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If you have sold or transferred all your shares in China Smartpay Group Holdings Limited, you should at once hand this circular and the accompanying 2016/2017 Annual Report and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser.

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



China Smartpay Group Holdings Limited

中國支付通集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8325)

- (1) PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) APPOINTMENT OF DIRECTOR;
(4) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
UNDER THE SHARE OPTION SCHEME; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Smartpay Group Holdings Limited to be held at Hotel Jen Room Hibiscus, 2/F., 508 Queen's Road West, Hong Kong, on Friday, 15 September 2017 at 11:00 a.m. is set out on pages 21 to 25 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Union Registrars Limited, the Hong Kong share registrar of China Smartpay Group Holdings Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 Kings Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of the accompanying form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

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

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

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

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange 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, the following expressions have the following meanings, unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 15 September 2017 at 11:00 a.m., the notice of which is set out on pages 21 to 25 of this circular;
“Board”	the board of Directors;
“Company”	China Smartpay Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed and traded on GEM (Stock Code: 8325);
“Director(s)”	the director(s) of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented and/or otherwise modified from time to time;
“Group”	the Company and its subsidiaries;
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Last Refreshment Resolution”	the ordinary resolution passed at the extraordinary general meeting of the Company held on 22 August 2016 for the refreshment of the Scheme Mandate Limit;
“Latest Practicable Date”	10 August 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Option”	option(s) to subscribe for Shares granted under the Share Option Scheme;
“PRC”	the People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Proposed Refreshment of the Scheme Mandate Limit”	the proposed refreshment of the Scheme Mandate Limit and the grant of the Scheme Mandate Limit;

DEFINITIONS

“Repurchase Proposal”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to repurchase the Shares, details of which are set out in the section headed “General Mandates to Issue and Repurchase Shares” of the Letter from the Board of, and Appendix I to, this circular;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued pursuant to the exercise of Options granted under the Share Option Scheme or (following refreshment) the maximum number of Shares which may be issued pursuant to the exercise of the Options granted under the Share Option Scheme following the date of refreshment of the Scheme Mandate Limit;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented and/or otherwise modified from time to time;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company;
“Share Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to allot, issue and deal with new Shares, details of which are set out in the section headed “General Mandates to Issue and Repurchase Shares” of the Letter from the Board of this circular;
“Share Option Scheme”	the share option scheme adopted by the Company on 14 August 2009;
“Shareholders”	holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong Dollars, the lawful currency in Hong Kong;
“%”	per cent.

LETTER FROM THE BOARD



China Smartpay Group Holdings Limited

中國支付通集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8325)

Executive Directors:

Mr. Zhang Huaqiao (*Chairman*)

Dr. Cao Guoqi

Mr. Fung Weichang

Mr. Xiong Wensen

Mr. Song Xiangping

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Non-executive Director:

Mr. Xie Zhichun

*Head Office and Principal Place of
Business in Hong Kong:*

Office No. 01, 31st Floor

Hong Kong Plaza

188 Connaught Road West

Hong Kong

Independent Non-executive Directors:

Mr. Wang Yiming

Mr. Lu Dongcheng

Dr. Yuan Shumin

Dr. Zhou Jinhua

16 August 2017

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) APPOINTMENT OF DIRECTOR;
(4) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
UNDER THE SHARE OPTION SCHEME; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the Annual General Meeting relating to, inter alia, (i) the Share Issue Mandate, (ii) the Repurchase Proposal, (iii) the re-election of Directors, (iv) the appointment of Director; and (v) the Proposed Refreshment of the Scheme Mandate Limit to enable the Shareholders to make informed decisions as to whether to vote for or against the resolutions.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

An ordinary resolution relating to the Share Issue Mandate will be proposed which, subject to the said resolution being passed at the Annual General Meeting, empowers the Directors to allot, issue and deal with new Shares of not exceeding 20% of the total number of the issued Shares as at the date of passing of the resolution during the period up to (i) the conclusion of the next annual general meeting of the Company, or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws or the Articles of Association of the Company to be held, or (iii) the date of revocation or variation of the said resolution by passing an ordinary resolution in general meeting prior to the next annual general meeting, whichever is the earliest. As at the Latest Practicable Date, there were in issue an aggregate of 1,561,165,438 Shares. Assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, no more than 312,233,087 Shares may be allotted and issued by the Company if the Share Issue Mandate is exercised in full. In the event that Tranche Two Subscription Shares are issued on or about 17 August 2017 (please refer to the announcement of the Company titled “Completion of Subscription of Tranche One Subscription Shares Issued under General Mandate” dated 3 August 2017) and no further Shares are issued or repurchased prior to the Annual General Meeting, no more than 322,233,087 Shares may be allotted and issued by the Company if the Share Issue Mandate is exercised in full.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general mandate to repurchase the Shares on the Stock Exchange representing up to a maximum of 10% of the total number of the Shares as at the date of passing the resolution.

An explanatory statement in connection with the Repurchase Proposal is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the relevant resolution.

Subject to the passing of the proposed ordinary resolutions regarding the Share Issue Mandate and the Repurchase Proposal, a separate resolution will also be proposed to grant a general mandate to the Directors to include the aggregate number of Shares which may from time to time be purchased by the Company pursuant to the Repurchase Proposal to the Share Issue Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to Article 84(1) of the Company’s Articles of Association, Mr. Zhang Huaqiao (“Mr. Zhang”); Mr. Xiong Wensen and Mr. Lu Dongcheng shall retire by rotation at the Annual General Meeting and, all being eligible, offer themselves for re-election. Their biographical details are set out in paragraph (A) of Appendix II to this circular. The Board proposes that the role of Mr. Zhang shall be re-designated from an executive director of the Company to a non-executive director of the Company with effect from the date of passing the related resolution to be proposed at the Annual General Meeting by the Shareholders.

Pursuant to Article 83(3) of the Company’s Articles of Association, Mr. Xie Zhichun shall hold office until the Annual General Meeting and, being eligible, offers himself for re-election. The biographical details of Mr. Xie Zhichun are set out in paragraph (A) of Appendix II to this circular.

LETTER FROM THE BOARD

APPOINTMENT OF DIRECTOR

In order to strengthen the Board's experience in financial technology industry, the Board proposes to appoint Mr. Yan Dinggui as an executive director of the Company with effect from the date of passing the related resolution by the Shareholders to be proposed at the Annual General Meeting. The biographical details of Mr. Yan Dinggui are set out in paragraph (B) of Appendix II to this circular.

PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Company adopted the Share Option Scheme pursuant to an ordinary resolution passed on 14 August 2009 (the "Adoption Date"). Apart from the Share Option Scheme, the Company has no other share option currently in force. The existing Scheme Mandate Limit is 143,604,915 Shares, being 10% of the Shares in issue as at 22 August 2016, the date of passing of the Last Refreshment Resolution. The Scheme Mandate Limit has been previously refreshed thrice since the adoption of the Share Option Scheme by the resolution passed on 20 December 2013, 25 February 2015 and the Last Refreshment Resolution.

Since the date of the passing of the Last Refreshment Resolution and up to the Latest Practicable Date, options carrying the right to subscribe for a total of 329,080,000 Shares had been granted under the Share Option Scheme.

The following table sets out the details of the Company's share options granted pursuant to the Scheme Mandate Limit as refreshed by the Last Refreshment Resolution as at the Latest Practicable Date:

Total number of share options	As at the Latest Practicable Date
Granted	329,080,000
Exercised	0
Lapsed/cancelled	0
Outstanding	329,080,000

The Directors consider that the Company should refresh the Scheme Mandate Limit so that the Company could have more flexibility to provide incentives to participants by way of granting options to them. If the Scheme Mandate Limit is further "refreshed", on the basis of 1,561,165,438 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of the Annual General Meeting and that no further Options will be granted under the Share Option Scheme prior to the date of the Annual General Meeting, the number of Shares that may fall to be allotted and issued upon exercise in full of the options that may be granted, after the relevant resolution is passed at the Annual General meeting, would be 139,269,631 Shares representing approximately 8.92% Shares in issue as at the Latest Practicable Date (the "Scenario One Available Limit").

LETTER FROM THE BOARD

As set out in the announcement of the Company titled “Completion of Subscription of Tranche One Subscription Shares Issued under General Mandate” dated 3 August 2017, it is expected that Tranche Two Subscription Shares (as defined in the announcement of the Company dated 19 July 2017) in the total number of 50,000,000 will be issued on 17 August 2017. If the Scheme Mandate Limit is further “refreshed”, on the basis of 1,611,165,438 Shares in issue on or about 17 August 2017 and assuming that there is no further change in the issued share capital of the Company between the date of issuance of Tranche Two Subscription Shares and the date of the Annual General Meeting and that no further Options will be granted under the Share Option Scheme prior to the date of the Annual General Meeting, the number of Shares that may fall to be allotted and issued upon exercise in full of the options that may be granted, after the relevant resolution is passed at the Annual General meeting, would be 154,269,631 Shares representing approximately 9.57% Shares in issue as at the date of the Annual General Meeting (the “Scenario Two Available Limit”).

Pursuant to the terms of the Share Option Scheme and the GEM Listing Rules, the Scheme Mandate Limit shall not in any event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company exceeding 30% of the Shares in issue from time to time. On the basis of 1,561,165,438 Shares in issue as at the Latest Practicable Date, the 30% overall limit represents a total of 468,349,631 Shares. As at the Latest Practicable Date, the total number of Shares which might be issued upon the exercise of all outstanding options granted since the adoption of the Share Option Scheme and yet to be exercised was 329,080,000 Shares (the “Outstanding Options”) representing approximately 21.08% of the Shares in issue as at the Latest Practicable Date. Accordingly, the number of Shares which might be issued upon the exercise of the Outstanding Options together with the Scenario One Available Limit arising from the Proposed Refreshment of the Scheme Mandate amounted to a maximum of 468,349,631 Shares representing 30% of the issued Shares as at the Latest Practicable Date, and accordingly would not exceed the 30% overall limit as at the Latest Practicable Date.

In the event that Tranche Two Subscription Shares are issued on or about 17 August 2017, the total number of Shares which might be issued upon the exercise of all outstanding options granted since the adoption of the Share Option Scheme and yet to be exercised was 329,080,000 Shares (the “Outstanding Options”) representing approximately 20.42% Shares in issue on the date of the Annual General Meeting (assuming no further change to the total number of Shares in issue). Accordingly, the number of Shares which might be issued upon the exercise of the Outstanding Options together with the Scenario Two Available Limit arising from the Proposed Refreshment of the Scheme Mandate Limit amounted to a maximum of 483,349,631 Shares representing approximately 30% of the issued Shares as at the date of the Annual General Meeting, and accordingly, would not exceed the 30% overall limit as at the date of the Annual General Meeting.

As at the Latest Practicable Date, save and except the Proposed Refreshment of the Scheme Mandate Limit, the Company had no intention to grant further share options under the existing Scheme Mandate Limit and had no present intention to grant any share options under the Scheme Mandate Limit to be refreshed upon the Proposed Refreshment of the Scheme Mandate Limit comes to effect.

LETTER FROM THE BOARD

The Proposed Refreshment of the Scheme Mandate Limit is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting to approve the Proposed Refreshment of the Scheme Mandate Limit; and
- (ii) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares that may be issued pursuant to the exercise of any share options that may be granted under the Scheme Mandate Limit to be refreshed.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of the options granted under the Share Option Scheme within the Scheme Mandate Limit as refreshed by the Proposed Refreshment of the Scheme Mandate Limit.

The Company proposes to seek the approval by the Shareholders on the Proposed Refreshment of the Scheme Mandate Limit with a view to allowing the Company more flexibility to provide incentives or rewards to eligible participants for their contribution to the Group. The Directors consider that it will be for the benefit of the Company and the Shareholders as a whole that the eligible participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of Options. This will motivate the eligible participants to contribute to the success of the Group. For these reasons, the Directors will propose the passing of an ordinary resolution at the Annual General Meeting for approving the Proposed Refreshment of the Scheme Mandate Limit.

IMPLICATION UNDER THE GEM LISTING RULES

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has material interest in the Proposed Refreshment of the Scheme Mandate Limit and accordingly, no Shareholder is required to abstain from voting in the Annual General Meeting to approve the Proposed Refreshment of the Scheme Mandate Limit.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. Accordingly, the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement regarding the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 21 to 25 of this circular.

A form of proxy is enclosed with this circular for use at the Annual General Meeting. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy to the office of the Company's Hong Kong share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 Kings Road, North Point, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of the accompanying form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at the Annual General Meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

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.

RECOMMENDATION

The Directors are of the opinion that (i) the Share Issue Mandate, (ii) the Repurchase Proposal, (iii) the re-election of Directors, (iv) the appointment of Director and (v) the Proposed Refreshment of the Scheme Mandate Limit are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
China Smartpay Group Holdings Limited
Zhang Huaqiao
Chairman

THE REPURCHASE PROPOSAL

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares. Under the Repurchase Proposal, the number of Shares that the Company may repurchase shall not exceed 10 per cent. of the issued share capital of the Company as at the date of the resolution. The Company's authority is restricted to purchases made on the Stock Exchange in accordance with the GEM Listing Rules. If the Company exercises the Repurchase Proposal in full, on the basis that no further Shares will be issued prior to the date of the Annual General Meeting, up to 156,116,543 Shares will be repurchased by the Company. If the Company exercises the Repurchase Proposal in full, in the event that Tranche Two Subscription Shares (as defined in the announcement of the Company dated 19 July 2017) are issued on or about 17 August 2017 (please refer to the announcement of the Company titled "Completion of Subscription of Tranche One Subscription Shares Issued under General Mandate" dated 3 August 2017 for details) and no further Shares will be issued prior to the date of the Annual General Meeting, up to 161,116,543 Shares will be repurchased by the Company.

The Repurchase Proposal allows the Company to make or agree to make purchases only during the period ending on the earliest of:

- (a) the date of the next annual general meeting;
- (b) the date by which the next annual general meeting of the Company is required to be held by the articles of association of the Company or by the applicable laws; or
- (c) the date upon which the Repurchase Proposal is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Proposal will afford the Company the flexibility to make such repurchase when appropriate and beneficial to the Company.

Such repurchases may enhance the net value and/or earnings per Share. As compared with the financial position of the Company as at 31 March 2017 (being the date of its latest audited accounts), the Directors consider that there would be a material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Proposal is to be exercised in full during the proposed repurchase period.

No purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

The Company is empowered by its memorandum and articles of association to purchase its Shares. The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the laws of the Cayman Islands, the repurchased shares will remain part of the authorised but unissued share capital of the Company.

The Directors intend to apply the profits that would otherwise be available for distribution by way of dividend for any purchase of the Shares.

Directors, their associates and connected persons

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Repurchase Proposal is approved by the shareholders, to sell Shares to the Company.

No connected person of the Company (as defined in the GEM Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the GEM Listing Rules, all applicable laws of the Cayman Islands and the regulations set out in the memorandum and articles of association of the Company.

Effect of Takeovers Code

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the following persons are the only substantial shareholders holding more than 10 per cent. of the issued share capital of the Company:-

Name	Capacity	Number of Shares	Percentage of shareholding
Mr. Zhang Chang (“ Mr. Zhang ”) (Note 1)	Beneficial owner and corporate – interest of controlled corporation	260,090,000	16.66%
Mr. Yan Dinggui (“ Mr. Yan ”) (Note 2)	Corporate – interest of controlled corporation	255,859,430	16.39%
Mr. Cheng Nga Ming Vincent (“ Mr. Cheng ”) (Note 3)	Corporate – interest of controlled corporation	174,500,000	11.18%

Notes:

- Of 260,090,000 Shares, 170,000,000 Shares were held by Sino Starlet Limited (“**Sino Starlet**”) which is wholly owned by Mr. Zhang. As Mr. Zhang is the controlling shareholder of Sino Starlet, he is deemed to be interested in these 170,000,000 Shares held by Sino Starlet under the SFO.
- Of 255,859,430 Shares, 45,888,918 Shares were held by Jiayin Finance Holding Group Co., Limited (“**Jiayin**”) which is wholly owned by Mr. Yan and 209,970,512 Shares (inclusive of 50,000,000 Shares to be issued upon completion of Tranche Two Subscription Shares on or about 17 August 2017) were held by Gayan (HongKong) Co., Limited (“**Gayan**”) which is indirectly wholly owned by Mr. Yan. As Mr. Yan is the controlling shareholder of both Jiayin and Gayang, he is deemed to be interested in these 255,859,430 Shares held by both Jiayin and Gayang under the SFO.
- The 174,500,000 Shares were held by Tian Li Holdings Limited (“**Tian Li**”). Tian Li is a company owned as to 70% and 30% by Mr. Cheng and Ms. Cheng Nga Yee (“**Ms. Cheng**”) respectively. Ms. Cheng is the sister of Mr. Cheng who is the controlling shareholder of Tian Li. Mr. Cheng is deemed to be interested in the 174,500,000 Shares held by Tian Li under the SFO.

GEM Listing Rules in relation to repurchases of Shares

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

The GEM Listing Rules provide that all repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, which may be by way of general mandate, or by specific approval in relation to the repurchase transactions.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose.

General

During each of the six months preceding the date of this circular, no Shares have been repurchased by the Company.

During each of the previous twelve calendar months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange per month were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
August	1.76	1.23
September	2.10	1.61
October	1.91	1.64
November	1.73	1.54
December	1.77	1.30
2017		
January	1.75	1.50
February	1.58	1.30
March	1.46	1.33
April	1.41	1.00
May	1.23	0.99
June	1.08	0.90
July	1.08	0.96
August (up to the Latest Practicable Date)	0.99	0.92

(A) PARTICULARS OF DIRECTORS FOR RE-ELECTION

The following is the information required to be disclosed under the GEM Listing Rules on the Directors standing for re-election at the Annual General Meeting:

ZHANG HUAQIAO (“MR. ZHANG”), AGED 54, EXECUTIVE DIRECTOR**Position held in the Company’s group**

Mr. Zhang was appointed as the non-executive director and the chairman of the Company in September 2012 and March 2014 respectively and was re-designated as an executive Director of the Company with effect from 13 May 2015.

The Board proposes that the role of Mr. Zhang shall be re-designated from an executive director of the Company to a non-executive director of the Company with effect from the date of passing the related resolution to be proposed at the Annual General Meeting by the Shareholders.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Zhang worked at the Equities Department of UBS AG, Hong Kong Branch from June 1999 to April 2006 with last capacity as the co-head of its China research team. From May 2006 to September 2008, Mr. Zhang served as an executive director of Shenzhen Investment Limited, a company listed on the Main Board of the Stock Exchange. From September 2008 to June 2011, Mr. Zhang worked with UBS AG, Hong Kong with last capacity as the deputy head of China Investment Banking Department. Mr. Zhang then was and an executive director and chief executive officer of Man Sang Intentional Limited, a company listed on the Main Board of the Stock Exchange, between September 2011 and April 2012.

Currently, Mr. Zhang is an independent non-executive director of Fosun Intentional Limited, Zhong An Real Estate Limited, China Huirong Financial Holdings Limited, Logan Property Holdings Company Limited, Luye Pharma Group Limited, Wanda Hotel Development Company Limited and Sinopec Oilfield Service Corporation and a non-executive director of Boer Power Holdings Limited, and the shares of the eight companies are listed on the Main Board of the Stock Exchange. In April 2017, Mr. Zhang was appointed as an independent non-executive director of China Rapid Finance (NYSE: XRF), a company whose shares are listed on the New York Stock Exchange. He was appointed as a director of Nanjing Central Emporium (Group) Stocks Co., Ltd, in March 2013, a company whose shares are listed on the Shanghai Stock Exchange. He resigned from it in June 2015. He was an independent non-executive director of Fuguiniao Co., Ltd, a company whose shares are listed on the Stock Exchange between May 2013 and June 2014. He was an independent non-executive director of Ernest Borel Holdings Limited, a company whose shares are listed on the Stock Exchange, from the period between June 2014 and November 2014. In April 2014, Mr. Zhang was appointed as an executive director of Yancoal Australia Limited (ASX: YAL), a company whose shares are listed on the stock exchange in Australia.

Mr. Zhang obtained a master's degree in economics from the Financial Research Institute of the People's Bank of China in 1986 and a master's degree of economics of development from the Australian National University in 1991.

Save as disclosed, Mr. Zhang had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Zhang has entered into service contract with the Company for an initial fixed term of three years commencing from 13 May 2015 and expiring on 12 May 2018 subject to retirement and re-election under the Articles of Association of the Company.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Save as disclosed above, Mr. Zhang is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

Long position in the Shares:

Number	Capacity	Approximate Percentage of interest in Shares
6,460,000	Beneficial owner	0.41%
31,000,000	Beneficial owner (<i>Note</i>)	1.99%

Note: These Shares represent the options of shares granted to Mr. Zhang pursuant to the Company's share option scheme. Accordingly he is deemed to be interested in these Shares under the SFO.

Save as disclosed above and as at the date of this circular, Mr. Zhang does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Zhang is entitled to an annual emolument of HK\$480,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the appointment of Mr. Zhang.

XIONG WENSEN (“MR. XIONG”), AGED 49, EXECUTIVE DIRECTOR**Position held in the Company’s group**

Mr. Xiong was appointed as an executive director and present of the Company in June 2014.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Xiong obtained a bachelor’s degree in Engineering (Computer Science and Technology) from Tsinghua University in July 1990 and a master’s degree in business administration from Cheung Kong Graduate School of Business in December 2004.

Mr. Xiong joined China Merchants Bank from 1990 as the programmer of the computer department at the head office and the deputy general manager, and the general manager of Shenzhen Oaking Information Technology Company Limited held by China Merchants Bank. He was the general manager of 上海財大軟件 from 2004, the deputy general manager of Information executive of 上海銀商資訊有限公司 (China Union Loyalty Co., Ltd.*) from 2006 to initiate its development of prepaid card business in China; From 2007 Mr. Xiong became the president of 開聯信息技術有限公司 (Open Union Information Technology Co., Ltd.*) to carry out its prepaid card issuance and acceptable business. From 2008, as a founding member of 通聯支付, Mr. Xiong was appointed as the vice president and the senior vice president and the director of 通聯支付網絡服務股份有限公司 (Allinpay Network Service Co., Ltd.*), responsible for its prepaid card and Internet and payment business, and lead its corporate strategy, research and development..

Save as disclosed, Mr. Xiong had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Xiong has entered into service contract with the Company for an initial fixed term of three years commencing from 3 June 2014 and expiring on 2 June 2017 subject to retirement and re-election under the Articles of Association of the Company.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Save as disclosed above, Mr. Xiong is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

Long position in the Shares:

Number	Capacity	Approximate Percentage of interest in Shares
13,600,000	Beneficial owner (<i>Note</i>)	0.87%

Note: These Shares represent the options of shares granted to Mr. Xiong pursuant to the Company's share option scheme. Accordingly, he is deemed to be interested in these Shares under the SFO.

Save as disclosed above and as at the date of this circular, Mr. Xiong does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Xiong is entitled to an annual emolument of HK\$2,000,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the appointment of Mr. Xiong.

LU DONGCHENG ("MR. LU"), AGED 50, INDEPENDENT NON-EXECUTIVE DIRECTOR**Position held in the Company's group**

Mr. Lu was appointed as an independent non-executive director of the Company on 2 August 2013. Mr. Lu is currently the chairman of the Company's nomination committee and a member of the Company's audit committee, remuneration committee, internal control committee and compliance committee.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Lu holds a Master degree of Business Administration from Yale University and a Doctor degree from Peking Medical University which has merged with Peking University. He was the part of Infinity Group (Peking) Venture Capital Management Co., Ltd during June 2008 to April 2011 and the chief executive officer of AnPing Capital Management Limited during May 2011 to April 2012. Mr. Lu is currently the chief executive officer of Suzhou Mountain View Equity Investment Management Co., Ltd. And the supervising partner of Mountain View Capital PE Funds. In May 2015, Mr. Lu was appointed as the managing partner of 北京重山遠志醫療健康基金 (Beijing Zhongshan Medical Health Fund*).

Save as disclosed, Mr. Lu had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Lu has entered into service contract with the Company for an initial fixed term of one year commencing from 2 August 2016 and expiring on 1 August 2017 subject to retirement and re-election under the Articles of Association of the Company.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Save as disclosed above, Mr. Lu is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

As at the date of this circular, Mr. Lu does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Lu is entitled to an annual emolument of HK\$72,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the appointment of Mr. Lu.

MR. XIE ZHICHUN (“MR. XIE”), AGED 59, NON-EXECUTIVE DIRECTOR**Position held in the Company’s group**

Mr. Xie was appointed as a non-executive director with effect from 27 April 2017.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Xie, aged 59, has extensive experience in banking, securities and investment fields. Mr. Xie is currently the vice chairman of the consultation committee of Shenzhen Qianhai Shekou Free Trade Zone and Qianhai Shenzhen Hong Kong Cooperation Zone. He is also a professor of China Center for Special Economic Zone Research at Shenzhen University and postgraduate supervisor of PBC School of Finance at Tsinghua University. Mr. Xie currently serves as a chairman and an executive director of China Fortune Financial Group Limited, a company listed on the Stock Exchange with stock code 290, an independent non-executive director of each of China Taiping Insurance Holdings Company Limited, a company listed on the Stock Exchange with stock code 966 and China Minsheng Banking Corp., Ltd., a company listed on the Stock Exchange with stock code 1988.

Mr. Xie has held various key positions in certain banks, securities firms and insurance companies in the People’s Republic of China and listed companies in Singapore, and has extensive experience in management of financial institutions. Mr. Xie acted as a deputy general manager of China Investment Corporation (“CIC”) (中國投資有限責任公司) and an executive director and general manager of Central Huijin Investment Ltd. (中央滙金投資有限公司), a subsidiary of CIC which makes equity investment in key state-owned financial institutions in the PRC, from 2014 to 2015. From 2008 to 2014, Mr. Xie acted as an executive director and deputy general manager of China Everbright Group Limited (中國光大集團總公司) and the chairman of the board of directors of each of Sun Life Everbright Life Insurance Co., Ltd. (光大永明人壽保險有限公司) and Sun Life Everbright Asset Management Co., Ltd. (光大永明資產管理股份有限公司). From 2006 to 2008, he acted as the vice president and director of reorganisation and listing office of China Everbright Bank Company Limited. From 2001 to 2006, Mr. Xie acted as a director and chief executive officer of Everbright Securities Company Limited, an executive director of China Everbright Group, an executive director of China Everbright Limited, a company listed on the Stock Exchange with stock code 0165, a vice chairman (unattending) of China Enterprises Association (Singapore), a director of Shenyin & Wanguo Securities Co., Ltd., a director of Everbright Pramerica Fund Management Co., Ltd. and a vice chairman (unattending) of Securities Association of China.

From 1997 to 2001, he acted as an executive director and president of China Everbright Asia-Pacific Company Limited, a company listed on the Singapore Exchange Securities Trading Limited, a director of Shenyin & Wanguo Securities Co., Ltd., the chairman of the board of directors of China Everbright Asia-Pacific (New Zealand) Company, the chairman of the board of directors of China Everbright (South Africa) Company, a director of China Everbright Asia-Pacific Industrial Investment Fund Management Company (中國光大亞太工業投資基金管理公司) and a director of Thailand Sunflower Company (泰國向日葵公司). From 1992 to 1999, Mr. Xie was a director and vice president of Everbright Securities Company Limited, a director of China Everbright Financial Holding Company (Hong Kong) (中國光大金融控股公司(香港)), a general manager of northern head office of Everbright Securities Company Limited, a deputy director of preparation team and deputy president of China Everbright Bank, Dalian Branch and the general manager of the international business department of China Everbright Bank, Heilongjiang Branch. Mr. Xie graduated from Heilongjiang University in 1982 and received his bachelor's degree in philosophy. In 1993, he graduated from Harbin Institute of Technology and received his master's degree in economics. In 2004, Mr. Xie graduated from Nankai University and received his doctor of philosophy in economics.

Save as disclosed, Mr. Xie had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Xie has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 27 April 2017 subject to retirement and re-election under the Articles of Association of the Company.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Mr. Xie is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

As at the date of this circular, Mr. Xie does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Xie is entitled to receive a director's fee of HK\$40,000 per month which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the appointment of Mr. Xie.

(B) PARTICULARS OF DIRECTOR FOR APPOINTMENT

The following is the information required to be disclosed under the GEM Listing Rules on the Director standing for appointment at the Annual General Meeting:

YAN DINGGUI (“MR. YAN”), AGED 49, EXECUTIVE DIRECTOR**Position held in the Company’s group**

Mr. Yan is proposed to be appointed as an executive director of the Company.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Yan obtained a Master degree of Business Administration from 2015. He was appointed as the manager of the production department of 南京同創信息產業集團 (Nanjing Tongchuang Information Industry Group*) during May 1993 to July 1995 and was promoted as the deputy general manager of the Beijing Marketing Area of Nanjing Tongchuang Information Industry Group from July 1995 to December 1997. From January 1998 to December 1999, Mr. Yan served as the deputy director of Nanjing Tongchuang Information Industry Group Shanghai preparatory office. From January 2000 to December 2006, Mr. Yan was appointed as the general manager of 上海同天信息技術有限公司 (Shanghai Tongtian Information Technology Co., Ltd*). From March 2007 to December 2010, Mr. Yan served as the general manager of the Zhejiang Region of 北京天融信網絡安全技術有限公司. Since September 2015 and October 2016, Mr. Yan has been appointed respectively as the chairman and general manager of Shanghai Jiayin Finance Technology Co., Ltd, a company whose shares are listed on The National Enquiries Exchange And Quotations in the PRC. Currently, Mr. Yan is also the chairman and general manager of 上海嘉銀金融服務有限公司 and an executive director and general manager of 上海你我貸金融信息服務有限公司.

Save as disclosed, Mr. Yan had not held any directorship in other public listed companies or had any major appointment in the last three years.

Length and proposed length of services with the Company

Mr. Yan will enter into a service contract with the Company for an initial fixed term of three years commencing from the date of passing the related resolutions by the Shareholders to be proposed at the Annual General Meeting, subject to retirement and re-election under the Articles of Association of the Company.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION AND APPOINTMENT

Relationship with any directors, senior management or substantial or controlling shareholders of the Company

Save as disclosed above, Mr. Yan is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance**Long position in the Shares:**

Number	Capacity	Approximate Percentage of interest in Shares
255,859,430	Corporate – interest of controlled corporation (<i>Note</i>)	16.39%

Note: Of 255,859,430 Shares, 45,888,918 Shares were held by Jiayin Finance Holding Group Co., Limited (“**Jiayin**”) which is wholly owned by Mr. Yan and 209,970,512 Shares (inclusive of 50,000,000 Shares to be issued upon completion of Tranche Two Subscription Shares on or about 17 August 2017) were held by Gayan (HongKong) Co., Limited (“**Gayang**”) which is indirectly wholly owned by Mr. Yan. As Mr. Yan is the controlling shareholder of both Jiayin and Gayang, he is deemed to be interested in these 255,859,430 Shares held by both Jiayin and Gayang under the SFO.

Save as disclosed above and as at the date of this circular, Mr. Yan does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director’s emoluments and the basis of determining the director’s emoluments; and

Mr. Yan will be entitled to an annual emolument of HK\$240,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the appointment of Mr. Yan.

NOTICE OF ANNUAL GENERAL MEETING



China Smartpay Group Holdings Limited
中國支付通集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8325)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Smartpay Group Holdings Limited (the “Company”) will be held at Hotel Jen Room Hibiscus, 2/F., 508 Queen’s Road West, Hong Kong, on Friday, 15 September 2017 at 11:00 a.m. for the following purposes:

As ordinary business

1. To receive and adopt the audited financial statements of the Company and the Reports of the Directors and the Auditors for the year ended 31 March 2017.
2.
 - (i) To re-elect Mr. Zhang Huaqiao as a non-executive Director;
 - (ii) To re-elect Mr. Xiong Wensen as an executive Director;
 - (iii) To re-elect Mr. Lu Dongcheng as an independent non-executive Director;
 - (iv) To re-elect Mr. Xie Zhichun as a non-executive Director; and
 - (v) To authorise the remuneration committee of the Company to fix the remuneration of the Directors.
3. To appoint Mr. Yan Dinggui as an executive Director.
4. To re-appoint Mazars CPA Limited as the auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business

5. To consider, and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of issued shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue or scrip dividend scheme or similar arrangement of the Company or the exercise of the subscription rights under the share option scheme of the Company shall not exceed 20 per cent. of the total number of the issued shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

B. **“THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of issued shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the total number of the issued shares of the Company as at the date of this resolution and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- C. **“THAT** conditional upon resolution no. 5B above being passed, the aggregate number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 5B above shall be added to the total number of issued shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 5A above.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider, and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval of the listing of, and permission to deal in, such number of shares of the Company (the “Shares”) which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company pursuant to an ordinary resolution of the shareholders of the Company passed on 14 August 2009 (the “Share Option Scheme”), representing 10% of the issued share capital of the Company as at the date on which this resolution is passed, pursuant to the rules of the Share Option Scheme:

- (a) approval be and is hereby granted for refreshing the 9.57% limit under the Share Option Scheme (the “Refreshed Scheme Mandate”) provided that the total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries under the limit as refreshed hereby shall not exceed 30% of the issued share capital of the Company as at the date of passing of this resolution (options previously granted under the Share Option Scheme and any other share option schemes of the Company or its subsidiaries (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company or its subsidiaries) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and
- (b) the directors of the Company or a duly authorized committee thereof be and is/are hereby authorized: (i) at its/their absolute discretion, to grant options to subscribe for Shares within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”

By Order of the Board
China Smartpay Group Holdings Limited
Zhang Huaqiao
Chairman

Hong Kong, 16 August 2017

Head Office and Principal Place of Business in Hong Kong:
Office No. 01, 31st Floor
Hong Kong Plaza
188 Connaught Road West
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. A form of proxy for the meeting is enclosed herewith. Completion and return of the form of proxy will not preclude a member from attending the meeting if he/she so wishes. In the event that a member who has lodged a form of proxy attends the meeting, his/her form of proxy will be deemed to have been revoked.
3. 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 notarially certified copy of that power or authority must be deposited at Union Registrars Limited, the Hong Kong share registrar of the Company, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 Kings Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof.
4. The Register of Members of the Company will be closed from Tuesday, 12 September 2017 to Friday, 15 September 2017, both days inclusive, during which period no share transfers will be effected. In order to ascertain shareholders' rights for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with Union Registrars Limited, the Hong Kong share registrar of the Company, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Monday, 11 September 2017.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the Annual General Meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.chinasmartpay.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.

As at the date of this circular, the Board comprises (i) five executive directors, namely, Mr. Zhang Huaqiao, Dr. Cao Guoqi, Mr. Fung Weichang, Mr. Xiong Wensen and Mr. Song Xiangping; (ii) one non-executive director, namely Mr. Xie Zhichun; and (iii) four independent non-executive directors, namely, Mr. Wang Yiming, Mr. Lu Dongcheng, Dr. Yuan Shumin and Dr. Zhou Jinhuang.