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**CREDIT CHINA HOLDINGS LIMITED**  
**( 中國信貨控 股 有 限 公 司 )**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8207)

**DISCLOSEABLE TRANSACTION  
INVOLVING ISSUE OF NEW SHARES  
UNDER GENERAL MANDATE  
IN RESPECT OF  
THE ACQUISITION OF  
THE ENTIRE EQUITY INTERESTS IN  
UCF HUISENG INVESTMENT (HK) CO., LIMITED**

**Financial adviser to Credit China Holdings Limited**



**Odysseus Capital Asia Limited**

**THE SALE AND PURCHASE AGREEMENT**

The Board is pleased to announce that on 9 October 2013 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares at a total consideration of HK\$286,680,000. The Sale Shares represent the entire issued share capital of the Target Company.

The Consideration shall be satisfied by the Purchaser by procuring the Company to allot and issue an aggregate of 477,800,000 Consideration Shares at the Issue Price and credited as fully paid upon Completion to the Vendor.

The Acquisition is subject to fulfillment of the conditions precedent as detailed in the paragraph headed “Conditions precedent” in this announcement. Upon Completion, the Company will be interested in the entire equity interests in the Target Company and the Target Group will be accounted for as indirect wholly-owned subsidiaries of the Company.

The Target Group’s principal business is the provision of online third-party payment services and prepaid card issuance business in the PRC. As at the date of this announcement, the Vendor holds 100% of the issued share capital of the Target Company.

The wife of the Guarantor currently holds 18,000,000 Shares. Apart from such shareholding, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor, the Guarantor and their respective associates are Independent Third Parties.

### **IMPLICATION OF THE GEM LISTING RULES**

Since the percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and are subject to reporting and announcement requirements but exempt from shareholders’ approval requirement.

## **INTRODUCTION**

On 9 October 2013 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares at a total consideration of HK\$286,680,000.

## **THE SALE AND PURCHASE AGREEMENT**

Date : 9 October 2013 (after trading hours)

Parties : (1) the Purchaser, an indirect wholly-owned subsidiary of the Company  
(2) the Vendor; and  
(3) the Guarantor

Pursuant to the Sale and Purchase Agreement, the Guarantor has unconditionally and irrevocably guaranteed to the Purchaser that the Guarantor shall (i) procure the Vendor to duly and punctually perform its obligations and duties under the Sale and Purchase Agreement; and (ii) undertake to indemnify the Purchaser fully for all liabilities, losses, damages, expenses and costs as a result of the Vendor failing to perform or delay in performing its obligations under the Sale and Purchase Agreement.

The Guarantor is the ultimate beneficial owner of the Vendor. The wife of the Guarantor currently holds 18,000,000 Shares. Apart from such shareholding, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor, the Guarantor and their respective associates are Independent Third Parties.

### **Assets to be acquired**

Pursuant to the Sale and Purchase Agreement, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares.

The Sale Shares represent 100% issued share capital of the Target Company. As at the date of this announcement, the Target Company is wholly and beneficially owned by the Vendor.

### **Consideration**

The total Consideration of HK\$286,680,000 shall be settled by the Purchaser by procuring the Company to allot and issue an aggregate of 477,800,000 Consideration Shares to the Vendor at the Issue Price and credited as fully paid upon Completion.

### **Basis of the Consideration**

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor. Having considered the following reasons:

- (i) a valuation report prepared by Avista Valuation Advisory Limited ("**Avista Valuation**"), an independent valuer. Based on the valuation report, the value of Dalian UCF as at 30 September 2013 was approximately HK\$291,000,000;
- (ii) the business development and prospects of the Target Group in the medium to long term;
- (iii) the Guaranteed Profit; and
- (iv) the Consideration will be satisfied by the issue and allotment of the Consideration Shares at Completion without initial deposit and the use of the financial resources of the Group,

the Directors (including the independent non-executive Directors) consider that the Consideration is fair and reasonable and the terms and conditions of the Acquisition are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **Conditions precedent**

Completion is subject to the following conditions having been fulfilled or waived (as the case may be):

- (i) the Purchaser being reasonably satisfied with the due diligence results in respect of, among others, the operations and the financial position of the Target Group and the legality of the Control Contracts pursuant to the terms of the Sale and Purchase Agreement;
- (ii) the Vendor having obtained all necessary consent and approval relating to the sale and purchase of the Sale Shares;
- (iii) the Purchaser having obtained all necessary consent and approval relating to the sale and purchase of the Sale Shares;
- (iv) the Hong Kong legal advisors designated by the Purchaser having issued a Hong Kong legal opinion relating to the Target Company (including but not limited to the incorporation and subsistence of the Target Company) in the form and substance to the reasonable satisfaction of the Purchaser;
- (v) the PRC legal advisors designated by the Purchaser having issued a PRC legal opinion relating to the matters of the Sale and Purchase Agreement, the PRC members of the Target Group, Control Contracts and the registration of the Equity Pledge Contract with the Administration of Industry and Commerce in the form and substance to the reasonable satisfaction of the Purchaser;
- (vi) the GEM Listing Committee of the Stock Exchange having granted the listing of and the permission to deal in the Consideration Shares;
- (vii) the representations, warranties and undertakings made by the Vendor in the Sale and Purchase Agreement remaining true and accurate and not misleading;
- (viii) the Purchaser believing that from the date of the Sale and Purchase Agreement, there being no material adverse change to any members of the Target Group;
- (ix) the valuer designated by the Purchaser having issued a valuation report on the value of Dalian UCF being not less than HK\$286,680,000 in the form and substance to the reasonable satisfaction of the Purchaser;

- (x) the original shareholders of Dalian UCF having registered the Equity Pledge Contract with the relevant Administration of Industry and Commerce;
- (xi) the Control Contracts having been effectively executed and the original shareholders of Dalian UCF and the Target Group having obtained all necessary consent and approval from the relevant authorities in respect of the execution of the Control Contracts;
- (xii) Shenzhen Zhongzu having been removed from the Target Group;
- (xiii) the pledge of the equity of Dalian UCF having been released and the equity of Dalian UCF being not affected by any encumbrances;
- (xiv) the trading in the Shares on GEM not having been halted for 5 consecutive trading days after the date of execution of the Sale and Purchase Agreement (unless such trading halt is due to the processing of announcements, circular and/or other relevant documents for the transactions contemplated under the Sale and Purchase Agreement, other major transactions or very substantial acquisitions or disposals);
- (xv) the Shareholder's Loan having been capitalised; and
- (xvi) the Purchaser, the Vendor and the Custodian having executed the relevant custodian deed.

The Purchaser may conditionally or unconditionally waive the conditions set out in (i), (iv), (v), (vii) and (viii) above by notice in writing to the Vendor. The conditions set out in (ii), (iii), (vi), (ix), (x), (xi), (xii), (xiii), (xiv), (xv) and (xvi) cannot be waived by the Purchaser or the Vendor.

If any of the above conditions is not fulfilled or waived (as the case may be) on or before 31 December 2013 or such other date as the parties to the Sale and Purchase Agreement may agree in writing, the Sale and Purchase Agreement shall terminate and neither party shall have any further obligations towards the other thereunder except for antecedent breaches (if any).

### **Completion**

Completion shall take place within five (5) business days after all the conditions of the Sale and Purchase Agreement have been fulfilled or waived or such later date as may be agreed between the Vendor and the Purchaser in writing.

Upon Completion, the Company will be interested in the entire equity interests in the Target Company and as confirmed with the auditor of the Company, SHINEWING (HK) CPA Limited (“SHINEWING”), since the Group can effectively control and has the rights to enjoy the economic benefits in and/or assets of Dalian UCF, the Target Group will be accounted for as indirect wholly-owned subsidiaries of the Company.

## PROFIT GUARANTEE

Pursuant to the Sale and Purchase Agreement, the Vendor has covenanted and guaranteed (the “**Profit Guarantee**”) to the Purchaser that the audited consolidated net profit after taxation (excluding one-off income and the costs and expenditure shared by the Purchaser and/or the Company) of the Target Group, based on the financial statements prepared in accordance with Hong Kong Financial Reporting Standards and to be audited by the auditor of the Company for the financial year ending 31 December 2014 shall not be less than HK\$35,000,000 (the “**Guaranteed Profit**”).

In the event the Actual Net Profit is less than the Guaranteed Profit, the Vendor shall compensate the Purchaser in cash of an amount calculated by reference to the following formula:

$$\text{Compensation amount} = (\text{Guaranteed Profit} - \text{Actual Net Profit}) \times 8.19$$

For the avoidance of doubt, if there is loss for the Target Group for the financial year ending 31 December 2014, the Actual Net Profit, shall be treated as zero and the compensation amount shall be equal to the Guaranteed Profit x 8.19.

As security for the Profit Guarantee, the certificate(s) of all the Consideration Shares to be issued to the Vendor upon Completion will be held by the Custodian in escrow. If the Profit Guarantee is fulfilled, the certificate(s) of the Consideration Shares will be returned to the Vendor. In the event that the Profit Guarantee is not fulfilled and the Vendor decides to sell all or part of the Consideration Shares (the “**Sale Consideration Shares**”) and apply the proceeds (the “**Proceeds**”) to settle the compensation amount, the Vendor and the Purchaser shall procure the Custodian to deliver the certificate(s) of the Sale Consideration Shares to the purchaser of the Sale Consideration Shares upon the receipt of the Proceeds by the Purchaser. The certificate(s) for the remaining Consideration Shares after deduction of the Sale Consideration Shares (if any) will be returned by the Custodian to the Vendor after the Vendor has fully discharged its obligations under the Profit Guarantee.

The amount of the Guaranteed Profit was arrived at after arm’s length negotiation between the Purchaser and the Vendor with reference to the business prospects and business development of the Target Group.

## NON-COMPETITION

Pursuant to the terms of the Sale and Purchase Agreement, the Vendor and the Guarantor undertake to the Purchaser not to and will procure their respective associates and/or representatives and/or agents not to, among others, directly or indirectly (i) engage in online payment services relating to the business of the Target Group and (ii) use the name or brand of the Target Group or represent that they are related to the Target Group or its shareholders or its business in the PRC, Hong Kong or other places of the world for three years after Completion.

## CONSIDERATION SHARES

The Consideration Shares will be allotted and issued at the Issue Price, credited as fully paid upon Completion. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.

The Issue Price represents:

- (i) a discount of approximately 11.77% to the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on 9 October 2013, being the date of the Sale and Purchase Agreement;
- (ii) a discount of approximately 11.50% to the average of the closing prices of HK\$0.678 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Sale and Purchase Agreement; and
- (iii) a premium of approximately 10.96% over the net asset value per Share of approximately HK\$0.54 based on the unaudited consolidated financial statements of the Company as at 30 June 2013 divided by 2,389,000,000 Shares as at 30 June 2013.

The Issue Price was determined by the Board after taking into consideration of the prevailing Share prices and the Directors consider that the Issue Price is fair and reasonable.

The Consideration Shares represent approximately 19.38% of the existing issued share capital of the Company and approximately 16.23% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares. The Consideration Shares will be allotted and issued pursuant to the General Mandate and will be allotted and issued on the date of Completion. As at the date of this announcement, no Shares have been issued and allotted under the General Mandate.

### Lock-up

Pursuant to the Sale and Purchase Agreement, the Vendor undertook to, and covenanted with the Company that before receiving the certificate(s) of the Consideration Shares from the Custodian, it will not lend, sell, agree to sell, grant any buy options or in any way dispose of or pledge the Consideration Shares without prior approval from the Purchaser.

## APPLICATION FOR LISTING

Application will be made by the Company to the GEM Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

## CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement and prior to Completion; and (ii) immediately upon Completion and the allotment and issue of the Consideration Shares.

|  | As at the date of<br>this announcement |                | Immediately upon Completion<br>and assuming no conversion of<br>the outstanding Share Options |                |
|--|--|----------------|---|----------------|
|  | Number of<br>Shares                    | Approx. %      | Number of<br>Shares   | Approx. %      |
| <b>Directors of the Company</b>                  |  |                |   |                |
| Mr. Shi Zhi Jun ( <i>Note 1</i> )                | 690,200,000                            | 27.99%         | 690,200,000   | 23.46%         |
| Mr. Ji Zu Guang                                  | 19,200,000                             | 0.78%          | 19,200,000  | 0.65%          |
| Ms. Shen Li                                      | 19,200,000                             | 0.78%          | 19,200,000  | 0.65%          |
| Mr. Ting Pang Wan Raymond                        | 6,000,000                              | 0.24%          | 6,000,000   | 0.20%          |
| Sub-total for directors                          | 734,600,000                            | 29.79%         | 734,600,000   | 24.96%         |
| <b>Substantial Shareholder</b>                   |  |                |   |                |
| Jiefang Media (UK) Co. Limited                   | 636,222,400                            | 25.80%         | 636,222,400   | 21.61%         |
| Sub-total for substantial Shareholder            | 636,222,400                            | 25.80%         | 636,222,400   | 21.61%         |
| <b>Vendor and its associates (<i>Note 2</i>)</b> | 18,000,000                             | 0.73%          | 495,800,000   | 16.84%         |
| <b>Public Shareholders</b>                       | 1,076,977,600                          | 43.68%         | 1,076,977,600   | 36.59%         |
| <b>Total</b>                                     | <u>2,465,800,000</u>                   | <u>100.00%</u> | <u>2,943,600,000</u>  | <u>100.00%</u> |

*Note:*

- These shares are held by Kaiser Capital Holdings Limited, the entire issued share capital of which is owned by Mr. Shi Zhi Jun.
- The 18,000,000 Shares are held by the wife of the Guarantor.



## INFORMATION ON THE TARGET GROUP

Dalian UCF is a company established in the PRC with limited liability and is principally engaged in the provision of online third-party payment services and prepaid card issuance business in the PRC. The Target Group has obtained the third-party payment license issued by the People's Bank of China (the "PBOC"). Online payment profit is primarily obtained from transaction fee and interest income from reserve fund accounts. As at the date of the Sale and Purchase Agreement, the Target Company is wholly-owned by the Vendor. Huitong Investment will enter into the Control Contracts with UVG Group, Guorong Investment and Dalian UCF before Completion to provide Huitong Investment with effective control over and the rights to enjoy the economic benefits in and/or assets of Dalian UCF.

### The Control Contracts

The payment service business currently engaged by Dalian UCF is subject to regulations in accordance with, among others, the administrative measures relating to payment services by non-financial institutions (非金融機構支付服務管理辦法, the "**Payment Service Measures**"). The Payment Service Measures, which were issued by the PBOC on 19 May 2010 and came into effect on 1 September 2010, defined "payment services" as the provision by non-financial institutions of intermediary services for the transfer of funds between a transferor and transferee, including with respect to online payments, the issue and acceptance of prepaid cards, and point of sale (POS) systems. The Payment Service Measures stipulate that non-financial institutions must not engage in the provision of payment services without first obtaining approval and a payment services licence (支付業務許可證) from the PBOC. In accordance with Article 9 of the Payment Service Measures, regulations and rules addressing the scope of business and ownership restrictions for foreign investment in non-financial institutions engaged in payment services shall be separately stipulated by the PBOC and approved by the State Council of the PRC. However, as at the latest practicable date, no such regulations and rules had been stipulated by the PBOC, nor had the PBOC, as a matter of practice, granted any Payment Services Licence to any foreign invested enterprise engaged in the provision of online payment services.

In circumstances where foreign invested enterprises are not granted approval and licences to engage in online payment services, the Group is not able to acquire the equity interests in Dalian UCF. To enable the Group to engage in the online payment service business in the PRC, prior to Completion, Huitong Investment will enter into the Control Contracts with Dalian UCF, UVG Group and Guorong Investment. Upon Completion, the Control Contracts will enable our Group to manage and operate the business of Dalian UCF, and exercise effective control over and, to the extent permitted by PRC laws and regulations, have the right to acquire the equity interest in Dalian UCF. As a result, the Control Contracts, taken as a whole, will allow the Group to effectively control Dalian UCF and therefore recognise and receive substantially all of the economic benefits of the business and operations of Dalian UCF.

Pursuant to the Control Contracts and the powers of attorney ancillary to the Control Contracts to be executed by UVG Group and Guorong Investment, (a) Dalian UCF agrees to (i) engage Huitong Investment to provide exclusive and comprehensive management and operation services to Dalian UCF; and (ii) pay an annual management service fee to Huitong Investment equal to the revenue generated by Dalian UCF after deducting all relevant costs and expenses (including taxes), losses and related reserve funds; and (b) the existing shareholders of Dalian UCF, namely UVG Group and Guorong Investment (i) have granted Huitong Investment the exclusive right to acquire any or all the equity interests in Dalian UCF at the lowest price as and when permitted under the relevant PRC laws and regulations on the condition that such acquisition shall be in compliance with the relevant PRC laws and regulations; (ii) have pledged their entire equity interests in Dalian UCF to Huitong Investment for the purpose of securing the performance of their and Dalian UCF's respective contractual obligations under the Control Contracts; and (iii) have entrusted Huitong Investment or its designated party to exercise all their respective rights as shareholders of Dalian UCF including but not limited to the rights to vote in a shareholders' meeting, sign shareholders' resolutions and file documents with the relevant registration authority and the rights to receive the remaining assets of Dalian UCF upon the winding-up of Dalian UCF. Pursuant to the terms of the Control Contracts, the Control Contracts shall be legally binding on the successors of UVG Group Guorong Investment in the event of any change in their holding of the "equity interest of Dalian UCF due to bankruptcy, winding-up, termination of operation or any other reason."

Pursuant to the Control Contracts, in case of a dispute in relation to the Control Contracts, the parties to the Control Contracts shall negotiate in good faith to resolve the dispute. If the dispute cannot be settled through negotiation within 45 days, any party may refer the dispute to the Dalian Arbitration Commission for arbitration award shall be final and binding on the parties concerned. In addition, pursuant to the terms of the Control Contracts, the Dalian Arbitration Commission has power to effect actions or arbitral awards on any shares, assets or business of Dalian UCF, including the grant of compensation orders, restraining orders or winding up order. Such arbitration award will be enforced by the People's Courts of the PRC with jurisdiction.

The Control Contracts are valid for a term of ten years and may be extended for such further ten-year periods as may be requested by Huitong Investment. In addition, Huitong Investment is entitled to effect the early termination of the Control Contracts at its own discretion. Neither Dalian UCF nor its shareholders may vary or terminate the Control Contracts.

As confirmed by the PRC legal advisors to the Company, save for the registration of the equity pledge under Equity Pledge Contract, there is no further approval or confirmation required from any authorities in the PRC.

Upon the coming into effect of the Control Contracts, the Target Company through the contractual arrangements between Huitong Investment and Dalian UCF can effectively control Dalian UCF and therefore the financial results of Dalian UCF can be consolidated into the Target Group.

The Group intends to unwind the Control Contracts arrangement and directly hold the equity interests of Dalian UCF when the relevant restrictions no longer exist.

Commerce and Finance Law Offices, the PRC legal advisors to the Company, is of the view that the Control Contracts, individually and taken as a whole, (i) do not violate the mandatory rules, regulations and laws of the PRC or the respective articles of association of the contracting parties, and (ii) are legally binding and, subject to any applicable bankruptcy, insolvency, fraudulent transfer, reorganisation, moratorium or similar laws and related judicial or administrative actions affecting creditors' rights generally, enforceable under applicable PRC laws. However, there can be no assurance that the relevant government authorities would deem the Control Contracts to be in compliance with relevant licensing, registration or other regulatory requirements, or that the legal requirements or policies that may be adopted in the future (in particular those concerning foreign investment and/or merger and acquisition by foreign investors) would not affect the proper implementation and enforceability of the Control Contracts.

## **RISK FACTORS**

### **Risks relating to the Control Contracts**

The PRC Government may determine that the Control Contracts are not in compliance with applicable PRC laws, rules, regulations or policies.

There are risks involved with the operation of the Target Group and, after Completion, our Group under the Control Contracts. To the best knowledge of the Directors, if the Control Contracts are considered to be in breach of any existing or future PRC laws or regulations or governmental policy, the relevant regulatory authorities would have broad discretion in dealing with such breach, including:

- imposing economic penalties;
- discontinuing or restricting the operations of Dalian UCF;
- imposing conditions or requirements in respect of the Control Contracts with which the Target Group and after Completion, our Group may not be able to comply;

- requiring the Target Group and after Completion, our Group to restructure the relevant ownership structure or operations;
- taking other regulatory or enforcement actions that could adversely affect the business of the Target Group and after Completion, our Group; and
- revoking the business licences and/or the licences or certificates of Dalian UCF and/or voiding the Control Contracts.

As of the date of this announcement, the Group has not purchased insurance to cover the potential risks relating to the Control Contracts.

**The Control Contracts may not be as effective in providing the Target Group and after Completion, our Group with control over Dalian UCF as direct ownership.**

The Target Group and after Completion, our Group conducts third-party payment and prepaid card business in the PRC and generates the relevant revenues through the Control Contracts. The Control Contracts may not be as effective in providing the Target Group and after Completion, our Group with control over Dalian UCF as direct ownership.

The Control Contracts are governed by the PRC law and if Dalian UCF fails to perform their respective obligations under the Control Contracts, the Target Group and after Completion, our Group may have to rely on legal remedies under PRC law, including seeking specific performance or injunctive relief, and claiming damages. The legal environment in the PRC is not as developed as in other jurisdictions. As a result, uncertainties in the PRC legal system could limit the ability of the Target Group and after Completion, our Group to enforce the Control Contracts.

**The pricing arrangement under the Control Contracts may be challenged by the PRC tax authorities.**

The Target Group and after Completion, our Group may face adverse tax consequences if the PRC tax authorities determine that the Control Contracts were not entered into based on arm's length negotiations. If the PRC tax authorities determine that the Control Contracts were not entered into on an arm's length basis, they may adjust the income and expenses of the Target Group and after Completion, our Group for PRC tax purposes which could result in higher tax liability.

**The Target Group and, after Completion, our Group relies on the third-party payment licences held by Dalian UCF and any deterioration of the relationship between Dalian UCF and our Group could materially and adversely affect the overall business operation of the Target Group and, after Completion, our Group.**

The Target Group and, after Completion, our Group operates third-party payment business in the PRC on the basis of the third-party payment licence held by Dalian UCF. If Dalian UCF is not able to renew its licences when their terms expire with substantially similar terms as the ones they currently hold, the operations, reputation and business the Target Group and, after Completion, our Group could be materially affected.

The Control Contracts may not be effective in providing control over the application for and maintenance of the licences required for the third-party payment business operations of the Target Group and, after Completion, our Group. Dalian UCF could violate the Control Contracts, go bankrupt, suffer from difficulties in its business or otherwise become unable to perform its obligations under the Control Contracts and, as a result, the third-party payment operations, reputation and business of the Target Group and, after Completion, our Group could be materially affected.

The industry in which Dalian UCF operates is regulated and any failure by Dalian UCF to adhere to relevant laws and regulations and/or obtain requisite licences and permits may have a significant impact on the third-party payment business, results of operations and financial conditions of the Target Group and, after Completion, our Group.

#### **INFORMATION ON VENDOR, UVG GROUP AND GUORONG INVESTMENT**

The Vendor, a BVI registered company, engages in investment holding and consulting services as principal business in China (including Hong Kong). The Vendor is the beneficial owner of the Target Company, which holds the entire issued share capital of Huitong Investment, a company engages in investment consultancy business in China.

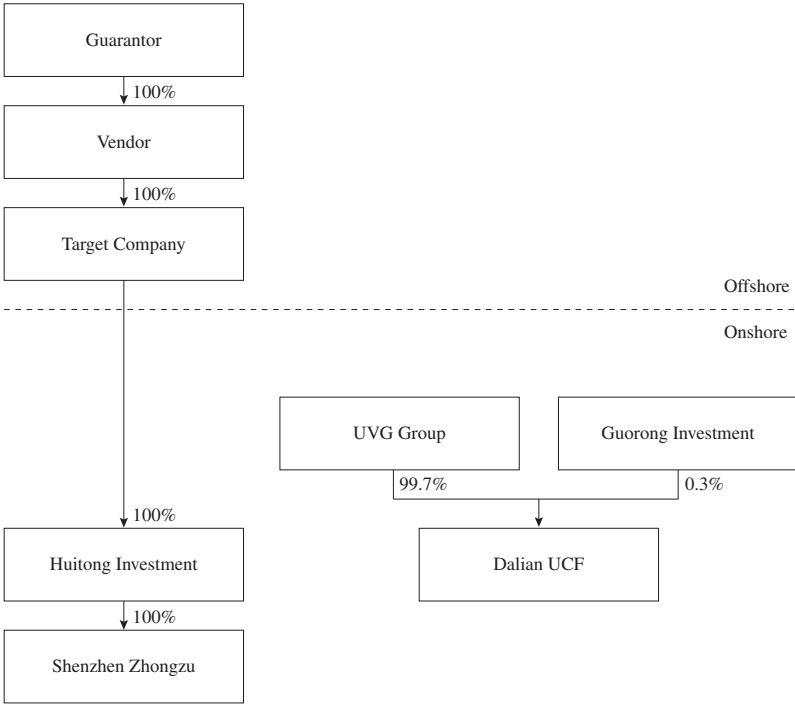
UVG Group is principally engaged in equity investment and fund management. The Guarantor is indirectly interested in 98.17% of the equity interest in UVG Group.

Guorong Investment is a consulting company which is principally engaged in investment holdings. Except for its equity interest in Dalian UCF, Guorong Investment is independent of and not connected with the Guarantor and the Vendor and an Independent Third Party.

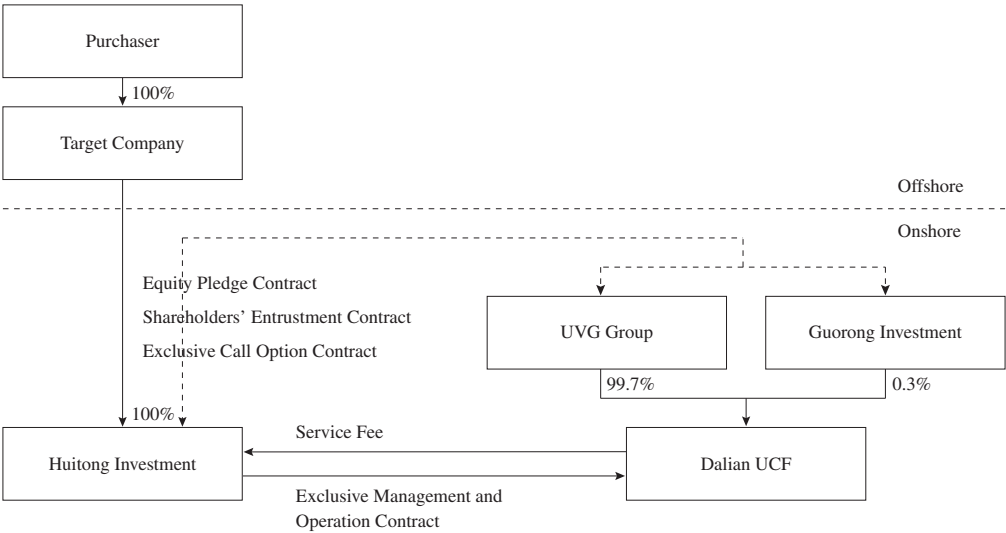
# TARGET GROUP STRUCTURE

The following diagrams set out the shareholding structure of the Target Group as at the date of this announcement and immediately upon Completion.

## Shareholding structure of the Target Group as at the date of this announcement



## Shareholding structure of the Target Group immediately upon Completion



*Notes:*

1. Under the Exclusive Management and Operation Contract, Huitong Investment will manage and operate the business of Dalian UCF and is entitled to receive from Dalian UCF an annual management service fee, which is equivalent to the revenue generated by Dalian UCF (calculated in accordance with the PRC's corporate accounting standard) after deducting all relevant costs and expenses (including taxes), losses and related statutory reserve funds.
2. Under the Exclusive Call Option Contract, Huitong Investment will have the exclusive right to acquire from UVG Group and Guorong Investment any or all the equity interests in Dalian UCF at the lowest price as and when permitted under the relevant PRC laws and regulations on the condition that such acquisition shall be in compliance with the relevant PRC laws and regulations.
3. Under the Shareholders' Entrustment Contract, UVG Group and Guorong Investment will entrust Huitong Investment and/or its designated party to act as their nominee to manage all of their equity interest in Dalian UCF, and to exercise all their respective rights as shareholders of Dalian UCF.
4. Under the Equity Pledge Contract, UVG Group and Guorong Investment will pledge their entire equity interest in Dalian UCF to Huitong Investment for the purpose of securing the performance of their and Dalian UCF's respective contractual obligations and duties under the Control Contracts.
5. Shenzhen Zhongzu will be removed from the Target Group prior to Completion.
6. Dalian UCF has established a branch in Beijing.

## **FINANCIAL INFORMATION OF THE TARGET GROUP**

Set out below is the financial information of the Target Group (excluding Dalian UCF) extracted from its unaudited financial statements prepared in accordance with the Hong Kong Financial Reporting Standards).

|                                      | <b>For the<br/>period from<br/>23 December<br/>2011<br/>(date of<br/>incorporation)<br/>to 31 December<br/>2011<br/>(unaudited)<br/>(RMB'000)</b> | <b>For the year<br/>ended<br/>31 December<br/>2012<br/>(unaudited)<br/>(RMB'000)</b> |
|--------------------------------------|---|--|
| Target Group (excluding Dalian UCF): |   |  |
| Turnover                             | 0   | 0  |
| Net loss before taxation             | (11)  | (32)   |
| Net loss after taxation              | (11)  | (32)   |

|                 | <b>As at<br/>31 December<br/>2011<br/>(unaudited)<br/>(RMB'000)</b> | <b>As at<br/>31 December<br/>2012<br/>(unaudited)<br/>(RMB'000)</b> |
|-----------------|---|---|
| Net Liabilities | (11)  | (47)  |

Set out below is the financial information of Dalian UCF extracted from its audited financial statements prepared in accordance with the PRC GAAP:

|                                   | <b>For the year<br/>ended<br/>31 December<br/>2011<br/>(audited)<br/>(RMB'000)</b> | <b>For the year<br/>ended<br/>31 December<br/>2012<br/>(audited)<br/>(RMB'000)</b> |
|-----------------------------------|--|--|
| Dalian UCF:                       |  |  |
| Turnover                          | 1,278  | 16,732   |
| Net Profit (loss) before taxation | (6,845)  | 14,614   |
| Net Profit (loss) after taxation  | (6,868)  | 10,955   |

|            | <b>As at<br/>31 December<br/>2011<br/>(audited)<br/>(RMB'000)</b> | <b>As at<br/>31 December<br/>2012<br/>(audited)<br/>(RMB'000)</b> |
|------------|---|---|
| Net Assets | 93,353  | 105,004   |



## VALUATION OF DALIAN UCF

The Company has appointed Avista Valuation, an independent valuer, to conduct the valuation report and the value of Dalian UCF as appraised by Avista Valuation as at 30 September 2013 was HK\$291,000,000.

According to the valuation report prepared by Avista Valuation, the valuation report adopted the income-based approach using discounted cash flow method which involves projections of profits, earnings and cash flows and are regarded as profit forecasts under Rule 19.61 of the GEM Listing Rules (the “**Profit Forecast**”). Certain specific assumptions have been adopted in the valuation report and the principal ones are as follows:

- all relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Target Group operates or intends to operate would be officially obtained and renewable upon expiry;
- the projections outlined in the financial information provided are reasonable, reflecting market conditions and economic fundamentals, and will be materialized;
- the Target Group will retain competent management, key personnel and technical staff to support its ongoing operations and developments;
- there will be no major change in the current taxation laws in the localities in which the Target Group operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;
- there will be no major change in the political, legal, economic or financial conditions in the localities in which the Target Group operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Target Group; and
- interest rates and exchange rates in the localities for the operation of the Target Group will not differ materially from those presently prevailing.

The Directors are aware that the valuation of Dalian UCF shall be regarded as a profit forecast of the Group under the GEM Listing Rules. Based on the information available to the Directors following the discussion with Avista Valuation, the Directors consider that the valuation of Dalian UCF has been made after due care and consideration. SHINEWING, the Company’s auditor, has examined the arithmetical accuracy of the calculations of the profit forecast (the “**Underlying Forecast**”) of Dalian UCF on which the valuation prepared by Avista Valuation of the entire equity interests in Dalian UCF were based. In the opinion of SHINEWING, so far as the accounting policies and calculations are concerned, the Underlying Forecast has been properly compiled in accordance with the assumptions made by the management of the Company and the Target Group as set out in this announcement and is presented on a basis consistent in all material aspects with the accounting policies currently adopted by the Company. A copy of the independent assurance report from SHINEWING in relation to the aforesaid is set out in Appendix I to this announcement. Odysseus Capital Asia Limited (“**Odysseus Capital**”), the Company’s financial adviser, after discussion with the management of the Company and the Target Group and Avista Valuation regarding the bases and assumptions of the valuation and the Underlying Forecast and reviewing the independent assurance report issued by SHINEWING as set out in Appendix I to this announcement, is of the opinion that the Underlying Forecast, for which the management of the Company and the Target Group are responsible, has been made after due care and consideration. A copy of Odysseus Capital’s letter is reproduced in Appendix II to this announcement.

## **EXPERTS AND CONSENTS**

| <b>Name</b>      | <b>Qualification</b>  |
|------------------|---|
| Avista Valuation | Valuer  |
| SHINEWING        | Certified Public Accountants  |
| Odysseus Capital | a corporation licensed to conduct type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance |

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Avista Valuation, SHINEWING and Odysseus Capital and their respective associates are Independent Third Parties.

As at the date of this announcement, none of Avista Valuation, SHINEWING and Odysseus Capital has any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of Avista Valuation, SHINEWING and Odysseus Capital has given and has not withdrawn its written consent to the publication of this announcement with the inclusion of its opinion and advice and all references to its name in the form and context in which they are included.

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

The Group is principally engaged in the provision of financing services in the PRC and Hong Kong.

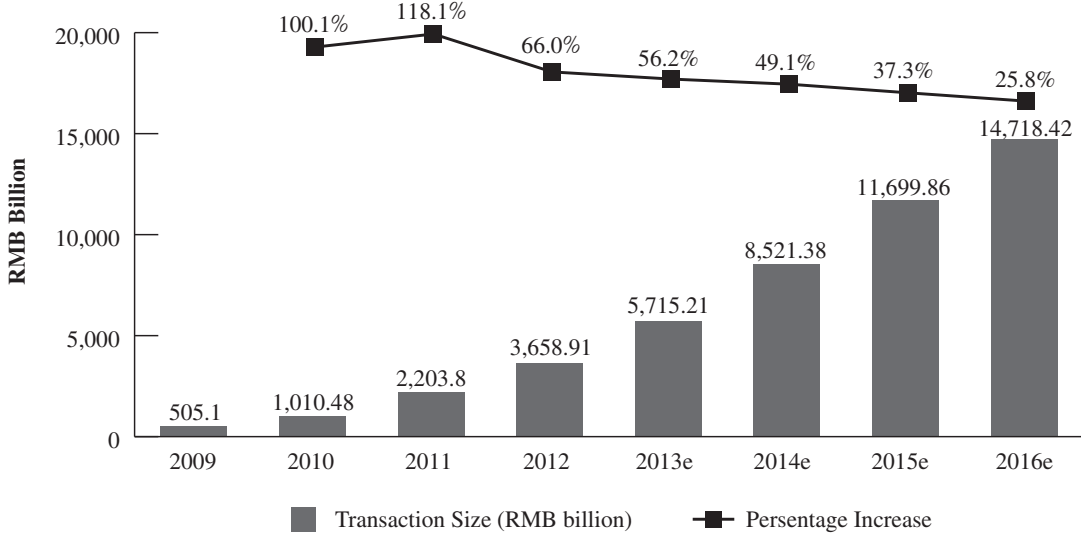
As stated in the Company annual report for the year ended 31 December 2012, the Company will explore acquisition and partnership opportunities to achieve revenue growth. The Directors consider that it is beneficial for the Group to seek suitable investment opportunities from time to time to diversify its existing business portfolio and to broaden its source of income. To this end, the Company has identified the Target Group as an appropriate acquisition target to the Group and is of the view that the Acquisition would allow the Group to diversify into a new line of business with significant growth potential.

### **Overview of the third-party payment market in the PRC**

As stated in an article on ([www.c114.net](http://www.c114.net)) 中國通信網 dated 25th January 2013, the third-party payment market plays an important role in modern financial services. The new technology's business model has generated huge market demand. With reference to a report, namely "China Payment Industry Report (2013)" (《中國第三方支付行業發展研究報告(2013)》) (the "**PCAC Report**") released in 2013 by the Payment & Clearing Association of China (the "**PCAC**"), a non-profit organization founded upon the approval of the State Council and the Ministry of Civil Affairs of China, the transaction size in the PRC's third-party payment market (第三方支付市場) exceeded RMB10 trillion in 2012. The range of businesses covered in the third-party payment market include banking card payment (銀行卡收單), internet payment (互聯網支付), mobile payment (移動支付), telephone payment (固定電話支付), cable television payment (數字電視支付), prepaid card (預付卡) and others. Banking card payment and online payment are the two core businesses that substantially dominate the third-party payment market in terms of transaction size.

The following graph illustrates the past trends and the projections in transaction size in the online third-party payment market in the PRC from 2009 to 2016.

**Transaction Size of Online Third Party Payment in China for year 2009-2016**



*Note:* The data from the above chart is extracted from the website of 艾瑞諮詢 (www.iResearch.cn, “iResearch”) dated 28 January 2013. According to iResearch, the projections are estimated based on its interviews with corporations and industrial experts and its statistical models.

*Remark 1:* Online third-party payment means customers giving orders of payment through the internet to transfer currencies by desktop computers, portable computers and any other devices.

*Remark 2:* The above statistic does not include payments via banks, but only include those with large-scaled non-financial payment institutions.

As shown in the above graph, the transaction size had increased by over 600% over the past three years from 2009 to 2012. After 2012, the transaction size is expected to continue to increase at an annual growth rate from approximately 25.8% to approximately 56.2%. In 2013, the projected transaction size is estimated at approximately RMB5.7 trillion, which would represent a dramatic increase of approximately 56.2% as compared to that in 2012 of approximately RMB3.6 trillion.

According to the PCAC Report, the online third-party payment market will persist to expand at a fast rate due to the following reasons:

- i. According to the Guiding Opinions on the Development of Payment Systems in China (2011-2015) (《關於中國支付體系發展(2011-2015)的指導》), the PBOC aims at building a safe and efficient payment system and maintaining the financial stability of the state;

- ii. with reference to the Opinions on Promoting the Development of the Third-party Payment Industry (《關於促進本市第三方支付產業發展的若干意見》) in Shanghai, the government will provide capital support to the third-party payment institutions to advocate the development of third-party payment applications;
- iii. more regulatory authorities and supervisory support will be established to create a better environment for development, i.e., 《網絡支付行業自律公約》 set out by the PCAC;
- iv. more industries such as logistic and utilities are trying to provide internet payment services to the public;
- v. consistent growth in customer base due to convenience, cost efficiency, and improvement in internet safety in internet payment;
- vi. new services and products to create new customer base, etc.

Despite the dilution effect as a result of the issue of Consideration Shares (details are set out in the paragraph headed “Changes in shareholding structure of the Company” above), taking into account that (i) the issue of the Consideration Shares would not create any cash outlay to the Group immediately upon Completion; (ii) the Group could enter into the third-party payment businesses which is expected to have substantial growth potential as stated above; and (iii) the Acquisition may improve the financial performance of the Group in future, the Board considers the possible dilution effect on the Shareholders to be acceptable. The Directors consider that the Acquisition is an opportune investment for the Group to allow it to participate in the fast-growth third-party payment industry and expect that the Acquisition will present the Group with favourable long term prospects.

The Directors believe that the Acquisition offers the Group a good opportunity to diversify into the third-party payment business and to enhance the Group’s income stream and are of the opinion that the terms of the Sale and Purchase Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

## **IMPLICATION UNDER THE GEM LISTING RULES**

Since the percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and are subject to reporting and announcement requirements but exempt from shareholders’ approval requirement.

## GENERAL

Shareholders and potential investors of the Company should be aware that the Acquisition and the transactions contemplated thereunder are subject to certain conditions being satisfied, and consequently the Acquisition may or may not proceed.

## DEFINITIONS

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

|                     |  |
|---------------------|--|
| “Acquisition”       | the proposed acquisition of the entire equity interests of the Target Company through the purchase of the Sale Shares by the Purchaser as contemplated under the Sale and Purchase Agreement   |
| “Actual Net Profit” | The audited consolidated net profit after taxation of the Target Group (excluding one-off income and the costs and expenditure shared by the Purchaser and/or the Company), as shown in the consolidated financial statements prepared in accordance with Hong Kong Financial Reporting Standards for the financial year ending 31 December 2014 and the certificate for the actual consolidated net profit issued by the auditor of the Company |
| “Board”             | the board of Directors   |
| “business day(s)”   | a day, other than a Saturday, Sunday and a day on which a tropical cyclone warning no. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m., on which licensed banks in Hong Kong are open for general banking business throughout their normal business hours   |
| “Company”           | Credit China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (Stock Code: 8207)   |
| “Completion”        | completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement   |

|                          |  |
|--------------------------|--|
| “Completion Date”        | within five (5) business days after all the conditions of the Sale and Purchase Agreement have been fulfilled or waived or such later date as may be agreed between the Vendor and the Purchaser in writing  |
| “connected persons”      | has the meaning ascribed to it under Rule 1.01 and as extended by Rule 20.11 of GEM Listing Rules  |
| “Consideration”          | the consideration for the Acquisition, being HK\$286,680,000   |
| “Consideration Shares”   | the Shares to be issued and allotted to the Vendor in satisfaction of the Consideration payable by the Purchaser under the Sale and Purchase Agreement, being in aggregate 477,800,000 new Shares  |
| “Control Contracts”      | together, the Exclusive Management and Operation Contract, the Exclusive Call Option Contract, the Shareholders’ Entrustment Contract and the Equity Pledge Contract   |
| “Custodian”              | the custodian jointly appointed by the Vendor and the Purchaser to hold the Consideration Shares in escrow as security for the obligations of the Vendor under the Profit Guarantee  |
| “Dalian UCF”             | 大連先鋒商務服務有限公司 (Dalian UCF Business Services Co., Limited), a Company established in the PRC with limited liability  |
| “Director(s)”            | the director(s) of the Company   |
| “Equity Pledge Contract” | the equity pledge contract to be entered into among Huitong Investment, Dalian UCF, UVG Group and Guorong Investment pursuant to which UVG Group and Guorong Investment will pledge their entire equity interest in Dalian UCF to Huitong Investment for the purpose of securing the performance of their and Dalian UCF’s respective contractual obligations and duties under the Control Contracts |

|   |   |
|---|---|
| “Exclusive Call Option Contract”              | the exclusive call option contract to be entered into among Huitong Investment, Dalian UCF, UVG Group and Guorong Investment pursuant to which Huitong Investment has the exclusive right to acquire from UVG Group and Guorong Investment any or all the equity interests in Dalian UCF at the lowest price as and when permitted under the relevant PRC laws and regulations on the condition that such acquisition shall be in compliance with the relevant PRC laws and regulations   |
| “Exclusive Management and Operation Contract” | the exclusive management and operation contract to be entered into among Huitong Investment, Dalian UCF, UVG Group and Guorong Investment pursuant to which Huitong Investment will manage and operate the business of Dalian UCF and is entitled to receive from Dalian UCF an annual management service fee, which is equivalent to the revenue generated by Dalian UCF (calculated in accordance with the PRC’s corporate accounting standard) after deducting all relevant costs and expenses (including taxes), losses and related statutory reserve funds |
| “GEM”   | the Growth Enterprise Market of the Stock Exchange  |
| “GEM Listing Committee”                       | the GEM Listing Committee of the Stock Exchange   |
| “GEM Listing Rules”                           | the Rules Governing the Listing of Securities on GEM  |
| “General Mandate”                             | the general mandate to the Directors at the annual general meeting of the Company held on 7 May 2013. Under this general mandate, the Directors are allowed to allot and issue up to 477,800,000 Shares. As at the date of this announcement, no Shares have been issued and allotted under the General Mandate.  |
| “Group”                                       | the Company and its subsidiaries  |



|                                |  |
|--------------------------------|--|
| “Guarantor”                    | Mr. Zhang Zhenxin, a PRC citizen   |
| “Guorong Investment”           | 國融聯合中小企業投資顧問(北京)有限公司 (Guorong United SME Investment Consultancy (Beijing) Co. Ltd.#), a company established in the PRC with limited liability                              |
| “Hong Kong”                    | the Hong Kong Special Administrative Region of the PRC   |
| “Huitong Investment”           | 大連先鋒匯通投資諮詢有限公司 (Dalian Pioneer Huitong Investment Consultancy Co., Ltd.#), a company established in the PRC with limited liability   |
| “Independent Third Party(ies)” | Third party(ies) independent of and not connected with the Company and any of its connected persons (having the meaning ascribed to it under the GEM Listing Rules)        |
| “Issue Price”                  | HK\$0.60 per Consideration Share   |
| “PRC”                          | the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement                    |
| “Purchaser”                    | Triumph Power Holdings Limited (成威控股有限公司), a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company |
| “Sale and Purchase Agreement”  | the sale and purchase agreement dated 9 October 2013 entered into among the Purchaser, the Vendor and the Guarantor in relation to the Acquisition                         |

|                                      |   |
|--------------------------------------|---|
| “Sale Shares”                        | the existing one ordinary share of the Target Company, representing the entire issued share capital of the Target Company as at the date of the Agreement   |
| “Share(s)”                           | Ordinary share(s) of HK\$0.1 each in the capital of the Company   |
| “Shareholder(s)”                     | holder(s) of the Shares   |
| “Shareholders’ Entrustment Contract” | the shareholders’ entrustment contract to be entered into among Huitong Investment, Dalian UCF, UVG Group and Guorong Investment pursuant to which UVG Group and Guorong Investment will entrust Huitong Investment and/or its designated party to act as their nominee to manage all of their equity interest in Dalian UCF, and to exercise all their respective rights as shareholders of Dalian UCF |
| “Shareholder’s Loan”                 | any debts and loans owing by the Target Group (excluding Dalian UCF and its Beijing branch) to the Vendor or its associates   |
| “Share Options”                      | share options granted by the Company  |
| “Shenzhen Zhongzu”                   | 深圳中租黃金制品有限公司 (Shenzhen Zhongzu Gold Products Co., Ltd.#), a company established in the PRC with limited liability   |
| “Stock Exchange”                     | The Stock Exchange of Hong Kong Limited   |
| “Target Company”                     | UCF Huisheng Investment (HK) Co., Limited (先鋒匯升投資(香港)有限公司), a company incorporated in Hong Kong with limited liability, the entire issued share capital of which is owned by the Vendor   |
| “Target Group”                       | together the Target Company, Huitong Investment and Dalian UCF  |
| “UVG Group”                          | 聯合創業集團有限公司(United Venture Guarantee Group Co. Ltd.#), a company established in the PRC with limited liability   |

|          |  |
|----------|--|
| “Vendor” | First Pay Limited (第一支付有限公司), being the beneficial owner of the entire issued share capital of the Target Company and an Independent Third Party |
| “HK\$”   | Hong Kong dollars, the lawful currency of Hong Kong  |
| “RMB”    | Renminbi, the lawful currency of the PRC   |
| “%”      | per cent   |

By order of the Board  
**Credit China Holdings Limited**  
**Ting Pang Wan, Raymond**  
*Chairman*

Hong Kong, 9 October 2013

*As at the date of this announcement, the executive Directors are Mr. Ting Pang Wan Raymond, Mr. Shi Zhi Jun, Mr. Ji Zu Guang and Ms. Shen Li; and the independent non-executive Directors are Mr. Neo Poh Kiat, Dr. Lau Reimer Mary Jean and Mr. Lee Sze 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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company (www.creditchina.hk).*

# *the English translations of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*The following is the text of the independent assurance report, prepared for the purpose of incorporation in this announcement, received from the auditor, SHINEWING (HK) CPA Limited, Certified Public Accountants, Hong Kong.*



SHINEWING (HK) CPA Limited  
43/F., The Lee Gardens  
33 Hysan Avenue  
Causeway Bay, Hong Kong

9 October 2013

The Board of Directors  
Credit China Holdings Limited  
Rooms 2101-05  
21/F., Sun Hung Kai Centre  
30 Harbour Road  
Wanchai  
Hong Kong

Dear Sirs,

#### INDEPENDENT ASSURANCE REPORT

We have examined the accounting policies adopted and calculations of the underlying profit forecast (the “**Underlying Forecast**”) to the business valuation dated 9 October 2013 prepared by Avista Valuation Advisory Limited in respect of the valuation on 大連先鋒商務服務有限公司 (the “**Dalian UCF**”) in connection with the proposed acquisition of 100% equity interest in UCF Huisheng Investment (HK) Co. Limited (the “**Target Company**”) by Triumph Power Holdings Limited, an indirectly wholly-owned subsidiary of Credit China Holdings Limited (the “**Company**”) as set out in the announcement of the Company dated 9 October 2013 (the “**Announcement**”).

#### Responsibilities

The directors of the Company and the Target Company (the “**Directors**”) are solely responsible for the preparation of the Underlying Forecast including the assumptions, for the purpose of business valuation of the Dalian UCF based on discounted cash flow method. The Underlying Forecast has been prepared using a set of assumptions (the “**Assumptions**”) that include hypothetical assumptions about future events and management’s actions that are not necessarily expected to occur. Even if the events anticipated occur, actual results are still likely to be different from the Underlying Forecast and the variation may be material. The Directors are responsible for the reasonableness and validity of the assumptions.

It is our responsibility to form an opinion, based on our work on the Underlying Forecast and to report our opinion solely to you, as a body, solely for the purpose of reporting under Rule 19.62 of Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and for no other purpose. We have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and express no opinion on the reasonableness and validity of the Assumptions on which the Underlying Forecast is based. We accept no responsibility to any other person in respect of, arising out of or in connection with our work.

**Summary of our work**

We conducted our work in accordance with the Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Review of Historical Financial Information” issued by the Hong Kong Institute of Certified Public Accountants and with reference to the procedures specified in Auditing Guideline 3.341 “Accountants’ Report on Profit Forecasts”. We examined the consistency of accounting policies adopted and the arithmetical accuracy of the Underlying Forecast. Our work has been undertaken solely to assist the Directors in evaluating whether the Underlying Forecast, so far as the accounting policies and calculations are concerned, has been properly compiled in accordance with the Assumptions made by the Directors. Our work does not constitute any valuation of Dalian UCF.

**Opinion**

In our opinion, so far as the accounting policies and calculations are concerned, the Underlying Forecast has been properly compiled in accordance with the Assumptions made by the Directors as set out in the Announcement and is presented on a basis consistent in all material aspects with the accounting policies currently adopted by the Company.

Yours faithfully,

**SHINEWING (HK) CPA Limited**

*Certified Public Accountants*

**Pang Wai Hang**

Practising Certificate Number: P05044

Hong Kong

*The following is the text of the report prepared by the financial advisor to the Company, Odysseus Capital Asia Limited, for the purpose of incorporation in this announcement.*

**ODYSSEUS CAPITAL ASIA LIMITED**

Room 2112-13, Shui On Centre,  
6-8 Harbour Road, Wanchai  
Hong Kong

9 October 2013

To: The Directors

**CREDIT CHINA HOLDINGS LIMITED**

Rooms 2101-05, 21/F, Sun Hung Kai Centre,  
30 Harbour Road, Wanchai  
Hong Kong

Dear Sir or Madam,

We refer to the business valuation prepared by Avista Valuation Advisory Limited in relation to the fair value of the entire equity interest in Dalian UCF Business Services Co., Limited as of 30 September 2013 (the “**Fair Value**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context herein requires otherwise.

We note that the Fair Value, which has been developed based on discounted cash flow analysis, is regarded as a profit forecast under Chapter 19 of the GEM Listing Rules.

We have reviewed the forecast upon which the Fair Value has been made and has discussed with the Company, Target Group and Avista Valuation Advisory Limited the information and documents provided by you which formed part of the basis and assumptions upon which the forecast has been prepared. We have also considered the independent assurance report from SHINEWING (HK) CPA Limited dated 9 October 2013 addressed to you as set out in Appendix I to the Announcement regarding the calculations upon which the forecast has been made.

On the basis of the foregoing, we are satisfied that the forecasts underlying the Valuation, for which you as the Directors of the Company and the Target Company are solely responsible, have been made by you after due and careful enquiry.

Yours faithfully,  
For and on behalf of  
**Odysseus Capital Asia Limited**  
**Joseph Chu**  
*Managing Director*