



**CREDIT CHINA HOLDINGS LIMITED**  
**( 中國信貸控股有限公司 )**

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

*(Stock Code: 8207)*

**ANNOUNCEMENT OF ANNUAL RESULTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”)  
OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK  
EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors of Credit China Holdings Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purposes 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.*

**FINANCIAL HIGHLIGHTS**

	<b>2014</b> <i>RMB'000</i>	<b>2013</b> <i>RMB'000</i>	<b>Changes</b>
<b>OPERATING RESULTS</b>			
Turnover	<b>374,068</b>	269,728	38.7%
Net profit	<b>66,258</b>	154,765	-57.2%
Profit for the year attributable to owners of the Company	<b>58,194</b>	141,247	-58.8%
Non-controlling interest	<b>8,064</b>	13,518	-40.3%
Basic earnings per share	<b>RMB1.85 cents</b>	RMB5.78 cents	-68.0%
Dividend for the year per share	<b>HK0.46 cents</b>	HK1.21 cents	-62.0%
<b>FINANCIAL POSITION</b>			
Total assets	<b>2,671,727</b>	2,311,551	15.6%
Bank balances and cash	<b>265,515</b>	259,591	2.3%
Total liabilities	<b>1,252,299</b>	1,017,126	23.1%
Net assets	<b>1,419,428</b>	1,294,425	9.7%

## ANNUAL RESULTS

The board of Directors of the Company (the “Board”) is pleased to announce the annual consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2014 together with the comparative figures for the corresponding period in 2013.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2014*

	<i>Notes</i>	<b>2014 RMB’000</b>	<b>2013 RMB’000</b>
<b>Turnover</b>	4	<b>374,068</b>	269,728
Interest income	4	<b>175,680</b>	146,276
Interest expenses	7	<b>(92,419)</b>	(37,822)
<b>Net interest income</b>		<b>83,261</b>	108,454
<b>Financial consultancy service income</b>	4	<b>66,597</b>	123,452
<b>Online third party payment service income</b>	4	<b>60,665</b>	—
<b>Peer-to-peer loan service income</b>	4	<b>24,822</b>	—
<b>Gain on transfer of rights on interests on loan receivables</b>	4	<b>46,304</b>	—
		<b>281,649</b>	231,906
Other income	6	<b>18,810</b>	20,492
Handling charges for online third party payment service		<b>(10,154)</b>	—
Administrative and other operating expenses		<b>(189,776)</b>	(113,213)
Loss on deemed disposal of subsidiaries		—	(1,525)
Gain on disposal of subsidiaries	19	<b>6,068</b>	—
Loss on disposal of joint ventures		<b>(56)</b>	—
Change in fair value of investment property		<b>10,239</b>	75,677
Change in fair value of derivative and embedded derivative components of convertible bond		<b>394</b>	(420)
Change in fair value of contingent consideration receivable		<b>(8,452)</b>	(468)
Share-based payment expenses		<b>(4,790)</b>	(5,464)
Share of results of associates		<b>(672)</b>	(1,960)
Share of results of joint ventures		<b>(1,945)</b>	1,508
<b>Profit before tax</b>	8	<b>101,315</b>	206,533
Income tax	9	<b>(35,057)</b>	(51,768)
<b>Profit for the year</b>		<b>66,258</b>	154,765

	<i>Note</i>	<b>2014</b> <b><i>RMB'000</i></b>	2013 <i>RMB'000</i>
<b>Other comprehensive expense</b>			
<b><i>Items that may be reclassified subsequently to profit or loss:</i></b>			
Exchange differences on translating foreign operations		(3,564)	(2,308)
Change in fair value of available-for-sale investments		<u>(1,334)</u>	<u>(754)</u>
Other comprehensive expense for the year, net of income tax		<u>(4,898)</u>	<u>(3,062)</u>
<b>Total comprehensive income for the year</b>		<b><u>61,360</u></b>	<b><u>151,703</u></b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		58,194	141,247
Non-controlling interests		<u>8,064</u>	<u>13,518</u>
		<b><u>66,258</u></b>	<b><u>154,765</u></b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		56,384	137,872
Non-controlling interests		<u>4,976</u>	<u>13,831</u>
		<b><u>61,360</u></b>	<b><u>151,703</u></b>
		<b><i>RMB</i></b>	<b><i>RMB</i></b>
<b>Earnings per share</b>	<i>11</i>		
Basic		<b><u>1.85 cents</u></b>	<b><u>5.78 cents</u></b>
Diluted		<b><u>1.84 cents</u></b>	<b><u>5.69 cents</u></b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2014*

	<i>Notes</i>	<b>2014</b> <b>RMB'000</b>	2013 <i>RMB'000</i>
<b>Non-current assets</b>			
Plant and equipment		<b>13,817</b>	15,014
Club membership		<b>737</b>	–
Investment property	<i>12</i>	<b>575,000</b>	513,000
Intangible assets		<b>136,310</b>	135,835
Goodwill		<b>43,214</b>	37,820
Available-for-sale investments		<b>1,125</b>	1,125
Loan receivables	<i>14</i>	–	157,141
Contingent consideration receivable		–	8,452
Pledged bank deposits		–	30,008
Interests in associates		<b>353</b>	1,025
Interests in joint ventures		<b>6,230</b>	2,817
		<b>776,786</b>	902,237
<b>Current assets</b>			
Available-for-sale investments		<b>33,055</b>	32,675
Trade receivables	<i>13</i>	<b>17,793</b>	–
Loan receivables	<i>14</i>	<b>862,842</b>	843,815
Prepayments and other receivables	<i>14</i>	<b>183,536</b>	44,738
Amounts due from joint ventures		<b>5,196</b>	55,089
Amounts due from associates		–	525
Amounts due from related companies		<b>186,747</b>	172,824
Amounts due from non-controlling shareholders		<b>4,001</b>	–
Income tax recoverable		<b>520</b>	57
Pledged bank deposits		<b>30,008</b>	–
Bank balance – trust account		<b>305,728</b>	–
Bank balances and cash		<b>265,515</b>	259,591
		<b>1,894,941</b>	1,409,314

	<i>Notes</i>	<b>2014</b> <b>RMB'000</b>	2013 <i>RMB'000</i>
<b>Current liabilities</b>			
Accruals and other payables	15	<b>161,076</b>	34,451
Funds payables and amounts due to customers		<b>305,728</b>	—
Amounts due to non-controlling shareholders		<b>714</b>	1,173
Amounts due to related companies		<b>207,865</b>	179,327
Borrowings	16	<b>288,379</b>	434,041
Financial assets sold under repurchase agreement		—	29,914
Derivatives embedded in convertible bond		—	392
Corporate bonds	17	—	255,611
Income tax payables		<b>6,525</b>	7,989
		<b>970,287</b>	942,898
<b>Net current assets</b>		<b>924,654</b>	466,416
<b>Total assets less current liabilities</b>		<b>1,701,440</b>	1,368,653
<b>Non-current liabilities</b>			
Corporate bonds	17	<b>203,818</b>	—
Deferred tax liabilities		<b>78,194</b>	74,228
		<b>282,012</b>	74,228
<b>Net assets</b>		<b>1,419,428</b>	1,294,425
<b>Capital and reserves</b>			
Share capital		<b>267,736</b>	245,773
Reserves		<b>1,138,059</b>	948,362
Equity attributable to owners of the Company		<b>1,405,795</b>	1,194,135
Non-controlling interests		<b>13,633</b>	100,290
<b>Total equity</b>		<b>1,419,428</b>	1,294,425

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Attributable to owners of the Company											
	Share capital	Share premium	Statutory reserve	Retained profits	Investment revaluation reserve	Exchange reserve	Share-based payment reserve	Capital Reserve	Special reserve	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2013	180,649	206,702	14,470	327,244	2,156	(1,071)	25,968	(52,256)	40,000	743,862	13,169	757,031
Profit for the year	–	–	–	141,247	–	–	–	–	–	141,247	13,518	154,765
Other comprehensive income (expense) for the year	–	–	–	–	(754)	(2,621)	–	–	–	(3,375)	313	(3,062)
Total comprehensive income (expense) for the year	–	–	–	141,247	(754)	(2,621)	–	–	–	137,872	13,831	151,703
Issue of shares upon exercise of share options	7,892	39,178	–	–	–	–	(22,734)	–	–	24,336	–	24,336
Issue of shares under placing	19,462	136,234	–	–	–	–	–	–	–	155,696	–	155,696
Issue of shares for acquisition of subsidiaries	37,770	207,735	–	–	–	–	–	–	–	245,505	–	245,505
Acquisition of additional interests in subsidiaries	–	–	–	–	–	–	–	(76,311)	–	(76,311)	(4,623)	(80,934)
Deemed partial disposal of subsidiaries	–	–	(328)	–	–	–	–	(4,871)	–	(5,199)	5,199	–
Deemed disposal of subsidiaries	–	–	–	–	–	(3,610)	–	–	–	(3,610)	–	(3,610)
Dividends recognised as distribution	–	(30,101)	–	–	–	–	–	–	–	(30,101)	–	(30,101)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(2,522)	(2,522)
Share issue expenses	–	(3,379)	–	–	–	–	–	–	–	(3,379)	–	(3,379)
Capital contribution by non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	75,236	75,236
Appropriation to statutory reserve funds	–	–	13,171	(13,171)	–	–	–	–	–	–	–	–
Recognition of equity-settled share-based payments	–	–	–	–	–	–	5,464	–	–	5,464	–	5,464
At 31 December 2013	<u>245,773</u>	<u>556,369</u>	<u>27,313</u>	<u>455,320</u>	<u>1,402</u>	<u>(7,302)</u>	<u>8,698</u>	<u>(133,438)</u>	<u>40,000</u>	<u>1,194,135</u>	<u>100,290</u>	<u>1,294,425</u>
At 1 January 2014	245,773	556,369	27,313	455,320	1,402	(7,302)	8,698	(133,438)	40,000	1,194,135	100,290	1,294,425
Profit for the year	–	–	–	58,194	–	–	–	–	–	58,194	8,064	66,258
Other comprehensive expense for the year	–	–	–	–	(1,334)	(476)	–	–	–	(1,810)	(2,544)	(4,354)
Total comprehensive income (expense) for the year	–	–	–	58,194	(1,334)	(476)	–	–	–	56,384	5,520	61,904
Issue of shares upon exercise of share options	6,073	51,411	–	–	–	–	(6,459)	–	–	51,025	–	51,025
Issue of shares under placing	15,890	111,230	–	–	–	–	–	–	–	127,120	–	127,120
Lapse of share options	–	–	–	225	–	–	(225)	–	–	–	–	–
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	–	(99)	(99)
Acquisition of additional interests in subsidiaries	–	–	–	–	–	–	–	2,956	–	2,956	(9,989)	(7,033)
Disposal of subsidiaries	–	–	(2,368)	(2,859)	–	(217)	–	5,444	–	–	(96,707)	(96,707)
Dividends recognised as distribution	–	(30,615)	–	–	–	–	–	–	–	(30,615)	–	(30,615)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–
Appropriation to statutory reserve funds	–	–	122	(122)	–	–	–	–	–	–	–	–
Capital contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	–	14,618	14,618
Recognition of equity-settled share-based payments	–	–	–	–	–	–	4,790	–	–	4,790	–	4,790
At 31 December 2014	<u>267,736</u>	<u>688,395</u>	<u>25,067</u>	<u>510,758</u>	<u>68</u>	<u>(7,995)</u>	<u>6,804</u>	<u>(125,038)</u>	<u>40,000</u>	<u>1,405,795</u>	<u>13,633</u>	<u>1,419,428</u>

## NOTES:

### 1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 4 January 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The financial statements are presented in Renminbi (“RMB”). Other than those subsidiaries established in the People’s Republic of China (the “PRC”) and certain subsidiaries of which primary sources of revenues are dividends which are derived from the operation of its major subsidiaries operating in Mainland China, whose functional currency is RMB, the functional currency of the Company and its subsidiaries is Hong Kong dollars (“HK\$”).

The Company’s principal activities during the year are provision of consultancy service and investment holding.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards (“HKAS(s)”) and Interpretations (“Int(s)”), issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Hong Kong (IFRS Interpretations Committee) (“HK(IFRIC)”) – Int 21	Levies

Except as described below, the application of the new and revised HKFRSs, and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### **Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities**

The Group has applied amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities for the first time in the current year. The amendments to HKFRS 10 define an investment entity and introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity’s investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.



To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

As the Company is not an investment entity, the directors of the Company consider that the application of the amendments has had no impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

#### **Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities**

The Group has applied amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments have been applied retrospectively. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the Group's consolidated financial statements.

#### **Amendments to HKAS 36 Recoverable Amount Disclosures for Non-Financial Assets**

The Group has applied amendments to HKAS 36 *Recoverable Amount Disclosures for Non-Financial Assets* for the first time in the current year. The amendments to HKAS 36 require disclosures on additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. If the recoverable amount is fair value less costs of disposal, an entity shall disclose the level of the fair value hierarchy within which the fair value measurement of the asset or cash generating unit is categorised in its entirety. The Group is required to make additional disclosures for Level 2 and Level 3 of the fair value hierarchy:

- a description of the valuation techniques used to measure the fair value less costs of disposals. If there is any change in valuation techniques, the fact and the reason should also be disclosed;

- each key assumption on which management has based its determination of fair value less costs of disposal;
- the discount rates used in the current and previous measurement if fair value less costs of disposal is measured using a present value technique.

The amendments have been applied retrospectively. The directors of the Company consider that the application of the amendments to HKAS 36 has had no material impact on the disclosures in the Group's consolidated financial statements.

### **Amendments to HKAS 39 Novation of Derivatives and Continuation of Hedge Accounting**

The Group has applied amendments to HKAS 39 *Novation of Derivatives and Continuation of Hedge Accounting* for the first time in the current year. The amendments to HKAS 39 introduce an exception to the requirements for the discontinuation of hedge accounting in HKAS 39 if specific conditions are met. The amendments to HKAS 39 state that the novation of a hedging instrument is not be considered an expiration or termination if the novation (a) is required by laws or regulations; (b) results in a central counterparty or an entity acting in a similar capacity becoming the new counterparty to each of the parties to the novated derivative and (c) does not result in changes to the terms of the original over-the-counter derivatives other than the changes directly attributable to the novation. For all other novations outside the scope of the exemption, an entity should assess if they meet the derecognition criteria and the conditions for continuation of hedge accounting.

The amendments have been applied retrospectively. As the Group does not have any derivatives that are subject to novation, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

### **HK(IFRIC) – Int 21 Levies**

The Group has applied HK(IFRIC) – Int 21 Levies for the first time in the current year. HK(IFRIC) – Int 21 addresses the issue as to when to recognise a liability to pay a levy imposed by government. The Interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

HK(IFRIC) – Int 21 has been applied retrospectively. The application of this Interpretation has had no material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective.

### **3. REVENUE RECOGNITION**

Revenue is measured at the fair value of the consideration received or receivable and represents amount receivable for services provided in the normal course of business net of sale related taxes.

Financing consultancy service income is recognised when the services are provided (for example, financial advisory and service fees for non-online loan financing transactions).

Peer-to-peer (“P2P”) loan service income is recognised when the services are provided (for example, financial advisory and service fees for online loan financing transactions).

Online third party payment service income is recognised when the services are provided (for example, online loan provision services to borrowers on behalf of funds providers).

Interest income, including administrative fee income, from financing service and a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from financing service and a financial asset (including the interest-bearing convertible bond designated as an available-for-sale investment) is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

### **4. TURNOVER**

The principal activities of the Group are provision of traditional financing services and related financing consultancy service including entrusted loan service, real estate-backed loan service, pawn loan service, other loan service and microfinance service and internet financing service including online third party payment service, P2P loan service and related activities on loan portfolio management.

Turnover represents interest income (either from entrusted loans, pawn loan, real estate-backed loans, other loans and micro loans), financial consultancy service income, P2P loan service income, online third party payment service income and gain on transfer of interest rights, net of corresponding sales related taxes. The amount of each significant category of revenue recognised in turnover for the year is as follows:

	<b>For the year ended 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b><i>Interest income</i></b>		
Entrusted loan service income	<b>101,302</b>	106,721
Other loan service income	<b>17,856</b>	11,236
Real estate-backed loan service income	<b>24,026</b>	16,764
Micro finance service income	<b>32,496</b>	11,555
	<b>175,680</b>	146,276
<b><i>Financial consultancy service income</i></b>	<b>66,597</b>	123,452
<b><i>Online third party payment service income</i></b>	<b>60,665</b>	—
<b><i>P2P loan service income</i></b>	<b>24,822</b>	—
<b><i>Gain on transfer of rights on interests on loan receivables</i></b>	<b>46,304</b>	—
<b>Turnover</b>	<b>374,068</b>	269,728

## 5. SEGMENT INFORMATION

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial data and information provided regularly to the Group's chief operation decision maker ("CODM"), which are the most senior executive management, for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Following the exploration of the business in the provision of online third party payment service, P2P loan service and certain activities on loan portfolio management, the CODM had revisited the resources allocation and performance assessment of the Group's operating segments, and determined the following reportable and operating segments under HKFRS 8:

1. Loan financing – provision of financing services (other than micro loan financing) in the PRC and Hong Kong;
2. Micro loan financing – provision of micro loan financing services in the PRC;
3. Online third party payment service – provision of online third-party services and prepaid card issuance business;
4. P2P loan service – provision of internet housing loan and automobile loan financing service in the PRC; and
5. Others – property investment

No operating segments identified by the CODM have been aggregated in arriving at the reportable segment of the Group.

### Segment revenue and results

*For the year ended 31 December 2014*

	Loan financing RMB'000	Micro loan financing RMB'000	Online third party payment service RMB'000	P2P loan service RMB'000	Others RMB'000	Total RMB'000
REVENUE						
External sales	176,041	105,130	66,316	26,581	–	374,068
Segment results	117,780	32,305	42,607	4,501	10,239	207,432
Share of results of associates						(672)
Share of results of joint ventures						(1,945)
Unallocated other income						6,931
Change in fair value of derivative and embedded derivative components of convertible bond						394
Change in fair value of contingent consideration receivable						(8,452)
Net loss on disposal of plant and equipment						(50)
Gain on disposal of subsidiaries						6,068
Loss on disposal of joint ventures						(56)
Share-based payment expenses						(4,790)
Interest expenses						(92,419)
Unallocated expenses						(11,126)
Profit before tax						101,315

***For the year ended 31 December 2013***

	Loan financing <i>RMB'000</i>	Micro loan financing <i>RMB'000</i>	Online third party payment service <i>RMB'000</i>	P2P loan service <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
REVENUE						
External sales	<u>218,321</u>	<u>51,210</u>	<u>197</u>	<u>–</u>	<u>–</u>	<u>269,728</u>
Segment results	<u>158,084</u>	<u>28,450</u>	<u>(828)</u>	<u>–</u>	<u>75,677</u>	261,383
Share of results of associates						(1,960)
Share of results of joint ventures						1,508
Unallocated other income						7,920
Change in fair value of derivative and embedded derivative components of convertible bond						(420)
Change in fair value of contingent consideration receivable						(468)
Loss on deemed disposal of subsidiaries						(1,525)
Share-based payment expenses						(5,464)
Interest expenses						(37,822)
Unallocated expenses						<u>(16,619)</u>
Profit before tax						<u>206,533</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit or loss represents profit earned by or loss from each segment without allocation of share of results of associates and joint ventures, unallocated other income, loss on deemed disposal of subsidiaries, gain on disposal of subsidiaries, loss on disposal of joint ventures, change in fair value of derivative and embedded derivative components of convertible bond, change in fair value of contingent consideration receivable, central administration costs, share-based payment expenses and interest expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

#### *Segment assets*

	As at 31 December	
	2014 RMB'000	2013 RMB'000
Loan financing	1,035,151	877,808
Micro loan financing	134,581	374,715
Online third party payment service	592,278	279,891
P2P loan service	96,750	–
Others	575,000	513,000
Total segment assets	2,433,760	2,045,414
Unallocated corporate assets	237,967	266,137
Consolidated total assets	<u>2,671,727</u>	<u>2,311,551</u>

#### *Segment liabilities*

	As at 31 December	
	2014 RMB'000	2013 RMB'000
Loan financing	122,415	27,209
Micro loan financing	965	4,832
Online third party payment service	307,299	2,410
P2P loan service	32,591	–
Other	3,534	–
Total segment liabilities	466,804	34,451
Unallocated corporate liabilities	785,495	982,675
Consolidated total liabilities	<u>1,252,299</u>	<u>1,017,126</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than interests in associates, interests in joint ventures, available-for-sale investments, club membership, amounts due from joint ventures, amounts due from associates, amounts due from related companies, amounts due from non-controlling shareholders, income tax recoverable and unallocated corporate assets; and
- all liabilities are allocated to operating segments other than amounts due to non-controlling shareholders, amounts due to related companies, borrowings, financial assets sold under repurchase agreement, derivatives embedded in convertible bond, corporate bonds, deferred tax liabilities, income tax payables and unallocated corporate liabilities.

## Other segment information

### For the year ended 31 December 2014

	Loan financing RMB'000	Micro loan financing RMB'000	Online third party payment service RMB'000	P2P loan service RMB'000	Others RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss or segment assets:						
Additions to non-current assets ( <i>note</i> )	9,376	84	2,234	2,298	51,761	65,753
Depreciation and amortisation	1,611	3,184	1,745	596	3	7,139
Impairment recognised on loan receivables	–	29,046	–	–	–	29,046
Change in fair value of investment property	–	–	–	–	10,239	10,239

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

Interests in associates	353
Share of results of associates	(672)
Interests in joint ventures	6,230
Share of results of joint ventures	(1,945)
Bank interest income	2,461
Interest income on convertible bond	4,327
Interest expenses	(92,419)
Income tax	(35,057)
Loss on disposal of joint ventures	(56)
Gain on disposal of subsidiaries	6,068
Share-based payment expenses	(4,790)

### For the year ended 31 December 2013

	Loan financing RMB'000	Micro loan financing RMB'000	Online third party payment service RMB'000	P2P loan service RMB'000	Others RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss or segment assets:						
Additions to non-current assets ( <i>note</i> )	373	5,638	6,274	–	437,323	449,608
Depreciation and amortisation	2,060	630	14	–	–	2,704
Change in fair value of investment property	–	–	–	–	75,677	75,677

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

Interests in associates	1,025
Share of results of associates	(1,960)
Interests in joint ventures	2,817
Share of results of joint ventures	1,508
Bank interest income	1,837
Other interest income	1,756
Interest income on convertible bond	4,327
Interest expenses	(37,822)
Income tax	(51,768)
Loss on deemed disposal of subsidiaries	(1,525)
Share-based payment expenses	(5,464)

#### Note:

Non-current assets included plant and equipment and investment property for the years ended 31 December 2014 and 2013.



## Geographical information

Information about the Group's revenue from external customers is presented based on the location of customers. Information about the Group's non-current assets other than financial instruments is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	For the year ended 31 December		As at 31 December	
	2014	2013	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
PRC	<b>364,144</b>	221,682	<b>767,309</b>	700,389
Hong Kong	<b>9,924</b>	48,046	<b>8,352</b>	5,122
	<b>374,068</b>	269,728	<b>775,661</b>	705,511

Details of the customers accounting for 10% or more of aggregate revenue of the Group during the year are as follows:

	For the year ended 31 December	
	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A <sup>1</sup>	<b>68,023</b>	38,163
Customer B <sup>1</sup>	<b>37,760</b>	N/A <sup>2</sup>

<sup>1</sup> Revenue from loan financing business

<sup>2</sup> The corresponding revenue did not contribute over 10% of the total revenue of the Group.

## 6. OTHER INCOME

	For the year ended 31 December	
	2014	2013
	RMB'000	RMB'000
Net exchange gain	1,536	—
Government grants ( <i>note</i> )	9,510	12,321
Bank interest income	2,461	1,837
Other interest income	—	1,756
Interest income on convertible bond	4,327	4,327
Others	976	251
	<u>18,810</u>	<u>20,492</u>

*Note:* Government grants in respect of encouragement of expansion of enterprise were recognised at the time the Group fulfilled the relevant granting criteria.

## 7. INTEREST EXPENSES

	For the year ended 31 December	
	2014	2013
	RMB'000	RMB'000
Wholly repayable within five years:		
Interest on corporate bonds	30,761	30,335
Interest on bank and other loans	57,671	6,173
Interest on financial assets sold under repurchase agreement	3,987	1,314
	<u>92,419</u>	<u>37,822</u>

## 8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	For the year ended 31 December	
	2014	2013
	RMB'000	RMB'000
<b>(a) Staff costs, including directors' remuneration</b>		
Salaries, wages and other benefits	72,689	43,283
Contribution to defined contribution retirement benefits scheme	5,176	2,170
Share-based payment expenses	4,790	5,464
	<u>82,655</u>	<u>50,917</u>
<b>(b) Other items</b>		
Auditors' remuneration	1,236	1,288
Depreciation	7,139	2,704
Net exchange (gain) loss	(1,536)	1,047
Operating lease charges in respect of properties	16,230	8,353
Impairment recognised on loan receivables	29,046	—
Net loss on disposal of plant and equipment	50	—
	<u>50,917</u>	<u>23,392</u>

## 9. INCOME TAX

Taxation in the consolidated statement of profit or loss and other comprehensive income represented:

	For the year ended 31 December	
	2014	2013
	RMB'000	RMB'000
Current tax:		
Provision for PRC EIT	30,621	15,947
Deferred tax	4,436	35,821
	<u>35,057</u>	<u>51,768</u>

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Island (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) No Hong Kong Profits Tax has been provided for the years ended 31 December 2014 and 2013 as the Group has no assessable profit for Hong Kong Profits Tax purposes for both years.
- (iii) Profits of the subsidiaries established in the PRC are subject to PRC EIT.

Under the Law of the People’s Republic of China on EIT (the “EIT Law”) and Implementation Regulation of EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Several subsidiaries established in the PRC were approved by the local tax bureau and the taxable income of these subsidiaries shall be the total revenue of such subsidiaries, deducted by any non-assessable revenue, exempted revenue, other deductions and amount of offsetting any accumulated losses, for the period from 1 January 2013 to 31 March 2014.

- (iv) According to the requirements of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995 as well, all income from the sale or transfer of land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as calculated according to the Provisional Regulations of the PRC on LAT and its Detailed Implementation Rules.

## 10. DIVIDENDS

### For the year ended 31 December

**2014**

2013

**RMB'000**

**RMB'000**

Dividends recognised as distribution during the year:

2013 Final – HK1.21 cents

(2013: 2012 Final – HK1.55 cents) per share

**30,615**

30,101

### Final dividend for 2014

The final dividend of HK0.46 cents (or equivalent to RMB0.36 cents) per ordinary share in respect of the year ended 31 December 2014 has been proposed by the directors of the Company.

The final dividend for 2014 is subject to approval by the Company's shareholders in the forthcoming annual general meeting.

## 11. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share for the years ended 31 December 2014 and 2013 is based on the profit attributable to owners of the Company of RMB58,194,000 (2013: RMB141,247,000) and the weighted average of 3,138,506,729 (2013: 2,445,355,616) ordinary shares in issue during the year.

### Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 December 2014 and 2013 is based on the profit attributable to owners of the Company of RMB58,194,000 (2013: RMB141,247,000) and the weighted average of 3,164,368,244 (2013: 2,483,673,110) ordinary shares in issue during the year, calculated as follows:

### As at 31 December

**2014**

2013

### Number of shares

Weighted average number of ordinary shares

for the purpose of basic earnings per share

**3,138,506,729**

2,445,355,616

Effect of dilutive potential ordinary shares:

Share options issued by the Company

**25,861,515**

38,317,494

Weighted average number of ordinary shares

for the purpose of diluted earnings per share

**3,164,368,244**

2,483,673,110

## 12. INVESTMENT PROPERTY

	<i>RMB'000</i>
At 1 January 2013	—
Additions	437,323
Change in fair value recognised in profit or loss	<u>75,677</u>
At 31 December 2013 and 1 January 2014	513,000
Additions	51,761
Change in fair value recognised in profit or loss	<u>10,239</u>
At 31 December 2014	<u><u>575,000</u></u>

## 13. TRADE RECEIVABLES

The Group allows an average credit period of 90 to 180 days to its trade customers. The Group does not hold any collateral over the trade receivables. The following is an aged analysis of trade receivables net of allowance for impairment of trade receivables presented based on the invoice date at the end of each reporting period and as follows:

	<b>As at 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
0 – 90 days	<b>9,243</b>	—
91 – 180 days	<b>8,550</b>	—
	<u><b>17,793</b></u>	<u>—</u>

#### 14. LOAN RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

	As at 31 December	
	2014	2013
	RMB'000	RMB'000
<b><i>Loan receivables</i></b>		
Secured loans		
Pawn loans to customers	5,800	6,100
Real estate-backed loans to customers	2,047	99,500
Entrusted loans to customers	622,017	383,218
Other loans to customers	200,004	204,774
Micro loans to customers	—	5,816
	<b>829,868</b>	699,408
Unsecured micro loans to customers	30,121	210,900
Unsecured other loans to customers	6,756	90,648
Less: allowance for unsecured micro loan receivables	(3,903)	—
	<b>862,842</b>	1,000,956
<b><i>Prepayments and other receivables</i></b>		
Prepayments and other receivables	183,536	44,738
	<b>1,046,378</b>	1,045,694
Loan receivables analysed for reporting purposes as:		
Non-current assets	—	157,141
Current assets	862,842	843,815
	<b>862,842</b>	1,000,956

##### (a) Ageing analysis

	As at 31 December	
	2014	2013
	RMB'000	RMB'000
Within 90 days	510,560	525,610
91 to 180 days	39,565	255,777
181 to 365 days	85,579	159,871
Over 365 days	227,138	59,698
	<b>862,842</b>	1,000,956

The above ageing analysis is presented based on the date of loans granted to customers.

The Group's financing advances to customers included in the loan receivables are due as of the due date specified in respective loan agreements.

**(b) Loan receivables that are not impaired**

The ageing of loan receivables which were past due but not impaired is as follows:

	<b>As at 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Not yet past due		
Current	<u>612,966</u>	<u>859,644</u>
Past due but not impaired		
Within 90 days	–	429
91 to 180 days	49,585	72,000
181 to 365	59,208	68,883
Over 365 days	<u>141,083</u>	<u>–</u>
	<u>249,876</u>	<u>141,312</u>
	<u><b>862,842</b></u>	<u><b>1,000,956</b></u>

**15. ACCRUALS AND OTHER PAYABLES**

	<b>As at 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Other payables and accrued expenses	142,138	19,035
Consideration payable for acquisition of remaining interests in a subsidiary	<u>6,992</u>	<u>4,000</u>
	149,130	23,035
Financing service income receipts in advance	<u>11,946</u>	<u>11,416</u>
	<u><b>161,076</b></u>	<u><b>34,451</b></u>



## 16. BORROWINGS

	As at 31 December	
	2014	2013
	RMB'000	RMB'000
Secured bank loans	211,845	210,468
Unsecured bank loans	67,800	39,025
Unsecured other loans	8,734	48,548
Unsecured entrusted loans	—	136,000
	<u>288,379</u>	<u>434,041</u>
Carrying amount repayable*:		
Within one year	288,379	214,884
Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	<u>—</u>	<u>219,157</u>
	288,379	434,041
Less: amounts due within one year shown under current liabilities	<u>(288,379)</u>	<u>(434,041)</u>
Amounts show under non-current liabilities	<u>—</u>	<u>—</u>

\* The amounts due are based on scheduled repayment dates set out in the loan agreements.

Bank and other loans of approximately RMB76,534,000 (2013: RMB223,573,000) are at fixed rates of 9% to 12% p.a. (2013: 7% to 24%) during the year.

The effective interest rates of borrowings at the end of the reporting period as follows:

	As at 31 December	
	2014	2013
Bank and other loans	<u>7.6%</u>	<u>15%</u>

## 17. CORPORATE BONDS

		As at 31 December	
		2014	2013
	Notes	RMB'000	RMB'000
2-year 11% fixed rate bonds	(a)	–	255,611
2-year 9.5% fixed rate bonds	(b)	161,873	–
7.5-year 5.5% fixed rate bonds	(b)	41,945	–
		<u>203,818</u>	<u>255,611</u>
Represented by:			
Non-current portion		203,818	–
Current portion		–	255,611
		<u>203,818</u>	<u>255,611</u>

### Notes:

- (a) As at 31 December 2013, the balance represented corporate bonds with principal amounts of RMB250,000,000 which are due on 18 September 2014, carry interest at fixed rate of 11% per annum with interest payable semi-annually in arrears on 18 March and 18 September of each year. The corporate bonds are unsecured.
- (b) As at 31 December 2014, the balances represented the following corporate bonds:
- principal amount of HK\$200,000,000 which is due on 8 July 2016, carries interest at a fixed rate of 9.5% with interest payable semi-annually in arrears on 8 January and 8 July of each year. The corporate bonds are unsecured and discounted at an effective interest rate of 11.3% per annum.
  - principal amount of HK\$60,000,000 which is due on 24 April 2022, carries interest at a fixed rate of 5.5% with interest payable semi-annually in arrears on 24 April and 24 October of each year. The corporate bonds are unsecured and discounted at an effective interest rate of 7.7% per annum for HK\$50,000,000 and 8.8% per annum for HK\$10,000,000.

## 18. ACQUISITION OF SUBSIDIARIES/CHANGE IN OWNERSHIP INTERESTS IN SUBSIDIARIES

**For the year ended 31 December 2014**

**Acquisition of 上海鋒之行汽車金融信息服務有限公司 (“上海鋒之行”)**

On 6 May 2014, the Group acquired 80% equity interest in the registered capital of 上海鋒之行, at a consideration of RMB5,000,000 which was satisfied by cash. This acquisition has been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was RMB5,394,000. 上海鋒之行 is engaged in the development and operation of automobile financing products.

Goodwill arose in the acquisition of 上海鋒之行 because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit to allow the Group to leverage the automobile financing products and services in the PRC. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

Consideration transferred

	<i><b>RMB'000</b></i>
Cash	<b>5,000</b>

No acquisition-related cost of the transaction is incurred during the year ended 31 December 2014.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	<i><b>RMB'000</b></i>
Plant and equipment	<b>691</b>
Intangible assets	<b>475</b>
Prepayments and other receivables	<b>6,344</b>
Amount due from non-controlling shareholders	<b>1,250</b>
Cash and cash equivalents	<b>5,103</b>
Accruals and other payables	<b>(14,356)</b>
Net liabilities identified	<b>(493)</b>

Goodwill arising on acquisition:

	<i><b>RMB'000</b></i>
Consideration transferred	<b>5,000</b>
Add: Net liabilities identified	<b>493</b>
Less: 20% non-controlling interests	<b>(99)</b>
Goodwill arising on acquisition	<b>5,394</b>

*Net cash inflow on acquisition of 上海鋒之行*

	<i><b>RMB'000</b></i>
Cash consideration paid	<b>(5,000)</b>
Less: cash and cash equivalent balances acquired	<b>5,103</b>
	<b>103</b>

Non-controlling interests

Non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interests' proportionate share of the acquiree's identifiable net liabilities.

Included in the profit for the year is approximately RMB10,472,000 loss attributable to the additional business generated by 上海鋒之行. Revenue for the year includes approximately RMB8,115,000 generated from 上海鋒之行.

Had the acquisition been completed on 1 January 2014, the total amount of revenue of the Group for the year would have been RMB375,141,000, and net profit for the year would have been RMB59,505,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2014, nor is it intended to be a projection of future results.

In determining the pro forma revenue and profit of the Group had 上海鋒之行 been acquired at the beginning of the current year, the directors have:

- calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and
- determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

**Acquisition of additional interest in Leading Finance Services Holdings Limited (“Leading Finance”)**

On 20 February 2014, Leading Finance, a wholly-owned subsidiary of Silver Faith Holdings Limited (“Silver Faith”), an indirect wholly owned subsidiary of the Company, allotted additional shares to two independent third parties and the Group's interests in Leading Finance was diluted.

In March 2014 and October 2014, the Group entered into various agreements to effectively acquire additional interests in Leading Finance in steps. By completion of such transactions, the Group effectively holds 100% equity interest in aggregate in Leading Finance.

The above transactions are accounted for as equity transactions and resulted in capital injection from non-controlling interests amounted to approximately RMB6,968,000 and consideration paid by the Group for additional interests in Leading Finance of approximately RMB6,968,000.

## 19. DISPOSAL OF SUBSIDIARIES

On 29 May 2014, the Group entered into a sales agreement to dispose of its 100% equity interest in three inactive subsidiaries, to an independent third party for a total consideration of US\$1 (equivalent to approximately RMB6). The subsidiaries disposed of were Sun Champion Limited, Champion Day Holdings Limited and Ever Crescent Limited.

The aggregate net assets of the subsidiaries disposed of at the date of disposal were as follows:

	<i>RMB'000</i>
Bank balances and cash	7
Other payables	(71)
	<hr/>
Net liabilities disposed of	(64)
Gain on disposal of subsidiaries	64
	<hr/>
Total cash consideration	—
	<hr/> <hr/>
Net cash outflow arising on disposal	
Cash consideration received	—
Bank balances and cash disposed of	(7)
	<hr/>
	(7)
	<hr/> <hr/>

The subsidiaries disposed of had no significant impact on the results and cash flows of the Group for the year ended 31 December 2014.

On 26 October 2014, the Group accepted an offer letter dated 24 October 2014 to dispose of all of its 60.3% equity interest in China Runking Financing Group Holdings Limited (“China Runking”), a non-wholly owned subsidiary of the Company, to an independent third party, for a total consideration of HK\$192,698,000 (equivalent to approximately RMB152,675,000). There are total 15 subsidiaries held by China Runking directly or indirectly. The disposal transaction was completed on 18 December 2014.

The aggregate net assets of the subsidiaries disposed of at the date of disposal were as follows:

	<i>RMB'000</i>
Plant and equipment	7,796
Loan receivables	214,257
Prepayment and other receivables	9,081
Bank balances and cash	93,269
Accruals and other payables	(34,640)
Receipt in advance	(1,470)
Amounts due to non-controlling shareholders	(3)
Borrowing	(19,756)
Financial assets sold under repurchase agreement	(20,781)
Income tax payables	(3,688)
Deferred tax liabilities	(470)
	<hr/>
Net asset disposed of	243,595
	<hr/>
<b>Gain on disposal of subsidiaries</b>	
Consideration received and receivable	152,675
Net assets disposed of	(243,595)
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of the subsidiary	217
Non-controlling interests	96,707
	<hr/>
Gain on disposal of subsidiaries	6,004
	<hr/>
<b>Consideration received and receivable</b>	
Cash received	79,230
Deferred cash consideration (included in other receivable)	73,445
	<hr/>
Total cash consideration	152,675
	<hr/> <hr/>
<b>Net cash outflow arising on disposal</b>	79,230
Cash consideration received	(93,269)
	<hr/>
Bank balances and cash disposed of	(14,039)
	<hr/> <hr/>

Pursuant to the offer letter, the deferred consideration shall be settled in cash on or before 31 March 2015.

## **FINAL DIVIDEND**

The Board recommends the payment of a final dividend of HK0.46 cents (or equivalent to RMB0.36 cents) per ordinary share of the Company for the financial year ended 31 December 2014 (2013: HK1.21 cents), to the shareholders of the Company (the “Shareholders”) whose names are on the register of members on Tuesday, 26 May 2015, subject to the approval by the Shareholders at the forthcoming annual general meeting of the Company to be held on Monday, 11 May 2015 (the “Annual General Meeting”) and compliance with the laws of the Cayman Islands and other relevant rules and regulations.

## **CLOSURE OF REGISTER OF MEMBERS**

The Annual General Meeting is scheduled for Monday, 11 May 2015. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 8 May 2015 to Monday, 11 May 2015, both days inclusive, during which period no transfer of shares of the Company (the “Shares”) will be effected. In order to qualify for attending and voting at the Annual General Meeting, unregistered holders of the Shares should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 7 May 2015.

The proposed final dividend is subject to the passing of an ordinary resolution by the Shareholders at the Annual General Meeting. The record date for entitlement to the proposed final dividend is Tuesday, 26 May 2015. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 22 May 2015 to Tuesday, 26 May 2015, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, all share transfer forms, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, for registration not later than 4:30 p.m. on Thursday, 21 May 2015. The payment of final dividend will be made on or about Friday, 5 June 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business review

In 2013, the Group primarily specialized in the business of providing traditional financing services including entrusted loans, real estate-backed loans, pawn loans, micro loans and other loans and related financing consultancy services for small and medium-sized enterprises and individuals in the People's Republic of China (the "PRC") and Hong Kong. With the aim to ride on the wave of "internet finance evolution", the Group started with a new business strategy at the end of 2013 by participating into the online third-party payment business and prepaid card issuance business in the PRC, through the acquisition of the entire equity interest in UCF Huisheng Investment (HK) Co., Limited ("UCF Huisheng"). To further complement its strategic market re-positioning in the internet financing business, in the 1st quarter of 2014, the Group set up a wholly-owned subsidiary offering internet "housing" loan products and acquired a 80% interest in a Shanghai company which is primarily engaged in the offering of internet automobile financing services.

With the transition into the internet financing business, the Group has recorded double digit growth in revenue for the year ended 31 December 2014. The interest income and financial consultancy service income derived from traditional financing services recorded a significant decrease of 12.9% in 2014 which was in line with the slow-down in the PRC property market following tightening macro-control policies on the PRC property industry. The new internet finance business activities have demonstrated strong and sustainable revenue momentum generated RMB92.9 million for the year representing 24.8% of the total Group's revenue (2013: Nil). The revenue from the online third-party payment services and P2P loan services represented 17.7% and 7.1% of the total Group's revenue respectively.

The Group continues to pursue its strategy of entering into strategic partnerships when suitable opportunities arises. During the year of 2014, the Group entered into several joint venture agreements with different business partners in various provinces across in the PRC to achieve regional cooperations, geographic penetrations, product specializations and service differentiation.

As at the date of this announcement, the Group has completed the following significant transactions:



**(a) Acquisition of a 10% equity interest in First P2P Limited (“First P2P”)**

On 12 January 2015, Ever Step Holdings Limited (“Ever Step”), a wholly-owned subsidiary of the Company, entered into an acquisition agreement to acquire a 10% equity interest in First P2P at a consideration of RMB50.0 million. The transaction was completed on 27 January 2015.

First P2P is a leading P2P portal in China. The principal business of First P2P is engaged in operating a P2P platform for internet financing with collateralised assets. The business offerings are conducted via multiple channels, including a website (FirstP2P.com/網信理財) and a mobile application under the “First P2P” (網信理財) brand.

**(b) Acquisition of a 100% equity interest in Beijing Phoenix Credit Management Corporation (“Beijing Phoenix”)**

On 11 August 2014, Wanjun Hangzhou Venture Capital Management Company Limited (“Wanjun”), a wholly-owned subsidiary of the Company, entered into an acquisition agreement to acquire a 100% equity interest in Beijing Phoenix through structured contracts at a consideration of RMB50.8 million. The transaction was completed on 28 January 2015.

The principal business of Beijing Phoenix is engaged in operating an online P2P lending business. Moving forward, this p2p portal will primarily focus on offering internet financing with collateralised financial assets. The business offerings are conducted via multiple channels, including a website (www.9888.cn: 金融工場) and a mobile application under the "Financial Workshop" ("金融工場") brand. The 9888 portal had 61,113 active clients and 2,652 completed transactions as at the end of February 2015.

**(c) Acquisition of a 49% equity interest in Hainan Pioneer Internet Microfinance Limited (“Hainan Pioneer”)**

On 11 August 2014, Wanjun entered into an acquisition agreement to acquire a 49% equity interest in Hainan Pioneer at a consideration of RMB49.0 million. The transaction was completed on 20 March 2015.

The principal businesses of Hainan Pioneer include not only providing financing services to small and medium-sized enterprises and individuals within the Hainan Province, the PRC, but has the license to offer small loans to enterprises and individuals nation-wide via internet, which differs from the traditional micro finance lending license which is limited in geographically.

**(d) Disposal of the entire 60.3% equity interest in China Runking Financing Group Holdings Limited ("China Runking")**

On 24 October 2014, Jovial Lead Limited ("Jovial Lead"), an indirectly wholly-owned subsidiary of the Company received an offer letter from a substantial shareholder requesting to purchase the entire 60.3% interest owned by Jovial Lead in China Runking, which operates a traditional micro-loan finance business in Chongqing City, the PRC. In order to reduce its exposure to credit risk on generally unsecured micro-loans and concentrate its further development in the internet financing businesses, Jovial Lead conditionally accepted the offer on 26 October 2014. The disposal transaction was approved by independent shareholders on the extraordinary general meeting held on 15 December 2014 and was completed on 18 December 2014.

**(e) Disposal of the remaining 15% equity interest in Measure Up International Limited ("Measure Up")**

On 5 March 2015, Ever Step, a wholly-owned subsidiary of the company, entered into a sale and purchase agreement to dispose of the remaining 15% equity interest in Measure Up at a consideration of RMB1.06 million. The transaction was completed on 20 March 2015. Upon the completion, the Group ceased the operation of lease financing business.

**(f) Subscription of convertible bond issued by China Fortune Financial Group Limited ("China Fortune")**

On 10 February 2015, a 12% coupon convertible bond (the "2015 Convertible Bond") was issued by China Fortune to Ever Step with principal amount of approximately HK\$40,385,000 (equivalent to approximately RMB31,983,000) for settlement of the Convertible Bond. The 2015 Convertible Bond bears 12% interest per annum with maturity on 9 February 2016. The Group can exercise the conversion option in whole or in part on the maturity date. The conversion price is HK\$0.13 per share (subject to adjustments). China Fortune may redeem the 2015 Convertible Bond in whole or in part at anytime from the date of issue up to the maturity date. Unless previously redeemed or converted, China Fortune shall redeem the 2015 Convertible Bond at 100% of the principal amount at maturity date.

## FINANCIAL REVIEW

### Revenue

For the year ended 31 December 2014, the Group reported revenue of approximately RMB374.1 million, an increase of 38.7% as compared to approximately RMB269.7 million in 2013. The growth in revenue was mainly attributable to new income streams from the provision of online third party payment service, P2P loan service and gain on transfer of rights on interests on loan receivables.

- ***Entrusted loan and other loan income***

The entrusted loan and other loan income includes interest income, financial consultancy service income and net gain on transfer of rights on interests on loan receivable, which were derived from the Group's entrusted loans, pawn loans and other loans secured with pledged assets or guarantees. It generated 47.1% of the Group's total revenue and recorded a drop of 19.4% to approximately RMB176.0 million during the year under review as compared to approximately RMB218.3 million from the previous year.

- ***Micro loan income***

For the year under review, the Group's interest income and financial consultancy service income derived from microfinance services increased significantly to approximately RMB105.1 million as compared to approximately RMB51.2 million from the previous year, because the Group had expanded its micro finance platform in Chongqing City, the PRC since 2013. On 18 December 2014, the Group disposed of its entire 60.3% interest in the micro-loan business in Chongqing City to reduce its exposure to credit risk on unsecured micro-loans and concentrate its further development in the internet financing businesses.

- ***Online third party payment service income***

In March 2014, the Group's online third party payment business commenced its operation in the provision of payment transaction, system consultancy and other services and contributed approximately RMB66.3 million revenue, presenting 17.7% of the Group's revenue.

- ***P2P loan service income***

During the year under review, the Group recorded approximately RMB26.6 million revenue, as 7.1% of the Group revenue, from the provision of P2P loan services in relation to its internet housing loan and automobile loan services which started to contribute to the Group's revenue in April and May 2014, respectively.

### **Interest expenses**

The Group's interest expenses were mainly comprised of interest due on bank loans Hong Kong Dollar-denominated corporate bonds, other borrowings and financial assets sold under repurchase agreements. The Group's interest expenses increased 144.4% to approximately RMB92.4 million for the year ended 31 December 2014 from approximately RMB37.8 million for the previous year. This was because, in order to fund its operations and business development, the Group had obtained new bank loans and other loans in the principal amount of approximately RMB230.0 million during the 4th quarter of 2013.

### **Other income**

The Group's other income mainly comprised convertible bond interest income, bank interest income, rental income and government grants. The Group's other income for the year ended 31 December 2013 and 2014 was approximately RMB20.5 million and RMB18.8 million respectively. The government grants of approximately RMB9.5 million to Shanghai Yintong Dian Dang Company Limited ("Shanghai Yintong"), Lucky Target Property Consultants (Shanghai) Company Limited ("Lucky Consultants") and other subsidiaries of the Group in Shanghai, PRC was in relation to the encouraging the expansion of enterprise.

### **Administrative and other operating expenses**

The Group's administrative and other operating expenses primarily comprised salaries and staff welfare, rental expenses, legal and professional fees, sales and marketing related expenses and impairment on loan receivables. The Group's administrative and other operating expenses for the year ended 31 December 2013 and 2014 were approximately RMB113.2 million and RMB189.8 million, respectively. The increase of 67.7% in administrative and other operating expenses was mainly attributable to impairment on loan receivables from micro loan business amounting to approximately RMB29.0 million, increase of salaries and staff welfare by approximately RMB32.4 million as additional management and staff was recruited for the micro-finance business, P2P loan services and online third-party payment services as well as other operating costs due to business development.

### **Share-based payment expenses**

Share-based payment expenses of the Group for the reporting year amounted to approximately RMB4.8 million (2013: RMB5.5 million). The Company granted share options under the Share Option Scheme on 11 December 2014 to certain eligible grantees (the "Grantees"), which will enable the Grantees to subscribe for an aggregate of 193,800,000 Ordinary shares of the Company.

## **Profit for the year**

The profit attributable to owners of the Company for the reporting year was approximately RMB58.2 million, representing a decrease of approximately 58.8% as compared to approximately RMB141.2 million from the previous year. The decrease was mainly due to impairment on loan receivables from micro loan business in an amount of approximately RMB29.0 million during the year, a decrease in appreciation in fair value for a Shanghai investment property by approximately RMB65.4 million and a reversal of a contingent consideration receivable of approximately RMB8.5 million.

## **OUTLOOK**

2014 was a year of challenge and change for the Group. We have been an active player in the internet financing business since we participated into the online third-party payment industry at the end of 2013 followed by a full year of activities surrounding the P2P lending business. In just over a year, the Group has successfully transformed from its traditional financing business into internet financing, a promising sector with great potential. Today, we have become one of the leading internet financing service providers across China and have laid a strong foundation for our future development.

Over the past year, internet financing has rapidly and widely penetrated into various sectors of the society. According to the figures released by China Internet Network Information Center (中國互聯網絡訊息中心), as of December 2014, the users of internet financial products in aggregate were approximately 78.50 million, an increase of 14.65 million in just over half a year. This is equivalent to 12.1% of all netizens having used internet financial products. As more and more of these new products will be launched, we can expect that the use of internet financing will become much more common.

For 2015, the internet financing industry looks to set to maintaining its upward momentum for rapid growth. We remain in full confidence of its future prospects and is committed to strengthening strategic deployments in various segments to consolidate our strengths.

- For the online third-party payment business, the Group is poised to further expand its merchant clientele base and provide highly reliable payment services by collaborating closely with different financial institutions.
- For P2P lending, apart from automobile and housing loans, the Group will continue to explore high-quality industries for lending and introducing new products to provide more flexible loan services.

- Apart from increasing our investments and optimising the current P2P information platforms, Credit China will strengthen its various relationships by nurturing strategic alliances. The Group has successfully completed the acquisitions of an internet financing platform, including the entire interest of Financial Workshop (金融工場) and a 10% share interest in First P2P (網信理財) in January 2015.
- Depending on market conditions and opportunities, Credit China will be actively looking for acquisitions opportunities and at the same time forming strategic partnerships in order to increase its P2P market share as well as to further expand our geographic footprint.

As more enterprises will enter into different forms of the internet financing industry in 2015, we expect an increasingly competitive market will be developed. We also expect new regulations will be issued by the Chinese regulators in the coming months.

Our goal is to position ourselves in the internet finance space setting up steady, sustainable growth internet finance offerings to help our target clients in turn making our Group to be a leader in the space.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

In the year of 2014, the Group's source of funds was mainly from cash generated from operations and proceeds from issue of shares. As at 31 December 2014, the Group had bank balances and cash of approximately RMB265.5 million (2013: approximately RMB259.6 million), of which approximately 96.9%, 2.7%, 0.4% were denominated in Renminbi, U.S. dollars and Hong Kong dollars respectively.

As at 31 December 2014, the Group had interest bearing borrowings, which mainly comprised Hong Kong Dollar-denominated corporate bonds and other borrowings, amounting to approximately RMB492.2 million (2013: approximately RMB719.6 million). The gearing ratio, representing the ratio of total borrowings to total assets of the Group, was 0.18 as at 31 December 2014 (2013: 0.31).

The Company completed the issue of HK\$200,000,000 9.5% notes due July 2016 on 8 July 2014 pursuant to a subscription agreement dated 3 July 2014 and entered into between the Company, Haitong International Securities Company Limited (as Lead Manager) and Haitong International Finance Company Limited (as Initial Subscriber). The Company repaid the total outstanding principal amounts of its unsecured RMB250,000,000 11% bonds due on 18 September 2014 on the same date.



During the year, the Company completed the issue of HK\$60,000,000 5.5% per annum bonds due 2022 pursuant to a placing agreement entered into between the Company and Orient Securities (Hong Kong) Limited (as placing agent) on 11 September 2014.

During the year under review, the Group did not use any financial instruments for hedging purposes.

## **BORROWINGS AND BANK OVERDRAFTS**

The Group had RMB288.4 million in borrowings or bank overdrafts as at 31 December 2014. (2013: RMB464.0 million).

## **INDEBTEDNESS AND CHARGE OF ASSETS**

The Group did not have any long term borrowing for both years ended 31 December 2014 and 2013. As at 31 December 2014, the Group had short term borrowings amounting to RMB288.4 million (2013: RMB434.0 million), of which RMB211.8 million were interest-bearing at floating rates, and secured by the investment property of the Group with a carrying amount of approximately RMB575.0 million (2013: approximately RMB513.0 million) as set out in Note 12. The remaining borrowings amounting to RMB76.6 million were unsecured and interest-bearing at fixed rates. Details of borrowings of the Group during the year are set out in note 16 in this announcement.

As at 31 December 2014, the Group had long term corporate bonds RMB203.8 million (2013: Nil) and had no short term corporate bonds (2013: RMB255.6 million) in total. The Group had issued 2-year and 7.5-year corporate bonds with aggregate principal of HK\$200,000,000 and HK\$60,000,000, which are due on 8 July 2016 and 24 April 2022 respectively, and carry interest at fixed rate of 9.5% and 5.5% per annum with interest payable semi-annually in arrears. The corporate bonds are unsecured. Details of corporate bonds of the Group during the year are set out in note 17 in this announcement.

## **MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES**

On 6 May 2014, the Group acquired a 80% equity interest in the registered capital of 上海鋒之行汽車金融信息服務有限公司 (“上海鋒之行”), at a consideration of RMB5.0 million which was satisfied in cash. 上海鋒之行 is engaged in the development and operation of automobile financing products.

On 18 December 2014, the Group disposed of its entire 60.3% interest in of the issued share capital of China Runking Financing Group Holdings Limited (“China Runking Group”) at a consideration of HK\$192.7 million. Upon Completion, the China Runking Group ceased to be subsidiaries of the Company and its financial results became no longer consolidated in the consolidated financial statements of the Group.

On 29 December 2014, the Group disposed of a 20% equity interest in Measure Up International Limited, which is engaged in the lease financing business in the PRC, at a consideration equivalent to the net book value of RMB1.45 million.

Other than disclosed above, there were no material acquisitions or disposals of subsidiaries and affiliated companies during the year ended 31 December 2014.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS AND EXPECTED SOURCES OF FUNDING**

Save as disclosed under “Management Discussion and Analysis” in this announcement, there was no specific plan for material investments or capital assets as at 31 December 2014.

## **CONTINGENT LIABILITIES**

As at 31 December 2014, the Group has no significant contingent liabilities (2013: Nil).

## **CAPITAL COMMITMENTS**

### **Capital expenditure commitment**

At the end of the reporting period, the Group had the following capital commitments:

	<b>2014</b> <b>RMB'000</b>	2013 <i>RMB'000</i>
Capital expenditure contracted for but not provided for in respect of:		
Acquisition of plant and equipment	<b>5,771</b>	751
Acquisition of club membership	<u>—</u>	<u>384</u>
	<b><u>5,771</u></b>	<b><u>1,135</u></b>

## **FOREIGN EXCHANGE EXPOSURE**

The Group operates mainly in Hong Kong and Mainland China. For the operations in Hong Kong, most of the transactions are denominated in HKD and U.S. dollars. The exchange rate of U.S. dollars against HKD is relatively stable and the related currency exchange risk is considered minimal. For the operations in Mainland China, most of the transactions are denominated in RMB. Given the level of depreciation of RMB against HKD during the year under review, no financial instrument was used for hedging purposes.



The Group is mainly exposed to the fluctuation of HKD against RMB as certain of its bank balances are denominated in HKD which is not the functional currency of the relevant group entities. The Group has not made other arrangement to hedge against the exchange rate risk. However, the Directors and management will continue to monitor the foreign exchange exposure and will consider utilizing applicable derivatives to hedge out the exchange risk when necessary.

## **TREASURY POLICIES**

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Directors closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2014, the Group had a total of 255 staff and 5 contractors (2013: 212 staff). Total staff costs (including Directors' emoluments) were approximately RMB82.7 million for the year ended 31 December 2014 (2013: RMB50.9 million). Remuneration is determined by reference to the market conditions and the performance, qualifications and experience of individual employees. Year-end bonuses based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to a statutory mandatory provident fund scheme and social insurance together with housing provident funds for its employees in Hong Kong and the PRC, respectively.

The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible directors, employees and contractors of the Group, who contribute to the success of the Group's operations.

## **CORPORATE GOVERNANCE**

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules except the following:

According to Rule 5.05A of the GEM Listing Rules, the Company must appoint independent non-executive directors (the "INEDs") representing at least one-third of the Board. Upon the appointment of Mr. Li Gang as a non-executive director of the company on 17 November 2014, the Board comprised ten directors, among whom three are INEDs, which fell below the one-third INED requirement under Rule 5.05A of the GEM Listing Rules. However, following the appointment of Dr. Wong, Kennedy Ying Ho as an INED of the Company on 16 February 2015, the Board comprises eleven directors and four of them are INEDs, which complies with the above INED requirement under the GEM Listing Rules.

## ISSUE OF EQUITY SECURITIES

The Company allotted and issued 200,000,000 ordinary shares on 31 March 2014 by way of placing and raised gross proceeds of approximately RMB127.1 million to provide the Group with additional funds for business expansion and general working capital purpose.

In order to satisfy the need of the Group in further expansion of its existing finance business with higher financial flexibility and healthy capital position, the Company entered into subscription agreements with two independent third parties, namely Zelester International Limited (“Zelester”, a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment activities) and Grandaccum Limited (“Grandaccum”, a company incorporated in Hong Kong with limited liability and is principally engaged in trading and investment activities) to allot and issue 100,000,000 ordinary shares of HK\$0.10 each to each of them on 21 January 2014 and 14 February 2014, respectively. The total aggregate nominal value of the subscription shares for the above two subscriptions is HK\$20 million, presenting HK\$10 million to each subscriber.

The subscription price of HK\$0.80 per subscription share for Zelester represents a discount of approximately 13.04% to the closing price of HK\$0.92 per share as quoted on the Stock Exchange on the date of the subscription agreement on 21 January 2014 (the “Second Subscription Agreement”) and a discount of approximately 3.38% to the average closing price of HK\$0.828 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Second Subscription Agreement; The subscription price of HK\$0.80 per subscription share for Grandaccum represents a discount of approximately 15.79% to the closing price of HK\$0.95 per share as quoted on the Stock Exchange on the date of the subscription agreement on 14 February 2014 (the “Subscription Agreement”) and a discount of approximately 11.89% to the average closing price of HK\$0.908 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

The subscriptions were successfully completed on 21 March 2014. The gross proceeds of the subscription was HK\$160 million. The net proceeds of the subscriptions, after deducting professional fees and other related expenses, was approximately HK\$159 million, and the net issue price per subscription share was approximately HK\$0.795. The net proceeds arising from the subscription was used for diversification of financing services, payment of corporate bond interest and bank loan interest, expansion of existing finance business and general working capital of the Company. For details, please refer to the circular dated on 26 February 2014.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

The Company did not redeem any of its shares listed and traded on the Stock Exchange, nor did the Company or any of its subsidiaries purchase or sell any of such shares during the year ended 31 December 2014.

## **REVIEW OF FINANCIAL INFORMATION**

The audit committee of the Company, which comprises four independent non-executive Directors, namely Mr. Ge Ming (the Chairman), Mr. Peter Z Kuk, Mr. Wang Wei and Dr. Wong, Kennedy Ying Ho, has reviewed with the management the accounting principles and practices adopted by the Group and discussed with them auditing, internal control and financial reporting matters, including the review of the results of the Group for the year ended 31 December 2014.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and comprehensive income and the related notes thereto for the year ended 31 December 2014 as set out in this announcement have been agreed by the Group's independent auditor, SHINEWING (HK) CPA Limited ("SHINEWING"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by SHINEWING in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by SHINEWING in this announcement.

By order of the Board  
**Credit China Holdings Limited**  
**Li Mingshan**  
*Chairman*

Hong Kong, 24 March 2015

As at the date of this announcement, the Directors are:—

*Executive Directors:*

Mr. Phang Yew Kiat (*Vice-Chairman and Chief Executive Officer*)

Mr. Chng Swee Ho

Mr. Sheng Jia

Ms. Shen Li

*Non-executive Directors:*

Mr. Li Mingshan (*Chairman*)

Mr. Li Gang

Mr. Wong Sai Hung

*Independent Non-executive Directors:*

Mr. Ge Ming

Mr. Peter Z Kuk

Mr. Wang Wei

Dr. Wong, Kennedy Ying Ho

*This announcement will remain on the “Latest Company Announcements” page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company ([www.creditchina.hk](http://www.creditchina.hk)).*