中国信贷
CREDIT CHINA

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)

DISCLOSEABLE TRANSACTION – SUPPLEMENTAL AGREEMENT TO THE SALE AND PURCHASE AGREEMENT IN RELATION TO ACQUISITION OF 35% EQUITY INTEREST IN GENESIS BUSINESS HOLDINGS LIMITED

As mentioned in the announcements dated 1 November 2015 and 26 November 2015 in relation to the acquisition of an aggregate of 35% equity interest in Genesis Business Holdings Limited (the "**Announcements**"), the Purchaser had entered into the Sale and Purchase Agreement to purchase a 35% equity interest in the Target Company comprising the Sale Shares and the Option Shares, which represented 10% and 25% of the issued share capital of the Target Company, respectively, and the Target Company was to have an indirect interest of 100% in the OPCO under structured contracts.

The Board is pleased to announce that on 24 February 2016, the Company (as guarantor of the Purchaser), the Purchaser, the Vendors, the Guarantors, OPCO, Huzhou Tongsheng Technology Partnership (Limited Partnership)(湖州同勝信息技術合夥企業(有限合夥))and Shenzhen Laimeiju Trade Co., Ltd(深圳市來美居貿易有限公司)entered into the Supplemental Agreement to amend and supplement certain terms of the Sale and Purchase Agreement.

The Supplemental Agreement provides that the Acquisition is no longer for the Sale Shares and the Option Shares. Instead, the Purchaser has now conditionally agreed to purchase 100% of the Target Company. The Target Company will have an indirect interest of 35% in the OPCO through structured contracts, without voting control and consolidation of OPCO and its subsidiaries. The Purchaser's indirect interest in OPCO upon Completion under such structured contracts will still be 35%.

The amendments contemplated under the Supplemental Agreement constitute material variations of the terms of the Sale and Purchase Agreement under Rule 19.36 of the GEM Listing Rules. The aforementioned amendments reduces the size of the applicable percentage ratios for the Acquisition and the Acquisition changes from a major transaction to a discloseable transaction, subject only to the notification and publication requirements of Chapter 19.

In view of the possible issue of consideration Shares to the Vendors at Completion, the Company intends to dispatch a circular on or before 15 March 2016 seeking Shareholders approval for a specific mandate to issue consideration Shares to the Vendors at Completion.

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Reference is made to the Announcements. Unless otherwise stated, terms and expressions defined in the Announcements shall have the same meanings when used in this announcement.

SUPPLEMENTAL AGREEMENT

The Board announces that on 24 February 2016, the Company (as guarantor of the Purchaser), the Purchaser, the Vendors, the Guarantors, Huzhou Tongsheng Technology Partnership (Limited Partnership) (湖州同勝信息技術合夥企業(有限合夥)) and Shenzhen Laimeiju Trade Co., Ltd (深圳市來美居貿易有限公司) entered into a supplemental agreement (the "**Supplemental Agreement**") to amend and supplement certain terms of the Sale and Purchase Agreement.

The major terms of the Supplemental Agreement are set out below:

(1) The transaction structure as contemplated under the Sale and Purchase Agreement shall be varied as follows:

   (a) instead of acquiring an aggregate 35% interest in the Target Company, which would have a 100% indirect interest in OPCO, the Purchaser shall acquire an aggregate of 100% interest in the Target Company, which will have a 35% indirect interest in OPCO. Hence, the Supplemental Agreement does not change the level of indirect interest in OPCO of 35% which would have been acquired under the Sale and Purchase Agreement;

   (b) the Vendors shall transfer an aggregate 28.57% interest in the Target Company within 3 days of the Supplemental Agreement coming into effect to the Purchaser for a cash consideration of RMB160 million;

   (c) on or before 26 May 2016, the structured contracts contemplated under the Sale and Purchase Agreement shall be entered into between Shenzhen Laimeiju Trade Co., Ltd (深圳市來美居貿易有限公司) ("**Shenzhen Laimeiju**") and its shareholders and Shanghai Jirui Information Technology Co., Ltd (上海即瑞信息科技有限公司) ("**Shanghai Jirui**", a wholly-owned subsidiary of the Target Company established in the PRC) to the effect that the financial results, the entire economic benefits and risks attributable to a 35% interest in OPCO and its subsidiaries shall flow to the Target Company (through Shanghai Jirui) and for the Target Company to enjoy control over Shenzhen Laimeiju, which is interested in 35% of the equity interest in OPCO;

(d) on or before 26 May 2016, the Vendors shall transfer an aggregate of 71.43% interest in the Target Company to the Purchaser for a consideration of RMB400 million (which shall be settled in Shares and on the terms set out in the Sale and Purchase Agreement for the Option Shares), upon completion of which the Purchaser will indirectly hold a 35% interest in OPCO ("**35% Transfer**");

(e) the Put Option and deed of undertaking, guarantee and indemnity is cancelled; and

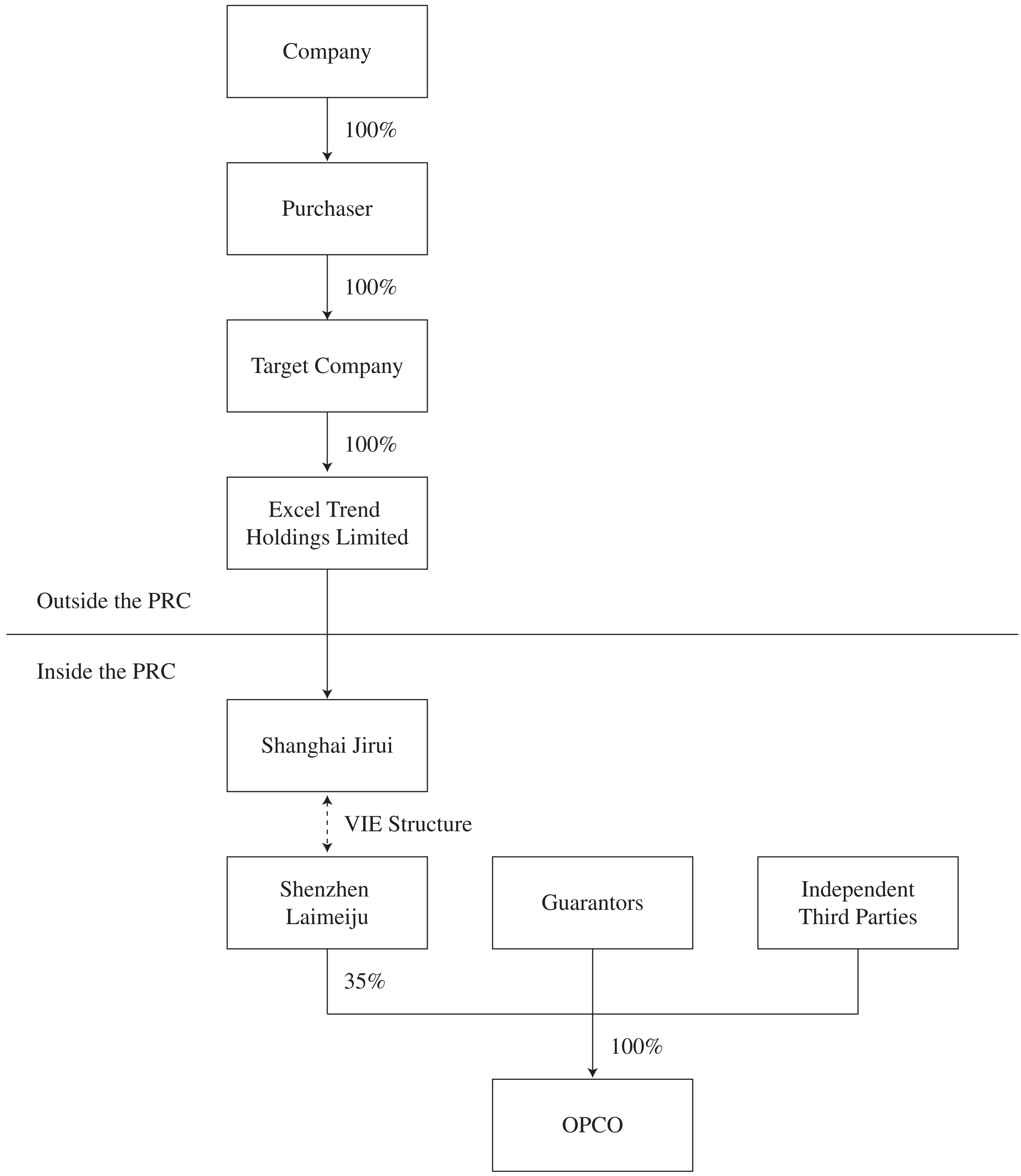
(f) the 10% and 35% shareholders agreement disclosed in the Announcements will not be executed.

Upon Completion, the Company will be interested in 100% of the issued share capital of the Target Company. At Completion, the intention of the parties to the Supplemental Agreement is to execute structured contracts to enable the financial results, the entire economic benefits and risks attributable to a 35% interest in OPCO and its subsidiaries business (through Shanghai Jirui) to flow to the Target Company and for the Target Company to enjoy control over Shenzhen Laimeiju, which is interested in 35% of the equity interest in OPCO. The use of structured contracts is due to applicable PRC law, which stipulates the value-added telecommunications services of the Target Group will be subject to certain restrictions on foreign ownership, as well as requirements on the qualification of the foreign investors.

The Company will comply with applicable PRC law and regulations together with the requirements under the GEM Listing Rules in relation to such structured contracts, including HKEx-GL77-14, and will publish further details regarding the structured contracts in the circular to be despatched to Shareholders.

(2) Upon the completion of the above, the Target Group structure as at Completion shall be as set out below:

Overview of the Target Group as at Completion



(3) Dealing of shares in Shenzhen Laimeiju

If the terms of the Supplemental Agreement and the VIE structure hinder the listing of OPCO or a third party acquisition, the Guarantors shall be entitled to request the Company to procure (a) the termination of the structured contracts, or (b) to transfer its interest in Shenzhen Laimeiju to a related party which shall be either a wholly domestic owned entity or a PRC natural person.

(4) Lock up period

Subject to the terms of the Supplemental Agreement, after completion of the 35% Transfer, 85% of all and any Shares issued by the Company to the Vendors (the "**Consideration Shares**") are subject to dealing restrictions within a period of 365 days of their issuance.

(5) Other obligations

The Profit Guarantee disclosed in the Announcements shall be modified as follows:

(a) the profit guarantee for the year 2015 is cancelled; and

(b) if the original shareholders of OPCO fail to achieve the target net profit of not less than RMB150 million for the year 2016, the shortfall shall now be compensated by the original shareholders of OPCO in cash or via the Company disposing of mortgaged Shares issued to the Vendors (the "**Compensation Shares**").

Save for the amendments contained in the Supplemental Agreement as stated above and corresponding consequential changes, all other major terms and conditions of the Sale and Purchase Agreement shall remain in full force and effect.

The Company intends to seek a specific mandate from Shareholders to issue consideration Shares to the Vendors at Completion and will comply with the requirements of all applicable GEM Listing Rules, including but not limited to the Company applying to and receiving the GEM Listing Committee's approval for the listing of, and permission to deal in, any such consideration Shares on the Stock Exchange.

GENERAL

The Directors (including the independent non-executive Directors) consider that the transactions contemplated under the Supplemental Agreement were entered into on normal commercial terms, that the terms thereof were determined after arm's length negotiation among the parties thereof and that such terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Previously, upon signing of the 35% shareholders agreement disclosed in the Announcements, the Group was to have voting control over OPCO and its subsidiaries and to account for them as its subsidiaries and to consolidate them its accounts. As the 35% shareholders agreement will not be executed, the Group will not be able to do so. Accordingly, for the GEM Listing Rules size tests calculations, 35% (rather than 100% previously used at the time of the Announcement on 26 November 2015) of the Target Company's total assets, profits and revenue are used as the numerators under Rule 19.28 of the GEM Listing Rules.

In addition, the Supplemental Agreement also cancels the Put Option. Consequently, on exercise of the Call Option, the size of the Acquisition for the purposes of the consideration ratio no longer includes the maximum consideration payable under the Put Option (i.e. RMB5 billion) and is simply the Consideration of RMB560 million.

The amendments contemplated under the Supplemental Agreement constitute material variations of the terms of the Sale and Purchase Agreement under Rule 19.36 of the GEM Listing Rules, the aforementioned amendments reduces the size of the applicable percentage ratios for the Acquisition and the Acquisition changes from a major transaction to a discloseable transaction, subject only to the notification and publication requirements of Chapter 19.

In view of the possible issue of consideration Shares to the Vendors at Completion, the Company intends to dispatch a circular on or before 15 March 2016 seeking Shareholders approval for a specific mandate to issue consideration Shares to the Vendors at Completion.

By order of the Board
Credit China Holdings Limited
Phang Yew Kiat
Vice-Chairman, Executive Director and
Chief Executive Officer

Hong Kong, 24 February 2016

As at the date of this announcement, the Directors are as follows:

Executive Directors:
Mr. Phang Yew Kiat *(Vice-Chairman and Chief Executive Officer)*
Mr. Chng Swee Ho
Mr. Sheng Jia

Non-executive Directors:
Mr. Li Mingshan *(Chairman)*
Mr. Li Gang
Mr. Wong Sai Hung
Mr. Zhang Zhenxin
Ms. Zhou Youmeng

Independent Non-executive Directors:
Mr. Ge Ming
Dr. Ou Minggang
Mr. Wang Wei
Dr. Yin Zhongli

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading. This announcement will remain on the "Latest Company Announcements" page of the GEM website (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).