
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Credit China Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the Directors of Credit China Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 circular is accurate and complete in all material respects and not misleading or deceptive; there are no other matters the omission of which would make any statement herein or this circular misleading.



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
IN RELATION TO THE ACQUISITION OF 100% EQUITY INTEREST IN
GENESIS BUSINESS HOLDINGS LIMITED
AND
PROPOSED ISSUANCE OF CONSIDERATION SHARES
UNDER SPECIFIC MANDATE**

A notice convening an extraordinary general meeting of Credit China Holdings Limited to be held at Level 35, Two Pacific Place, 88 Queensway, Hong Kong on Friday, 22 April 2016 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular. Such form of proxy is also published on the websites of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (www.hkgem.com) and the Company (www.creditchina.hk).

Whether or not you are able to attend the extraordinary general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of posting and on the website of the Company on www.creditchina.hk.

7 April 2016

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET

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

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

“Acquisition”	the acquisition of the entire issued share capital of the Target Company pursuant to the terms and conditions of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) and thereby an indirect 35% interest in the OPCO Group;
“Announcements”	the announcements of the Company dated 1 November 2015, 26 November 2015 and 24 February 2016 relating to the Acquisition;
“Articles”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Company”	Credit China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM;
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreement and the Supplemental Agreement;
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Consideration”	the consideration payable by the Purchaser to the Vendors for the Target Equity Interest, being RMB560 million;
“Consideration Shares”	a maximum of 258,318,335 new Shares to be allotted and issued to the Vendors at HK\$1.89 per Share for the settlement of RMB400 million, being part of the Consideration;
“Director(s)”	the director(s) of the Company;
“Extraordinary General Meeting” or “EGM”	an extraordinary general meeting of the Company to be held at Level 35, Two Pacific Place, 88 Queensway, Hong Kong on Friday, 22 April 2016, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages EGM-1 to EGM-3 this circular, or any adjournment thereof;

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM;
“Group”	the Company and its subsidiaries from time to time;
“Guarantors”	Mr. Huang and Ms. Wang;
“HK Co”	Excel Trend Holdings Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned subsidiary of the Target Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huzhou Tongsheng”	湖州同勝信息技術合夥企業(有限合夥) (Huzhou Tongsheng Information Technology Limited Partnership*), a limited partnership established in the PRC, a registered shareholder of OPCO under the control of the Guarantors;
“Independent Third Parties”	Third parties independent of and not connected with the Company and any of its connected persons;
“Latest Practicable Date”	6 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Mr. Huang”	黃喜勝先生 (Mr. Huang Xisheng*), an Independent Third Party and the ultimate beneficial owner of Bonus Partners Worldwide Limited (合盈環球有限公司);
“Ms. Wang”	王雁銘女士 (Ms. Wang Yanming*), an Independent Third Party and the ultimate beneficial owner of Essential Perfection Enterprises Limited (德美企業有限公司);
“OPCO”	上海即富信息技術服務有限公司 (Shanghai Jifu Information Technology Service Co., Ltd.*) a company established in the PRC;
“OPCO Group”	collectively, OPCO and its subsidiaries;

DEFINITIONS

“PRC”	the People’s Republic of China and for the sole purpose of this circular shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“PRC Co” or “Shanghai Jirui”	上海即瑞信息科技有限公司(Shanghai Jirui Information Technology Co., Ltd*), an indirect wholly-owned subsidiary of the Target Company established in the PRC;
“PRC Legal Adviser”	Beijing Jingtian & Gongcheng Law Firm;
“Purchaser”	Wise Park Group Limited (威博集團有限公司), a direct wholly-owned subsidiary of the Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 30 October 2015, entered into between the Vendors and the Purchaser in relation to the Acquisition;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, share(s) forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Shenzhen Laimeiju”	Shenzhen Laimeiju Trade Co., Ltd* (深圳市來美居貿易有限公司), a company established in the PRC and which is 99% owned by Shenzhen Wenxin and 1% by Ms. Huang Juan (黃娟女士); Shenzhen Wenxin and Ms. Huang are the nominee shareholders of Shenzhen Laimeiju which is a dormant company and has been chosen by the Guarantors in order to hold the interest in the OPCO under the Structured Contracts. The Company will designate its senior management who are the PRC citizens as nominees to acquire 100% of the equity interest in Shenzhen Laimeiju from Shenzhen Wenxin and Ms. Huang immediately after the completion of the Acquisition in order to get better control over its interest in OPCO;

DEFINITIONS

“Shenzhen Wenxin”	深圳市文信顯示技術有限公司 (Shenzhen Wenxin Xianshi Technology Co., Ltd.*), a company established in the PRC;
“Specific Mandate”	the specific mandate to be sought from Shareholders at the EGM for the issuance of the Consideration Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Structured Contracts”	the contracts as set out in the section “the Structured Contracts” and which will allow the economic benefit and risk of a 35% interest in the OPCO Group’s business to flow to the Target Company and for the Target Company to enjoy control over Shenzhen Laimeiju;
“Supplemental Agreement”	the supplemental agreement dated 24 February 2016 entered into between the Purchaser, the Vendors, the Guarantors, the Company, Huzhou Tongsheng, Shenzhen Laimeiju and OPCO amending and varying certain terms of the Sale and Purchase Agreement;
“Target Company”	Genesis Business Holdings Limited (創峰控股有限公司), a company incorporated in the British Virgin Islands;
“Vendors”	Bonus Partners Worldwide Limited and Essential Perfection Enterprises Limited, being the beneficial owners of the entire issued share capital of the Target Company and Independent Third Parties; and
“%”	per cent.

* For identification purposes only

If there is any inconsistency in this circular between the Chinese and English versions, the English version shall prevail.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Phang Yew Kiat

(Vice-Chairman and Chief Executive Officer)

Mr. Chng Swee Ho

Mr. Sheng Jia

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Directors:

Mr. Li Mingshan *(Chairman)*

Mr. Li Gang

Mr. Wong Sai Hung

Mr. Zhang Zhenxin

Ms. Zhou Youmeng

Principal Place of Business in

Hong Kong:

Rooms 3533-39, Level 35

Two Pacific Place

88 Queensway

Hong Kong

Independent Non-executive Directors:

Mr. Ge Ming

Dr. Ou Minggang

Mr. Wang Wei

Dr. Yin Zhongli

7 April 2016

To the Shareholders

Dear Sir/Madam

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF 100% EQUITY INTEREST IN
GENESIS BUSINESS HOLDINGS LIMITED
AND
PROPOSED ISSUANCE OF CONSIDERATION SHARES
UNDER SPECIFIC MANDATE**

INTRODUCTION

Reference is made to the announcements dated 1 November 2015, 26 November 2015 and 24 February 2016 in relation to the acquisition of an aggregate of 35% equity interest in the Target Company.

LETTER FROM THE BOARD

Under the Sale and Purchase Agreement, the Purchaser had conditionally agreed to purchase an aggregate 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. Upon completion, the Purchaser would have had a 35% indirect interest in OPCO Group along with voting control and consolidation of OPCO and its subsidiaries pursuant to the 10% and 35% shareholders agreement disclosed in the Announcements.

On 24 February 2016, the Company (as guarantor of the Purchaser), the Purchaser, the Vendors, the Guarantors, OPCO, Huzhou Tongsheng (as a registered shareholder of OPCO) and Shenzhen Laimeiju entered into the Supplemental Agreement to amend and supplement certain terms of the Sale and Purchase Agreement. Upon Completion, the Purchaser will have a 35% indirect interest in OPCO Group but without voting control.

The purpose of this circular is to provide you with, among other things, further details of the Sale and Purchase Agreement and the Supplemental Agreement and the transactions contemplated thereunder, and, if thought fit, to approve the Specific Mandate.

SALE AND PURCHASE AGREEMENT DATED 30 OCTOBER 2015 (AS AMENDED BY THE SUPPLEMENTAL AGREEMENT DATED 24 FEBRUARY 2016)

The principal terms of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) are summarized as follows:

- Parties:
- (1) the Purchaser;
 - (2) the Vendors;
 - (3) the Guarantors;
 - (4) the Company (as guarantor of the Purchaser);
 - (5) Huzhou Tongsheng (as a registered shareholder of OPCO);
 - (6) Shenzhen Laimeiju; and
 - (7) OPCO.

The Guarantors are the ultimate beneficial owner of the Vendors. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Vendors, the Guarantors, Huzhou Tongsheng, Shenzhen Laimeiju, OPCO and their irrespective associates are Independent Third Parties.

LETTER FROM THE BOARD

SUBJECT MATTER OF THE ACQUISITION

The Purchaser has agreed to acquire and the Vendors have agreed to sell the entire issued share capital of the Target Company which was wholly and beneficially owned by the Vendors.

On 19 February 2016, the Structured Contracts contemplated under the Sale and Purchase Agreement were entered into between Shenzhen Laimeiju and its shareholders and Shanghai Jirui to the effect that the financial results, the entire economic benefits and risks attributable to a 35% interest in the OPCO Group 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. For further details, please see the section headed “Information on the Structured Contracts” in this circular.

Pursuant to the Sale and Purchase Agreement, each Guarantor has unconditionally and irrevocably guaranteed to the Purchaser and the Company has unconditionally and irrevocably guaranteed to the Vendors and the Guarantors that it shall (i) procure the Vendors or Purchaser of which it is the ultimate beneficial owner to duly and punctually perform its obligations and duties under the Sale and Purchase Agreement (as amended by the Supplemental Agreement); and (ii) undertake to indemnify the Purchaser, Vendor or Guarantor fully for all liabilities, losses, damages, expenses and costs as a result of the Vendor or Purchaser which it is the ultimate beneficial owner of failing to perform or delay in performing its obligations under the Sale and Purchase Agreement (as amended by the Supplemental Agreement).

Pursuant to the Supplemental Agreement, the Put Option (being the right of the Vendors to sell all or part of their shareholding in the Target Company to the Purchaser) and deed of undertaking, guarantee and indemnity has been cancelled and the 10% and 35% shareholders agreement disclosed in the Announcements will not be executed.

The execution of the above agreement was the result of further negotiation between the Company and counterparties of the Structured Contracts, which culminated in the entering into of the Supplemental Agreement resulted in the 10% and 35% shareholders agreements disclosed in the Announcements not being executed and, in return, the Put Option (being the right of the Vendors to sell all or part of their remaining shareholding in the Target Company to the Company and exercisable at their discretion) would be cancelled.

LETTER FROM THE BOARD

CONSIDERATION

The Consideration for the Acquisition is RMB560 million.

The Consideration of RMB560 million shall be settled as follows:

- i. RMB160 million cash consideration within 3 days of the Supplemental Agreement coming into effect in exchange for transfer to the Purchaser of an aggregate 28.57% interest in the Target Company; and
- ii. RMB400 million by way of allotment and issue of Consideration Shares on or before 26 May 2016, in exchange for the transfer to the Purchaser of an aggregate 71.43% interest in the Target Company.

For further details of the Consideration Shares, please see the section headed “Specific Mandate” in this circular.

The Consideration was determined after arm’s length negotiations between the Purchaser and the Vendors with reference to the financial position and business prospects of the OPCO Group.

Under the original Sale and Purchase Agreement, the Company would have upon Completion be interested in 35% of the issued share capital of the Target Company and the Target Company would be accounted for as a subsidiary of the Company.

Also, under the original Sale and Purchase Agreement, the Vendors were granted put option, exercisable at their discretion under certain conditions, the right to sell all or part of their shareholdings in the Target Company from the period 1 January 2017 to 30 June 2017. The above put option could be settled at the election of the Company in cash or in Shares or a combination of both.

The Supplemental Agreement provides that the Acquisition is no longer for the Sale Shares and the Option Shares which represented 10% and 25% of the issued share capital of the Target Company. Instead, the Group 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 Group’s indirect interest in OPCO upon Completion under such structured contracts will continue be 35%.

Under the Supplemental Agreement, the above mentioned put option granted to the Vendors was also cancelled. Consequently, upon Completion of the Sale and Purchase Agreement, the total consideration payable under the Supplemental Agreement will only be RMB560 million as compared to the maximum consideration of RMB5 billion payable by the Company, in the event the put option is exercised by the Vendors under the original Sale and Purchase Agreement.

LETTER FROM THE BOARD

The Directors are of the view that, although the Company will not be able to have voting control over the OPCO Group and thereby consolidate its accounts; nevertheless, the Group's indirect interest in OPCO Group will continue to be 35% under structured contracts arrangement. Also, the cancellation of the put option exercisable by the Vendors as mentioned above serves to reduce the Group's financial burden and potential shareholding dilution to the Company upon such exercise. Consequently, the Directors are of the view that the Consideration of RMB560 million, though unchanged following the entering into the Supplemental Agreement, is fair and reasonable, following negotiation with the Vendors.

Conditions precedent

As at the Latest Practicable Date, the transfer to the Purchaser of an aggregate 28.57% interest in the Target Company has completed.

Completion of the acquisition of the remaining 71.43% interest in the Target Company by the Purchaser remains subject to the following conditions having been fulfilled (or waived) on or before 26 May 2016:

- i. the Vendors having obtained all necessary consents and approvals;
- ii. the Purchaser and the Company having obtained all necessary consents and approvals;
- iii. the representations, warranties and undertakings made by the Vendors in the Sale and Purchase Agreement (as amended by the Supplemental Agreement) remaining materially true and accurate, and not misleading;
- iv. from the date of the Sale and Purchase Agreement,
 - (a) there are no PRC governmental actions or procedures restricting or prohibiting the transactions contemplated under the Sale and Purchase Agreement (as amended by the Supplemental Agreement) by PRC governmental authorities nor any new laws which may render the said transaction illegal, and
 - (b) there has been no material adverse change to the Target Company or any member of the OPCO Group;
- v. the Shareholders at an extraordinary general meeting of the Company approving the issue of any Consideration Shares pursuant to the Sale and Purchase Agreement (as amended by the Supplemental Agreement); and
- vi. the GEM Listing Committee approving the listing of, and granting permission to deal in, any Consideration Shares to be issued to the Vendors on the Stock Exchange.

LETTER FROM THE BOARD

If any of the above conditions to the Sale and Purchase Agreement (as amended by the Supplemental Agreement) have not been fulfilled (or, in the case of items (iii) and (iv)(b) above, waived or fulfilled) on or before 26 May 2016 or such other date as the parties to the Sale and Purchase Agreement (as amended by the Supplemental Agreement) may agree in writing, the Sale and Purchase Agreement (as amended by the Supplemental Agreement) shall terminate and neither party shall have any further obligations towards the other thereunder, save for antecedent breaches (if any).

Completion shall take place once the above conditions have been fulfilled, or such later date as may be agreed between the Vendors and the Purchaser in writing. Completion is intended to occur on or before 26 May 2016.

PROFIT GUARANTEE

Each of the Guarantors and Huzhou Tongsheng have covenanted to the Purchaser that the audited consolidated net profit after taxation of the OPCO Group (excluding extraordinary non-operating items), based on the financial statements prepared in accordance with Hong Kong Financial Reporting Standards and to be audited by the auditor of the Company for the year 2016, shall be not less than RMB150 million (the “**Guaranteed Profit**”). “**Actual Net Profit**” shall be the audited consolidated net profit after taxation of the OPCO Group (excluding extraordinary non-operating items as well as one-off income and the Purchaser or the Company’s costs and expenses), as shown in the consolidated financial statements prepared in accordance with Hong Kong Financial Reporting Standards for the financial year ending 31 December 2016 and in the certificate for the actual consolidated net profit issued by the auditor of the Company for the financial year ended 31 December 2016.

In the event the Actual Net Profit is less than the Guaranteed Profit, the shortfall shall be compensated by the original shareholders of OPCO (the Guarantors and Huzhou Tongsheng) based on the formula below and in cash or via the Company disposing of the Mortgaged Consideration Shares (defined below).

The formula for calculating the compensation amount for the Guaranteed Profit shall be:

Compensation amount = (Guaranteed Profit – Actual Net Profit) × 10.7* × 35% (with total compensation amount subject to the total amount of the Consideration).

* 10.7 is the implied PE based on implied valuation of RMB1,600 million of the OPCO Group divided by the RMB150 million guaranteed profit.

The Sale and Purchase Agreement further provides that, for the avoidance of doubt,

- i. if there is a loss for the OPCO Group for the year 2016, the Actual Net Profit in respect of that year shall be treated as zero;

LETTER FROM THE BOARD

- ii. the Vendors and the Guarantors will not be deemed to have breached their obligations under the Profit Guarantee where the net profit did not reach the Guaranteed Profit amount due to:
 - (a) the Purchaser or the Company requiring any member of the OPCO Group to implement an employee share plan which requires expenses to be incurred; and
 - (b) the Purchaser or the Company requiring the OPCO Group to adjust its development strategy.

The Company currently has no plans to implement any employee plan or make adjustments to the development strategy of the OPCO Group that would have an impact to OPCO Group's profit and loss accounts for the year ending 31 December 2016.

Mortgage of Consideration Shares

The Vendors will provide a share mortgage in favour of the Purchaser over 85% of the Consideration Shares (“**Mortgaged Consideration Shares**”) issued to them under the Sale and Purchase Agreement, which are subject to dealing restriction, securing the Guarantors and Huzhou Tongsheng's payment of any shortfall in the Guaranteed Profit.

It is agreed that the Vendors will mortgage their present and future rights, title and interest in the Mortgaged Consideration Shares and undertake not to dispose of or create any encumbrances over the same for the duration of the share mortgage. Further, they will give the Purchaser the right to sell or dispose of the Mortgaged Consideration Shares in the event of the Guarantors and Huzhou Tongsheng's non-payment of any shortfall in the Guaranteed Profit. The Group's intention is to sell or dispose of the Mortgaged Consideration Shares in the market to Independent Third Parties in the event of a default.

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

In the event there is a need to dispose of the Mortgaged Consideration Shares in the market to recoup the compensation, the Company will do so in the stock market and, in so doing, take into consideration the stock market condition and share price of the Company at the time and will do so prudently with a view to ensure orderly disposal of such Mortgaged Consideration Shares.

LETTER FROM THE BOARD

INFORMATION ON THE GROUP

The principal activities of the Group are the provision of internet financing services including peer-to-peer (“P2P”) loan service platform business, online third party payment business and related activities on loan portfolio management, and also the provision of traditional financing services and related financial consultancy services including entrusted loans, real estate-backed loans, pawn loans, micro-loans and other loans for small and medium-sized enterprises and individuals in the PRC and Hong Kong.

INFORMATION ON THE OPCO GROUP, THE VENDORS AND THE GUARANTORS

With the development of mobile internet and the popularity of intelligence terminals, the small and micro business owners financing and settlement ecosystem is developing rapidly in China. The popularity of intelligence terminals and mobile application has driven the size of China’s internet finance industry to grow tremendously. Intelligence terminals and mobile application have gradually become an important gateway for internet financial services, and been generating massive amount of data with great value. In the meantime, the rigid demand from small and micro business owners for financial services and the characteristics of its highly frequent use have driven the development of financial services for small, medium and micro business owners and individual customers.

Established in 2012, the OPCO Group provides a series of secured and innovative data services in relation to small and micro business owners and financial services for its customers nationwide through its virtual e-commerce platforms mobile application (Fudian (福店), Dianxiaoyi (店小一), Circle E-commerce Platform (圈子電商平台)). Against the backdrop of the continuous development of small and micro-sized economies, it has an integrated self-developed system platforms that support a variety of products and multi-modules, through its brand names of “Circle E-commerce (圈子電商)”, Kaidianbao (開店寶), Dianxiaoyi (店小一), Quanxingtong (全信通) and “JFPAL (即付寶)”. It has sold a total of 4.5 million sets of personal self-initiated payment processing terminals, which provide smart payment hardware, information system services, on-site services, other self-initiated valued-added payment services, transactional data services and other financial services. The terminal serves tens of millions of customers, and approximately 1.7 million small and micro business owners who are registered to the mobile application and 47,000 small and micro-sized entities. The company is a hi-tech enterprise in Shanghai which currently holds a variety of licences including telecommunication value-added business licence, business factoring licence, wealth management licence, and prepaid card licence, and access to China Union Pay’s multi-channel system and holds an independent multi-channel access code. At the same time, the company is applying licences for bank card payment, mobile payment, internet payment, enterprise credit checking and personal credit checking.

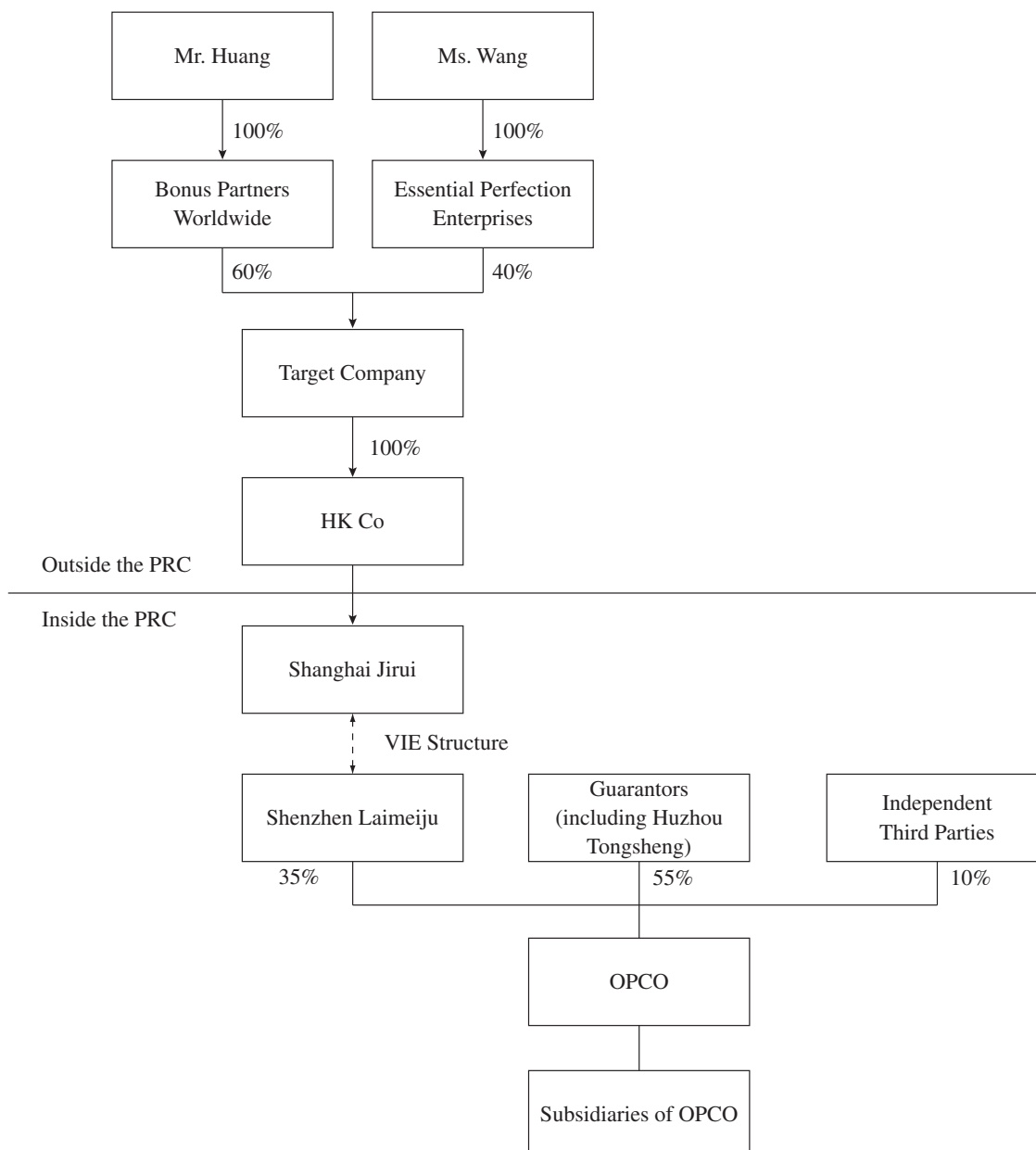
LETTER FROM THE BOARD

In addition, the OPCO Group provides a secured and convenient application environment for small and micro business owners and their commercial activities. Both its end-products and technical system platform have obtained security certification, passed the testing requirements of the China Banking Card Testing Center and the certification requirements of China Financial Certification Authority. They have reached a system standard with high security, high reliability, high stability and high performance. The company has self-developed its core technology, risk control system and data processing system, which have given the company a leading position among its industry peers. It has a team of highly capable professionals with strong adaptability and innovative abilities.

For the full year of 2015, the total size of data services and financial services processed through the OPCO Group's system platforms and on-site services for small and micro-sized sellers had reached approximately RMB378.6 billion in terms of total transaction value and about 279.86 million of transactions were handled, which was over 5 times the annual total transaction size and number of transactions handled for 2014. The number of average monthly users continued to grow, the accumulated registered small and micro-sized sellers with certifications is 1.7 million, and the total number of small and micro-sized sellers for the month of October in 2015 had reached over 530,000, which represents 2.6 times of that in the beginning of 2015 and over 10 times than in the beginning of 2014.

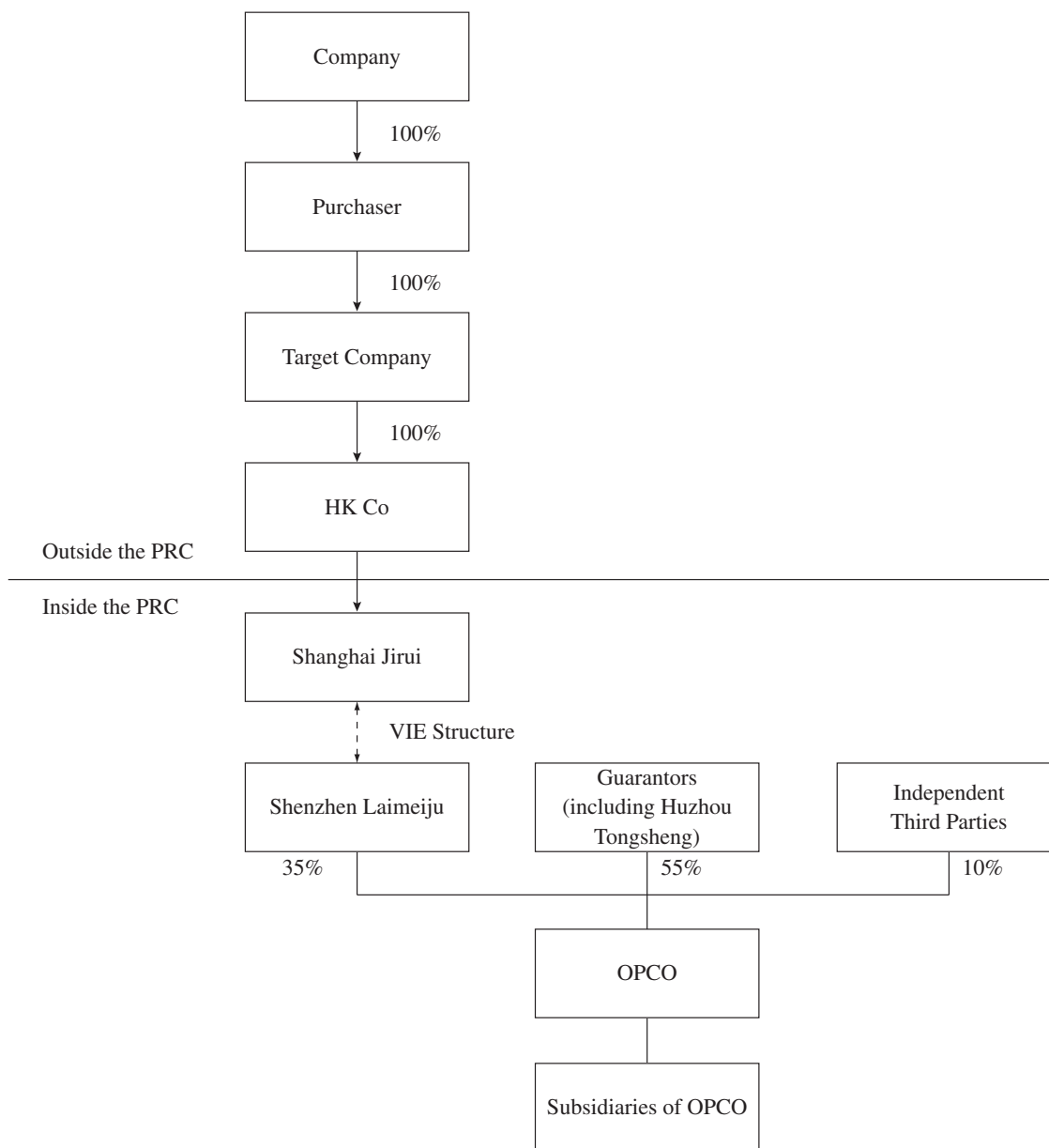
LETTER FROM THE BOARD

Overview of the OPCO Group before completion of the Acquisition



LETTER FROM THE BOARD

Overview of the OPCO Group upon completion of the Acquisition



INFORMATION ON THE STRUCTURED CONTRACTS

The Structured Contracts were executed on 19 February 2016, enabling the financial results, entire economic benefits and risks attributable to a 35% interest in the OPCO Group's 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 the Structured Contracts is due to applicable PRC law, which stipulates the value-added telecommunications services of the OPCO Group will be subject to certain restrictions on foreign ownership, as well as qualification requirements for foreign investors, which will be difficult for

LETTER FROM THE BOARD

the Company to comply with, as is more fully set out in the section headed “Risk Factors – There is no assurance that the Structured Contracts could comply with future changes in the regulatory requirements in the PRC and the PRC government may determine that the Structured Contracts do not comply with applicable regulations” in this circular.

Shenzhen Laimeiju has undertaken that in the event it is permissible under the relevant PRC laws, rules and regulations for Shanghai Jirui to engage in the restricted business in the future, Shanghai Jirui shall be able to exercise the options under the Exclusive Option Agreement as soon as practicable and the relevant Structured Contracts shall be terminated.

THE STRUCTURED CONTRACTS

The Structured Contracts were entered into on 19 February 2016.

(1) Exclusive Option Agreement

- Parties:
- (1) Shanghai Jirui
 - (2) Shenzhen Laimeiju
 - (3) Ms. Huang Juan
 - (4) Shenzhen Wenxin

Subject: Shenzhen Laimeiju irrevocably agrees, to the extent permitted under the laws of the PRC, to transfer to the Shanghai Jirui or any persons(s) designated by Shanghai Jirui at any time all or part of its equity interests in Shenzhen Laimeiju.

Shanghai Jirui may exercise its rights under the paragraph above at any time at its sole discretion as permitted under the laws of the PRC. The exercise price of each of the rights under the paragraph above shall be the nominal price, subject to other price requirements (if any) as may be imposed or required by relevant PRC government authorities or law, in any case being the lowest possible price permissible.

Ms. Huang Juan and Shenzhen Wenxin undertake that, among other things, it will not (i) amend the articles of association of Shenzhen Laimeiju; (ii) increase or decrease the registered capital of Shenzhen Laimeiju; (iii) transfer, mortgage, create any security interest or third party rights in their equity interests in Shenzhen Laimeiju; or (iv) approve any merger or acquisition activities of Shenzhen Laimeiju without prior written permission of Shanghai Jirui.

LETTER FROM THE BOARD

According to the Exclusive Option Agreement, if Ms. Huang Juan and Shenzhen Wenxin breach their undertakings, unless otherwise provided by the PRC laws, Shanghai Jirui or any other aggrieved party is entitled to unilaterally terminate the agreement and require Ms. Huang Juan and Shenzhen Wenxin to pay losses or damages, including but not limited to, property loss and revenue deduction, debt burden, taxation. The amount of compensation will be determined according to the specific default circumstances.

Term: 10 years commencing from the effective date of the Exclusive Option Agreement. Shanghai Jirui has the option to extend the term; the term shall be automatically extended until Shanghai Jirui gives written confirmation regarding the extended term's limit or until all equity interests held by Ms. Huang Juan and Shenzhen Wenxin in Shenzhen Laimeiju are transferred to Shanghai Jirui or its designated person or it is otherwise terminated in accordance with its terms. Notwithstanding the foregoing, Shanghai Jirui has the right to terminate the Exclusive Option Agreement at its own discretion.

The term of validity is not necessarily fixed to be 10 years, and the term shall be flexible. To guarantee the stability of the agreement and sustainable operation of the business for the OPCO, we adopt a relatively long period of validity of 10 years.

(2) Exclusive Business Cooperation Agreement

Parties: (1) Shanghai Jirui
(2) Shenzhen Laimeiju

Subject: Shenzhen Laimeiju agreed to engage Shanghai Jirui on an exclusive basis to provide services in connection with the business of Shenzhen Laimeiju, such as business assistance, technical services, consulting services etc. Shenzhen Laimeiju further agrees to not, and to procure that its subsidiaries will not, without Shanghai Jirui's prior written consent participate, be interested, engage, acquire or hold any business which competes directly or indirectly with Shanghai Jirui in the PRC (in each case whether as a shareholder, partner, agent, employee or otherwise).

LETTER FROM THE BOARD

In exchange, Shenzhen Laimeiju will pay Shanghai Jirui a service fee, on a yearly basis, equivalent to all of its income and economic interests following deduction of any necessary costs, expenses, taxation and mandatory social insurance and housing funds etc., which are determined by Shanghai Jirui. The amount of service fees shall be determined by Shanghai Jirui in accordance with the following factors:

- i. the difficulty and complexity of service provided by Shanghai Jirui;
- ii. the time required for the technical personnel of Shanghai Jirui for the provision of technical services;
- iii. the actual services provided and the commercial values of the services provided by Shanghai Jirui; and
- iv. prevailing market price of the provision of same types of services;

The board of directors of Shanghai Jirui shall also have the right to adjust without the consent of Shenzhen Laimeiju any or all fees for its services at its sole discretion.

Term: 10 years commencing from the date of the Exclusive Business Cooperation Agreement. Shanghai Jirui has the option to extend the term; the term shall be automatically extended until Shanghai Jirui gives written confirmation regarding the extended term's limit or it is otherwise terminated in accordance with its terms.

The term of validity is not necessarily fixed to be 10 years, and the term shall be flexible. To guarantee the stability of the agreement and sustainable operation of the business for domestic companies, we adopt a relatively long period of validity of 10 years.

LETTER FROM THE BOARD

(3) Equity Pledge Agreement

- Parties:
- (1) Shanghai Jirui
 - (2) Shenzhen Laimeiju
 - (3) Ms. Huang Juan
 - (4) Shenzhen Wenxin
- Subject: Ms. Huang Juan and Shenzhen Wenxin agreed to pledge all equity interests in Shenzhen Laimeiju held by them (including all present and future rights and benefits derived from such equity interests and any additional interests in Shenzhen Laimeiju acquired by them subsequent to the date of the Equity Pledge Agreement) to Shanghai Jirui, as continuing first priority collateral security for the performance of all payment obligations of Shenzhen Laimeiju (including but not limited to those under the Exclusive Business Cooperation Agreement and relevant interests, costs and expenses).
- Term: Effective from the registration of the pledged equity interests under the Equity Pledge Agreement at the relevant bureau of the Administration of Industry and Commerce in the PRC until all payment obligations of Shenzhen Laimeiju are satisfied and discharged in full (including but not limited to those under the Exclusive Business Cooperation Agreement and relevant interests, costs and expenses) and Shanghai Jirui has exercised its option under the Exclusive Option Agreement to acquire all the equity interests in Shenzhen Laimeiju or it is otherwise terminated in accordance with its terms.

(4) Authorisation and Entrustment Agreement

- Parties:
- (1) Shanghai Jirui
 - (2) Shenzhen Laimeiju
 - (3) Ms. Huang Juan
 - (4) Shenzhen Wenxin

LETTER FROM THE BOARD

- Subject:** Ms. Huang Juan and Shenzhen Wenxin, among other things, irrevocably and unconditionally undertakes to authorise any person designated by Shanghai Jirui (including but not limited to the members of the board of directors of Shanghai Jirui and their respective successors or liquidators) to exercise on their behalf all shareholders' rights under the articles of association of Shenzhen Laimeiju and applicable PRC laws and regulations, including but not limited to (i) to attend, be counted for quorum and vote at shareholders meetings, (ii) to act as, appoint and/or replace Shenzhen Laimeiju's legal representative, chairman, executive directors, supervisors, managing director and/or other Shenzhen Laimeiju senior management, (iii) to sign minutes of shareholders meetings and resolutions and other documents to be filed with relevant companies registrars, (iv) to represent, and exercise any voting powers and receive any distributions on their behalf in the event of Shenzhen Laimeiju's insolvency or winding up or similar events, and (v) to file documents with the relevant companies registrar.
- Term:** Indefinitely, until otherwise notified by Shanghai Jirui in writing or it is otherwise terminated in accordance with its terms.

COMPLIANCE WITH PRC LAW, RULES AND REGULATIONS

As advised by the Company's PRC Legal Adviser, the Structured Contracts as a whole and each of the agreements comprising the Structured Contracts are legal, valid and binding on the parties thereto, and do not, individually or collectively, constitute a breach of any PRC laws and regulations and will not be deemed invalid or ineffective under those laws and regulations. In particular, the Structured Contracts do not violate the provisions of the PRC Contract Law including "concealing illegal intentions with a lawful form," the General Principles of the PRC Civil Law and other applicable PRC laws and regulations.

As advised by the Company's PRC Legal Adviser, Shanghai Jirui has taken all reasonable actions or steps (including an interview with the competent PRC regulatory authority) to confirm that the Structured Contracts comply with PRC laws, rules and regulations applicable to the business of Shanghai Jirui and Shenzhen Laimeiju, and do not contravene the articles of either company. Further, in the view of the Company's PRC Legal Adviser, under the draft PRC Foreign Investment Law published by the PRC Ministry of Commerce, currently it is likely that the Company will be allowed to continue to operate the OPCO Group's business under the Structured Contracts. The Company understands from the respective directors of the OPCO Group that, up to the date of this announcement, the OPCO Group has not encountered any material interference or encumbrance from any governing bodies in operating its business through OPCO under the Structured Contracts. As a result, the Directors believe that the Structured Contracts shall be enforceable under applicable PRC law and regulations.

LETTER FROM THE BOARD

ARRANGEMENTS IN THE EVENT OF BANKRUPTCY OF SHENZHEN LAIMEIJU

As advised by the Company's PRC Legal Adviser, appropriate arrangements have been made to protect Shanghai Jirui's interests in the event of any circumstance that affects Shanghai Jirui's exercising rights relating to the equity interests in Shenzhen Laimeiju. Each of the Structured Contracts contain a provision which sets out that the respective agreement shall be legally binding on the legal assignees or successors of the parties thereto. The Structured Contracts also encompass dealing with OPCO's assets in a winding-up situation, and not only the right to manage its business and the right to the service fee.

SETTLEMENT OF POTENTIAL DISPUTE ARISING FROM THE STRUCTURED CONTRACTS

The Structured Contracts are governed by PRC law. When a dispute arises under any of the Structured Contracts, the relevant parties thereto shall settle the dispute through negotiation in an amicable manner. In case the dispute is not resolved, the Structured Contracts provide that dispute to be submitted to the Shanghai International Economic and Trade Arbitration Commission for arbitration. The decision of such arbitration is final and binding on the parties concerned.

The Structured Contracts contain dispute resolution clauses that (i) provide for arbitration and that arbitrators may award remedies over the equity interests or assets of Shenzhen Laimeiju, injunctive relief (for example, for the conduct of business or to compel the transfer of assets) or order the winding up of Shenzhen Laimeiju, and (ii) provide the courts of competent jurisdictions with the power to grant interim remedies in support of the arbitration pending formation of the arbitration panel. The courts of the PRC, the Cayman Islands and Hong Kong are specified as having jurisdiction for this purpose.

MEASURES TO MITIGATE POTENTIAL CONFLICT OF INTERESTS BETWEEN SHANGHAI JIRUI AND SHENZHEN LAIMEIJU

Ms. Huang Juan and Shenzhen Wenxin have undertaken in the Structured Contracts that they will give up any benefits or dividend from Shenzhen Laimeiju and pay such benefits or dividends to Shanghai Jirui as service fees, and they will perform all of their obligations in full compliance with the Structured Contracts and they will not affect the validity or enforceability of the Structured Contracts by any act or omission. Further, as elaborated under the Exclusive Business Cooperation Agreement above, Shenzhen Laimeiju has given non-compete undertakings in favour of Shanghai Jirui.

According to the Structured Contracts, if Ms. Huang Juan and Shenzhen Wenxin breach their undertakings, unless otherwise provided by the PRC laws, the Structured Contracts can be terminated at the discretion of Shanghai Jirui or any other aggrieved party and Ms. Huang Juan and Shenzhen Wenxin shall compensate all the losses or damages. Moreover, Shanghai Jirui may exercise the equity purchase right at a nominal price under the Exclusive Option Agreement, or hold directly 100% of equity interest in Shenzhen Laimeiju by exercising the equity pledge right under the Equity Pledge Agreement by itself or the party designated by it when the PRC laws and regulations allow.

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INTERNAL CONTROL MEASURES

In order to have effective control over and to safeguard the assets of Shenzhen Laimeiju, the Structured Contracts provide that, without the prior written consent of Shanghai Jirui, Ms. Huang Juan and Shenzhen Wenxin shall not at any time sell, transfer, mortgage or dispose of in any manner any assets, legitimate interests in the business or revenue of Shenzhen Laimeiju, or allow any encumbrance thereon.

Ms. Huang Juan and Shenzhen Wenxin shall always operate all of Shenzhen Laimeiju's businesses in the ordinary and usual course of business and shall maintain the asset value of the Shenzhen Laimeiju and refrain from any action/omission that may adversely affect Shenzhen Laimeiju's operating status and asset value.

UNWINDING THE STRUCTURED CONTRACTS

Ms. Huang Juan and Shenzhen Wenxin agreed that they will unwind the Structured Contracts as soon as the law allows Shenzhen Laimeiju's business in the PRC to be operated by Shanghai Jirui without the Structured Contracts. Pursuant to the Exclusive Option Agreement, Ms. Huang Juan and Shenzhen Wenxin have undertaken that, during the course of unwinding the Structured Contracts, any consideration received by them in respect of Shenzhen Laimeiju or a person designated by its' acquisition of the equity interests in Shenzhen Laimeiju will be returned to Shanghai Jirui in compliance with the PRC law.

INSURANCE TO COVER THE RISKS RELATING TO THE STRUCTURED CONTRACTS

Shanghai Jirui has not purchased any insurance to cover the risks relating to the enforcement of the Structured Contracts due to the unavailability of such insurance product in the market at the moment.

POTENTIAL EXPOSURE OF THE COMPANY TO LOSSES

To ensure that the cash flow requirements of Shenzhen Laimeiju's ordinary operations are met and/or to set off any loss accrued during such operations, Shanghai Jirui may, at its own discretion and only to the extent permissible under PRC law, provide financial support to Shenzhen Laimeiju, whether or not Shenzhen Laimeiju actually incurs a operational loss. Shanghai Jirui's financial support to Shenzhen Laimeiju may take the form of bank entrusted loans.

All intellectual property, designs, trade secrets or know-how developed, acquired or owned in the course of Shenzhen Laimeiju and/or its subsidiaries' ordinary course of business shall belong to Shanghai Jirui. Shenzhen Laimeiju shall take such steps as are necessary in order to secure Shanghai Jirui's ownership of the same.

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RISK FACTORS

Shanghai Jirui does not have any direct equity ownership in Shenzhen Laimeiju and has relied on the Structured Contracts to control, operate, and be entitled to the economic benefits and risks arising from Shenzhen Laimeiju and thereby an indirect 35% interest in the OPCO Group's business in the PRC. However, there are risks involved with the use of the Structured Contracts to enjoy the economic benefits flowing from the OPCO Group.

There is no assurance that the Structured Contracts could comply with future changes in the regulatory requirements in the PRC and the PRC government may determine that the Structured Contracts do not comply with applicable regulations

According to the Company's PRC legal advisers, current PRC laws and regulations place certain restrictions on foreign ownership of companies that engage in the OPCO Group's business. Specifically, foreign ownership of value-added telecommunications services providers, including Internet content providers, may not exceed 50%. OPCO's principal business is regarded as Internet content provision business. The Circular on Strengthening the Administration of Foreign Investment in the Operation of Value-added Telecommunications Services issued by the Ministry of Industry and Information Technology of the People's Republic China (the "MIIT") on 13 July 2006 (the "MIIT Circular") provides that a domestic company that holds an ICP licence is prohibited from leasing, transferring or selling the licence to foreign investors in any form, and from providing any assistance, including providing resources, sites or facilities, to foreign investors to provide ICP services illegally in the PRC. The Company is a Cayman Islands incorporated company and its indirect wholly-owned subsidiary, Shanghai Jirui, may not itself operate such business under current PRC law.

Further, if a foreign-owned enterprise like the Company applies for an ICP licence, as compared to domestic enterprises in the PRC, it will be subject to more stringent requirements or additional requirements imposed by the MIIT or its local counterparts, such as prior experience in operating value-added telecommunications businesses, a proven track record of overseas business operations, the identity of the ultimate individual shareholders. And there is no clear guidance or interpretation on the assessment criteria for the prior experience and track record by the MIIT or its local counterparts. Lacking such quantitative and qualitative guidance or interpretation in terms of how those requirements can be satisfied, applicants like the Company are therefore unable to follow such requirements when applying for ICP to the MIIT or its local counterparts, and hence there would be a prolonged process of application with unknown results if it were to take a direct equity interest in the OPCO Group. Hence, there exists great difficulty and uncertainty for the foreign-owned enterprise to conduct the OPCO Group's business in the PRC. Due to the lack of clarity on how the above requirements can be satisfied, an applicant like the Company will be unable to follow such requirements when applying for an ICP licence to the relevant PRC governmental authorities, and hence there will be a prolonged process of application with unknown results. Hence, there exists great difficulty and uncertainty for the foreign-owned enterprises to apply for an ICP licence from the relevant PRC governmental authorities.

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Separately, the Company understands from its PRC legal advisers that the draft PRC Foreign Investment Law (as currently drafted) would look through to the ‘actual control’ of a business entity to determine whether it is controlled by foreign investors and consequently prohibited under applicable PRC law and regulations. “Actual control” would broadly mean, whether directly or indirectly, having a 50% or more interest in the relevant business entity’s voting rights or equity interest, or having the power to exert decisive influence over the entity’s operations, financial matters or other key aspects of its business operations.

Under the revised structure, the Group would be interested in, and exercise control over, only 35% of the OPCO Group (through Shenzhen Laimeiju). The other Shareholders of the OPCO Group are Chinese nationals or legal persons which hold the remaining 65% equity interest in OPCO and thereby the OPCO Group. Consequently, if the draft PRC Foreign Investment Law were adopted in its current form and the Structured Contracts were subjected to ‘look through’, the Group would not be in ‘actual control’ of the OPCO Group. The Structured Contracts would therefore comply with the draft PRC Foreign Investment Law and applicable PRC law and regulations.

Although to the Company’s knowledge there is no indication that the Structured Contracts will be interfered or objected by any PRC regulatory authorities, the Company’s PRC legal advisers has advised there is a possibility that the PRC Ministry of Commerce and/or other competent authorities may have different opinions on the interpretation of the relevant regulations and would not agree that the Structured Contracts comply with current PRC law, regulations or rules or those that may be adopted in the future, and such authorities may deny the validity, effectiveness and enforceability of the Structured Contracts. In addition, due to a lack of interpretative materials from the authorities, the Group cannot be assured that the MIIT will not consider the OPCO Group’s corporate structure and contractual arrangements upon Completion as a kind of foreign investment in telecommunication services. In such case the OPCO Group may be found in violation of the MIIT Circular and as a result may be subject to various penalties, including fines and the discontinuation of or restrictions on the OPCO Group’s operations.

If the authorities deny the validity, effectiveness and enforceability of the Structured Contracts, it could have a material adverse impact on Shanghai Jirui’s business, financial condition and results of operations.

The Structured Contracts may not be as effective in providing control over and entitlement to the 35% economic interest in OPCO as direct ownership

The Structured Contracts may not be as effective in providing Shanghai Jirui with control over and entitlement to the economic interests in OPCO as direct ownership of a 35% interest in it. If Shanghai Jirui had direct ownership of OPCO, Shanghai Jirui would be able to directly exercise its rights as a shareholder to effect changes in the board of directors of OPCO. However, under the Structured Contracts, Shanghai Jirui can only look to and rely on Shenzhen Laimeiju to perform their contractual obligations under the Structured Contracts in order for Shanghai Jirui to

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effectively exercise its indirect 35% interest in OPCO. Shenzhen Laimeiju and its shareholders may not act in the best interests of Shanghai Jirui and may not perform its/their obligations under the Structured Contracts. Shanghai Jirui may replace the Shenzhen Laimeiju directors by its other nominees pursuant to the Structured Contracts. However, if any dispute relating to the Structured Contracts remains unresolved, Shanghai Jirui will have to enforce its rights under the Structured Contracts and seek to interpret the terms of the Structured Contracts in accordance with PRC law and will be subject to uncertainties in the PRC legal system.

The Structured Contracts are governed by PRC law. When a dispute arises under any of the Structured Contracts, the relevant parties thereto shall settle the dispute through negotiation in an amicable manner. In case the dispute is not resolved, the parties to the dispute may have to rely on legal remedies under PRC law. The Structured Contracts provide that dispute will be submitted to the Shanghai International Economic and Trade Arbitration Commission for arbitration. The decision of such arbitration is final and binding on the parties to the dispute.

Since the legal environment in the PRC is different from that in Hong Kong and other jurisdictions, uncertainties in the PRC legal system could limit the ability of Shanghai Jirui to enforce the Structured Contracts. There is no assurance that such arbitration awards will be in favour of Shanghai Jirui and/or that there will not be any difficulties in enforcing any arbitral awards granted, including specific performance or injunctive relief and claiming damages by Shanghai Jirui. As Shanghai Jirui may not be able to obtain sufficient remedies in a timely manner, its ability to exert effective control over its indirect 35% interest in OPCO and the conduct of its business could be materially and adversely affected, and may disrupt the business of Shanghai Jirui and have a material adverse impact on Shanghai Jirui's business, prospects and results of operation.

Potential conflicts of interest among Shanghai Jirui and Shenzhen Laimeiju may exist

Shanghai Jirui will rely on the Structured Contracts to exercise control over and to draw economic benefits from an indirect 35% interest in OPCO. Shanghai Jirui may not be able to provide sufficient incentives to Shenzhen Laimeiju in order to encourage it to act in the best interests of Shanghai Jirui, other than stipulating the relevant obligations in the Structured Contracts. Shenzhen Laimeiju may breach the Structured Contracts in the event of conflicts of interest or deterioration of its relationship with Shanghai Jirui, the results of which may have a material adverse impact on Shanghai Jirui's business, prospects and results of operation.

There can be no guarantee that if conflicts arise, Shenzhen Laimeiju will act in the best interests of Shanghai Jirui or that the conflicts will be resolved in favour of Shanghai Jirui. If Shenzhen Laimeiju fails to perform its respective obligations under the Structured Contracts, Shanghai Jirui may have to pursue legal proceedings in reliance on legal remedies under PRC law, which may be expensive, time-consuming and disruptive to Shanghai Jirui's operations and will be subject to uncertainties, as discussed above.

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The Structured Contracts may be subject to the scrutiny of the PRC tax authorities and additional tax may be imposed

The Structured Contracts may be subject to scrutiny of the PRC tax authorities and additional tax may be imposed on Shanghai Jirui. Shanghai Jirui may face adverse tax consequences if the PRC tax authorities determine that the Structured Contracts were not entered into based on arm's length negotiations. If the PRC tax authorities determine that the Structured Contracts were not entered into on an arm's length basis, they may adjust the income and expenses of Shanghai Jirui for PRC tax purposes, which could result in higher tax liabilities for Shanghai Jirui.

The operation results of Shanghai Jirui may be materially and adversely affected if the tax liabilities of OPCO or Shenzhen Laimeiju or those of Shanghai Jirui increase significantly or if they are required to pay interest on late payments.

Shanghai Jirui's ability to acquire the entire equity interests in Shenzhen Laimeiju may be subject to various limitations and substantial costs

In case Shanghai Jirui exercises its option to acquire all or part of the equity interests of Shenzhen Laimeiju under the Exclusive Option Agreement, the acquisition of the entire equity interests in Shenzhen Laimeiju may only be conducted to the extent permitted by and subject to necessary approvals and relevant procedures under applicable PRC law. In addition, the abovementioned acquisitions may be subject to a minimum price limitation (such as an appraised value for the entire equity interests in Shenzhen Laimeiju) or other limitations as imposed by applicable PRC law. Further, a substantial amount of other costs (if any), expenses and time may be involved in transferring the ownership of Shenzhen Laimeiju, which may have a material adverse impact on Shanghai Jirui's businesses, prospects and results of operation.

FINANCIAL INFORMATION OF THE TARGET COMPANY, HK CO, SHANGHAI JIRUI AND THE OPCO GROUP

The Target Company is a recently incorporated company without assets or liabilities, save for its shareholding in HK Co. HK Co is a recently incorporated company without assets or liabilities, save for its shareholding in Shanghai Jirui. Shanghai Jirui is a recently incorporated company without assets or liabilities.

In respect of each company comprising the OPCO Group, set out below is the financial information available for each as extracted from the audited accounts issued by a certified public accounting firm in the PRC and provided by the Vendors, save for the following members: 上海即富互聯網金融信息服務有限公司 (Shanghai Jifuhulianwang Jinrong Xinxi Fuwu Co., Ltd.*), 上海奇鑫商業保理有限公司 (Shanghai Qixin Shangye Baoli Co., Ltd.*), 上海奇鑫企業信用徵信有限公司 (Shanghai Qixin Qiye Xinyong Zhengxin Co., Ltd.*), 奇鑫財富管理有限公司 (Qixin

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Caifu Guanli Co., Ltd.*) and 上海奇熠互聯網金融信息服務有限公司 (Shanghai Qiyi Hulianwang Jinrong Xinxu Fuwu Co., Ltd.*), each of which are recently incorporated companies without assets or liabilities.

OPCO

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013 (RMB'000)
Turnover	113,686	16,128
Net profit/(loss) before taxation	6,535	(1,928)
Net profit/(loss) after taxation	2,983	(1,818)
Net assets	9,592	6,164

甘肅家付易電子科技有限公司 (*Gansu Jiafuyi Dianzi Keji Co., Ltd.**)
(*interest attributable to OPCO: 96%*)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013 (RMB'000)
Turnover	–	–
Net loss before taxation	(422)	(52)
Net loss after taxation	(422)	(52)
Net assets	99,526	94

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奇鑫(上海)金融信息服務有限公司 (Qixin (Shanghai) Jinrong Xinxi Fuwu Co., Ltd.)*
(interest attributable to OPCO: 100%)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013 (RMB'000)
Turnover	–	–
Net profit/(loss) before taxation	(87)	(394)
Net profit/(loss) after taxation	(87)	(394)
Net assets	4	91

浙江即富金融數據處理有限公司 (Zhejiang Jifu Jinrong Shuju Chuli Co., Ltd.)
(interest attributable to OPCO: 70%)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013[^] (RMB'000)
Turnover	1,917	–
Net profit/(loss) before taxation	4,294	–
Net profit/(loss) after taxation	3,221	–
Net assets	13,221	–

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山東浚嘉移通信息技術有限公司 (Shandong Junjia Yidong Xinxi Technology Co., Ltd. *)
(interest attributable to OPCO: 100%)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013 (RMB'000)
Turnover	17,190	4,213
Net profit/(loss) before taxation	8,822	2,963
Net profit/(loss) after taxation	6,597	2,220
Net assets	23,816	17,220

上海閃購信息技術有限公司 (Shanghai Shangou Xinxi Jishu Co., Ltd. *)
(interest attributable to OPCO: 100%)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013[^] (RMB'000)
Turnover	–	–
Net profit/(loss) before taxation	(312)	–
Net profit/(loss) after taxation	(312)	–
Net assets	938	–

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深圳市前海即富信息技術金融服務有限公司 (Shenzhen Qianhai Jifu Xinxin Keji
Jinrong Fuwu Co., Ltd. *)
(interest attributable to OPCO: 100%)

	For the year ended 31 December 2014 (RMB'000)	For the year ended 31 December 2013 (RMB'000)
Turnover	388	–
Net profit/(loss) before taxation	517	34
Net profit/(loss) after taxation	403	34
Net assets	100,370	99,966

^ not incorporated during relevant period

Note: all minority interests in the OPCO Group are not connected persons of the Company.

For the year ended 31 December 2015, OPCO Group's unaudited revenue and net profit were RMB502.60 million and RMB91.21 million respectively, equivalent to 3.8 times and 7.4 times the revenue of RMB129.49 million and net profit of RMB12.38 million for the whole 2014, respectively. As at 31 December 2015, OPCO Group's net assets were RMB126.05 million (2014: RMB37.90 million).

Consequently, the implied valuation of RMB1,600 million of OPCO Group (calculated based on the Consideration of RMB560 million for 35% interest) represents 17.5x 2015 unaudited net profit of RMB91.21 million, and 10.7 x 2016 Guaranteed Profit of RMB150 million.

THE SPECIFIC MANDATE

The Company proposes to allot and issue Consideration Shares to the Vendors in consideration for the acquisition pursuant to a Specific Mandate to be approved, if thought fit, at the EGM.

Consideration Shares

The amount of Consideration Shares to be issued will be a maximum of approximately 258,318,335 Shares. This is the sum of RMB400 million (using the Bank of China's middle exchange rate as at 30 October 2015 of RMB1: HK\$0.8193) divided by HK\$1.89 per Share, representing a discount of 10% to HK\$2.10 (being the average closing price of the Shares as quoted on the Stock Exchange for the last five trading days up to and including the date of the

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Sale and Purchase Agreement). The final number of Consideration Shares will depend on the final RMB: HK\$ exchange rate to be agreed between the Vendors and the Purchaser but will not in any event exceed 258,318,335 Shares.

The maximum aggregate nominal value of the Consideration Shares (with a par value of HK\$0.10 each) is HK\$25,831,833.50. The maximum number of Consideration Shares would represent approximately 6.66% of the Company's existing issued share capital and approximately 6.25% of the Company's enlarged share capital, as enlarged by the issue of the Consideration Shares.

The Consideration Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue.

Lock-up

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

Application for Listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Consideration Shares. The Consideration Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares in issue.

Changes to shareholding Structure of the Company

As illustrated by the table below, the shareholding interests of the substantial shareholder (as defined in the GEM Listing Rules) of the Company, namely Mr. Zhang Zhenxin, will be diluted, as will the interests of the existing public Shareholders. Although the issuance of Consideration Shares will have a dilutive effect on existing Shareholders' interests, the Company considers the overall benefit of such issuance will outweigh this detriment. Further, as illustrated below, the issue of the Consideration Shares will not result in a change in control of the Company.

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For illustrative purposes, set out below are the shareholding structures of the Company (i) as at the Latest Practicable Date; and (ii) immediately after the allotment and issue of the maximum number of Consideration Shares, assuming all outstanding share options granted by the Company have not been exercised:

Name of Shareholder	As at the		Immediately after the	
	Latest Practicable Date		allotment and issue of	
	the maximum number of		Consideration Shares,	
	No. of		assuming all outstanding share	
	Shares held		options granted	
	Approx %		by the Company have not	
	No. of		been exercised	
	Shares held		Approx %	
Mr. Zhang Zhenxin ⁽¹⁾	781,148,000	20.16	781,148,000	18.90
Shanghai Xinhua Publishing Group Limited ⁽²⁾	355,990,400	9.19	355,990,400	8.61
Vendor	–	–	258,318,335	6.25
Other Shareholders	<u>2,738,321,600</u>	<u>70.66</u>	<u>2,738,321,600</u>	<u>66.24</u>
Total	<u>3,875,460,000</u>	<u>100</u>	<u>4,133,778,335</u>	<u>100</u>

Notes:

- (1) These Shares were held by Mr. Zhang Zhenxin beneficially, by First Pay Limited (the entire issued share capital of which was owned by Mr. Zhang) and by Ms. Zhang Xiaomin, who is the wife of Mr. Zhang. Therefore, Mr. Zhang was deemed to be interested in these Shares under the SFO.
- (2) These Shares were held by Jiefang Media (UK) Co. Limited. Jiefang Media (UK) Co. Limited was wholly-owned by Shanghai Xinhua Publishing Group Limited which was in turn owned by Jiefang Daily Group and its associates as to approximately 50.8% and Shanghai Greenland Group Company Limited as to approximately 39%. Therefore, under the SFO, Shanghai Xinhua Publishing Group Limited was deemed to be interested in all the Shares held by Jiefang Media (UK) Co. Limited, and each of Jiefang Daily Group and Shanghai Greenland Group Company Limited were deemed to be interested in all the Shares which Shanghai Xinhua Publishing Group Limited was deemed to be interested in.
- (3) Percentages may not amount to one hundred due to rounding.

As of the Latest Practicable Date, the Company has granted share options under its share option scheme comprising a total of 323,270,000 underlying Shares, of which 312,520,000 have not been exercised.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has conducted the following fund raising activities in the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Fund raising activity	Estimated net proceeds (approximately)	Proposed used of proceeds	Actual use of proceeds as at the Latest Practicable Date
2 December 2015	Placing of 280,324,000 new Shares	HK\$581.3 million	The Group's general working capital purposes and/or for the purpose of financing future business development and possible acquisition(s) in the internet financing business of the Group.	The Company has fully utilised the net proceeds. Approximately HK\$30 million of the net proceeds has been applied for repayment of loan and interest. The remaining HK\$551.3 million has been used for general working capital for money lending business (new loans).
22 October 2015	Placing of 265,128,000 new Shares	HK\$505.3 million	The Group's general working capital purposes and/or for the purpose of financing future business development and possible acquisition(s) in the internet financing business of the Group.	The Company has fully utilised the net proceeds. Approximately HK\$311.7 million of the net proceeds has been applied for general working capital for money lending business (new loans). The remaining balance of approximately HK\$193.6 million was used for the acquisition of a 10% equity interest in Genesis Business Holdings Limited. Please see the announcement of the Company dated 26 November 2015 for further details.
9 July 2015	Placing of 94,112,000 new Shares	HK\$157.5 million	The Group's general working capital purposes and/or for the purpose of financing future business development and possible acquisition(s) in the internet financing business of the Group.	The Company has fully utilised the net proceeds. Approximately HK\$50 million of the net proceeds has been utilized for general working capital for money lending business (new loans). Approximately HK\$7.5 million of the net proceeds has been utilized for general working capital purposes – operating expenses. Approximately HK\$100 million of the net proceeds has been utilized for repayment of a bank borrowing.

LETTER FROM THE BOARD

Save as disclosed above, the Company has not conducted any other equity fund raising exercises in the past twelve months immediately before the date of this circular.

REASONS FOR AND BENEFITS OF THE ACQUISITION

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

The Directors believe that the business direction of the Target Company, being to serve the data services of small, medium and micro-sized sellers, conforms to and complements the Group's development strategy of serving the financing needs of small, medium and micro-sized enterprises via the internet lending platform model. The large number of small and micro-sized merchants and the massive volume of trading data resources accumulated by the Target Company in the course of its business activities will effectively help the Group to design credit products that meet the needs of small and micro-sized businesses in expanding the potential customers of the Group. Apart from this, the industry-leading payment system software and hardware solutions, financial innovation ability and risk control ability of the Target Company will also allow the Group to better serve the demands of its existing customers. Finally, the Acquisition provides a good opportunity for the Group to diversify its development and enhance its revenue sources. The Directors also believe that the terms of the Sale and Purchase Agreement and Supplemental Agreement are entered into by the Group during the ordinary course of business, are fair and reasonable, on normal or better commercial terms and are in the interests of the Company and its shareholders as a whole.

During the year ended 31 December 2015, OPCO Group delivered solid operating results. For the above mentioned period, unaudited revenue and net profit were recorded at RMB502.60 million and RMB91.21 million respectively, equivalent to 3.8 times and 7.4 times the revenue and net profit for the year ended 31 December 2014, respectively. As a result of the solid growth momentum, OPCO Group achieved strong ROE of 72.3% for the year ended 31 December 2015. Meanwhile, total assets of OPCO Group reached RMB803.56 million, representing an increase of 161% compared with that figure as at 31 December 2014.

LETTER FROM THE BOARD

OPCO Group, which is actively operating in the third-party payment business field, achieved strong growth momentum. According to data released by a leading independent PRC internet database provider, during the first nine months to 2015, total transaction value through third-party payment companies reached RMB10,695 billion, which was up by 101% year-on-year. As a result of solid growth of third-party payment industry, for the full year of 2015, total transaction value processed through OPCO Group reached approximately RMB378.6 billion, and about 279.86 million transactions were handled, 5 times higher than the annual total transaction size for 2014.

The Company is of the view that the OPCO Group's financial position is strong and its business is growing at a respectable rate. As such, the prospect for its business is good in near future.

With respect to the Guaranteed Profit of RMB150 million for the year ended 31 December 2016, the Company assesses the feasibility of guaranteed profit in two perspectives. First, the unaudited consolidated net profit of OPCO Group for 2015 was approximately RMB91 million, representing a 636% increase compared to 2014. On that basis, the RMB150 million guaranteed profit in 2016 only reflects a 65% growth rate year-on-year, compared to that achieved in 2015. The Directors are of the view that the Company had acted prudently in negotiating the 2016 Guaranteed Profit.

Secondly, one of OPCO Group's main profit generators is payment receivable financing, where OPCO Group pays the sellers immediately on behalf of the buyers when the transaction happens, and receives the transaction turnover from the buyers one day later after finishing the clearing process of the banks. A 0.25% commission on the transaction turnover will be charged for such service by the OPCO Group, which equals to a 91.25% annualized rate. The Directors have also considered the current average daily total turnover for payment receivable financing of OPCO Group, which was around RMB 255 million in Mar 2016 and an important profit contributor to the RMB150 million Guaranteed Profit in 2016.

IMPLICATION UNDER THE GEM LISTING RULES

Previously, upon signing of the 35% shareholders agreement disclosed in the Announcements, the Group was to have voting control over the OPCO Group 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.

LETTER FROM THE BOARD

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 proposed issue price for the Consideration Shares, the Company determined it preferable to seek a specific mandate from Shareholders.

EGM

The EGM will be held at Level 35, Two Pacific Place, 88 Queensway, Hong Kong on Friday, 22 April 2016 at 11:00 a.m. for the purpose of considering and, if thought fit, approving the allotment and issue of the Consideration Shares under a specific mandate.

As the register of members will not be closed for the purpose of determining the Shareholders' eligibility to attend and vote at the EGM, only persons who are registered holders of the Shares at the time of the EGM (based on the register of members) will qualify for attending and voting at the EGM.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, no Shareholder is required to abstain from voting at the EGM.

A form of proxy for use in connection the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

LETTER FROM THE BOARD

RECOMMENDATION

Based on the reasons set out in the paragraph headed “Reasons for and benefits of the Acquisition” above, the Board considers that the proposed allotment and issue of the Consideration Shares are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of the resolution to approve the specific mandate to allot and issue the Consideration Shares to the Vendors.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

DISCLOSURE PURSUANT TO RULE 11.04

As at the Latest Practicable Date, the Directors were not aware of any business or interest of the Directors, the controlling shareholders (as defined under the GEM Listing Rules) of the Company nor their respective close associates (as defined under the GEM Listing Rules) that competed or might, directly or indirectly, compete with the Group’s business or of any other conflict or potential conflict of interest with the Group save as disclosed below.

Mr. Zhang Zhenxin (“**Mr. Zhang**”) has an interest in the continuing connected transactions relating to a sub-tenancy and master agreement for a business centre as announced by the Company on 23 October 2014. Mr. Zhang is also interested in NCF Wealth Holdings Limited (formerly known as “First P2P Limited”) (“**NCF**”), as the 100% owner of Great Reap Ventures Limited which is NCF’s majority shareholder, and as the 99% registered shareholder of 北京東方聯合投資管理有限公司 (Beijing Dongfang Lianhe Investment Management Limited*) which is the PRC operating company of NCF’s business. Please refer to the Company’s announcement of 12 January 2015 for further details. In addition, Mr. Zhang has a 36% shareholding in 鳳凰資產管理有限公司 (Phoenix Asset Management Limited*) which holds 51% of the equity interest in 海南先鋒網信小額貸款有限公司 (Hainan Pioneer Internet Microfinance Limited*). Please refer to the Company’s announcement dated 11 August 2014 for further details. Mr. Zhang also (1) beneficially owns 35.50% of 上海中鋒商業保理有限公司 (Shanghai Zhongfeng Business Factoring Ltd.*) (2) owns 99% of 北京東方聯合投資管理有限公司 (Beijing Dongfang Lianhe Investment Management Company Limited*) which has a 3-year cooperation agreement with Shanghai Feng Zhi Xing to mutually refer customers with automotive financing needs and (3) owns 99% and 100% of two companies, respectively, which lent Shanghai Feng Zhi Xing in total approximately RMB8,435,000, which is interest-free, unsecured and repayable on demand.

LETTER FROM THE BOARD

WARNING OF RISKS OF DEALING IN SHARES

Shareholders and potential investors should note that Completion is conditional upon the satisfaction of all the conditions precedent to the Sale and Purchase Agreement and the Acquisition may or may not proceed at all, or only the acquisition of the Sale Shares may proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board

Credit China Holdings Limited

Phang Yew Kiat

Vice-Chairman, Chief Executive Officer and Executive Director

NOTICE OF EGM



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that a extraordinary general meeting of Credit China Holdings Limited (The “**Company**”) will be held at Level 35, Two Pacific Place, 88 Queensway, Hong Kong on Friday, 22 April 2016 at 11:00 a.m., to consider and, if thought fit, pass with or without amendments, the following resolution:

ORDINARY RESOLUTION

“THAT:

- (i) conditional upon the Growth Enterprise Market Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consideration Shares, to the Vendors pursuant to the terms of the Sale and Purchase Agreement (as amended by the Supplemental Agreement), the Directors be and are hereby specifically authorized to allot and issue a maximum of 258,318,335 Shares to the Vendors (the “**Specific Mandate**”), and that the Consideration Shares shall, when allotted and issued, be credited as fully paid and rank *pari passu* in all respects with all other shares of the Company in issue on the date of such allotments and issuances, provided that the Specific Mandate is in addition to, and shall not prejudice nor revoke any existing general mandate granted to the Directors by the shareholders of the Company or such other general or specific mandate(s) which may from time to time be granted to the Directors prior to or after the passing of this resolution; and

NOTICE OF EGM

- (ii) any one Director be and is hereby authorised for and on behalf of the Company to sign, execute, perfect, deliver and do all such documents, deeds (if the affixing of any seal of the Company is required, then any one Director and the Company Secretary or any two Directors), acts, matters and things as he may in his absolute discretion consider necessary or desirable or expedient for the purpose of or in connection with the terms of the Sale and Purchase Agreement (as amended by the Supplemental Agreement), including but not limited to making and agreeing to variations of a non-material nature in or to the terms of the same or to the issue and allotment of the Consideration Shares, as he/she may in his/her absolute discretion consider desirable or necessary and or any of the transactions contemplated under the Sale and Purchase Agreement and the Supplemental Agreement (as amended by the Supplemental Agreement).”

Yours faithfully

For and on behalf of the Board of

Credit China Holdings Limited

Phang Yew Kiat

Vice-Chairman, Executive Director and Chief Executive Officer

Hong Kong, 7 April 2016

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of business
in Hong Kong:*

Rooms 3533-39, Level 35

Two Pacific Place

88 Queensway

Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A proxy form for use at the Extraordinary General Meeting is enclosed. Whether or not you intend to attend the Extraordinary General Meeting in person, you are encouraged to complete and return the enclosed proxy form in accordance with the instructions printed thereon.

NOTICE OF EGM

3. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint registered holders of shares of the Company, any one of such persons may vote at the Extraordinary General Meeting, either personally or by proxy, in respect of such shares of the Company as if he was solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares of the Company shall alone be entitled to vote in respect thereof.
5. Pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the voting on the ordinary resolution at the Extraordinary General Meeting will be conducted by way of poll.