2011, accounted for approximately HK\$140,348,000 (approximately 69% of total consolidated sales revenue of the Company for the nine month period ended 30 September 2011). Before acquiring CPE Group, the total sales revenue for the same period in 2010 was only approximately HK\$62,936,000. The overall profitability of the Company continuously improved.

## **IV. Others**

Details of the financial figures of the Company for the third quarter of 2011 will be disclosed in the 2011 third quarterly report of the Company.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
China Innovationpay Group Limited  
Guan Guisen  
Chairman

Hong Kong, 23 October, 2011

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Guan Guisen and Dr. Lei Chunxiong; one non-executive Director, namely Mr. Li Yuezhong and three independent non-executive Directors, namely Dr. Fong Chi Wah, Mr. Wang Zhongmin and Mr. Gu Jiawang.*

*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 for at least 7 days from the date of its posting and on the Company's website at [www.innovationpay.com.hk](http://www.innovationpay.com.hk).*