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CREDIT CHINA FINTECH HOLDINGS LIMITED

中國信貸科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8207)

DISCLOSEABLE TRANSACTION DISPOSAL OF EQUITY INTEREST IN THE TARGET

The Board is pleased to announce that on 30 March 2017 (after trading hours), the Seller, which is an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser, pursuant to which the Seller agreed to sell the Sale Shares to the Purchaser at a consideration of HK\$580 million.

As the highest of the applicable percentage ratios in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and publication requirements of Chapter 19.

THE PRINCIPAL TERMS OF THE AGREEMENT

Date: 30 March 2017

Parties: (i) the Seller; and
(ii) the Purchaser, which is principally engaged in investment holding.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Assets to be disposed of

The Sale Shares represents 100% of the issued share capital of the Target.

Consideration and Completion

The Consideration for the Disposal amounts to HK\$580 million in aggregate. The Completion and the payment of the Consideration shall occur in the following three tranches:

- (a) on the 15th day after the date of the Agreement (or such later date as the parties may agree), the Purchaser shall pay HK\$174 million, and the Seller shall transfer 28 Shares of the Sale Shares to the Purchaser (representing an approximately 30% interest in the Target);
- (b) on the 60th day after the date of the Agreement (or such later date as the parties may agree), the Purchaser shall pay HK\$116 million, and the Seller shall transfer 18 Shares of the Sale Shares to the Purchaser (representing an approximately 19% interest in the Target); and
- (c) on 30 September 2017 (or such later date as the parties may agree), the Purchaser shall pay HK\$290 million, and the Seller shall transfer 48 Shares of the Sale Shares to the Purchaser (representing an approximately 51% interest in the Target).

The Consideration was determined after arm's length negotiations between the parties taking into account financial position and business prospect of the Target Group.

After Completion set out in paragraph (c), the Target will cease to be a subsidiary of the Company. Before that, the Target will remain a subsidiary of the Company.

INFORMATION OF THE TARGET

As at the date of this announcement, the Target is a wholly owned subsidiaries of the Group. The Target Group is primarily engaged in the operation of Financial Workshop (金融工場), an online P2P financing platform in the PRC connecting investors and borrowers to facilitate loan transactions. According to its audited financial figures, the Target recorded a net profit of approximately RMB32,459,000 (approximately HK\$36,601,000) and RMB24,364,000 (approximately HK\$27,473,000) before and after taxation for the year ended 31 December 2016, respectively, and had net asset value of RMB35,904,000 (approximately HK\$40,486,000) as at 31 December 2016. According to its audited financial figures, the Target recorded a net profit of approximately RMB7,694,000 (approximately HK\$8,675,000) and RMB5,889,000 (approximately HK\$6,641,000) before and after taxation for the year ended 31 December 2015, respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is of the view that the Disposal represents a strategic opportunity to optimise the Group's business portfolio while realising substantial value from the transaction. The Group intends to deploy the proceeds from the Disposal towards funding any possible future investments as and when opportunities arise as well as for general working capital purposes.

The Directors are of the view that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders as a whole. The Disposal is expected to accrue to the Company a gain of approximately HK\$539 million, which is estimated on the basis of the difference between the Consideration and net asset value of the Target as at 31 December 2016.

INFORMATION OF THE GROUP

The Group is a leading integrated FinTech group in China with a focus on providing 24 x 7 online financial services to SMEs, merchants and individuals in China and Asia through internet and mobile solutions. The suite of FinTech services offered by the Group includes third party payment, online investment and technology-enabled lending.

LISTING RULES IMPLICATION

As the highest of the applicable percentage ratios in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under the Chapter 19 of the GEM Listing Rules and is subject to the notification and publication requirements of Chapter 19.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Agreement”	the agreement dated 30 March 2017 between the Seller and the Purchaser relating to the Disposal
“connected person(s)”, and “percentage ratio(s)”	has the meanings ascribed to them under the GEM Listing Rules
“Board”	the board of Directors

“Business Day(s)”	a day other than a Saturday or Sunday, on which banks are open in Hong Kong to the general public for business
“Company”	Credit China FinTech Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed and traded on GEM
“Completion”	completion of the Disposal
“Consideration”	the consideration to be paid by the Purchaser to the Seller for purchase of the Sale Shares
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China, and for the purposes of this announcement excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Decade Elite Global Limited, a company incorporated in the British Virgin Islands with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	94 shares of US\$1.0 each in the Target to be sold by the Seller to the Purchaser under the Agreement, representing 100% of the issued share capital of the Target

“Seller”	Even Step Holdings Limited (永階控股有限公司), an indirect wholly owned subsidiary of the Company and a company incorporated in the British Virgin Islands with limited liability
“Share(s)”	ordinary share(s) of HK\$0.02 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	9888.CN Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target and its subsidiaries

For the purpose of this announcement, amounts denominated in RMB have been translated into HK\$ at an exchange rate of RMB1:HK\$1.1276. No representation is made that any amounts in RMB and HK\$ can be or could have been converted at the above rate.

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

Hong Kong, 30 March 2017

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).