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中州證券

Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name “中原证券股份有限公司” and carrying on business in Hong Kong as “中州證券”)
(Stock Code: 01375)

VOLUNTARY ANNOUNCEMENT

STRATEGIC COOPERATIVE FRAMEWORK AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of Central China Securities Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 26 January 2015, the Company entered into a comprehensive strategic cooperative framework agreement (the “**Framework Agreement**”) with Ruiqi Capital Investment Company Limited* (銳旗資本投資有限公司) (“**Ruizhiqi**”), the general agent of Baidu Inc. in Henan (Henan marketing service center). The principal terms of the Framework Agreement are as follows:

Date: 26 January 2015

Parties: the Company; and
Ruizhiqi

Details on cooperation

I. *Integrated financial business*

1. *Brokerage business* – Leveraging the competitive advantages of Ruizhiqi’s channels, the Company will strengthen the sharing and exchange with its customers, which enables effective expansion of its customer base. The investment advisors of the Company (especially Certified International Investment Analysts (CIIAs)) and Ruizhiqi will jointly provide high-end wealth management and value-added services for high-end customers. Particulars of cooperation between the parties on this aspect are as follows:

- (i) Cooperation on Customer Base Sharing

The log-in process of registered users under respective websites of the parties will be unified. This enables customers exchange and expansion of the number of registered users for both parties. Moreover, the parties can conduct data exchange and information sharing, thereby establishing an online platform for integrated financial service under the Company’s website “財升網” and Ruizhiqi’s website “雲金融”. Apart from that, the investment advisors of the Company will be connected with customers of Ruizhiqi, to provide personalized value-added services on wealth management, financing and credit for customers of both parties.

(ii) Cooperation on Product Sales

The Company and Henan Yunhe Financial Service Co., Ltd.* (河南雲和金融服務有限公司) (“**Yunhe Financial**”, a subsidiary of Ruizhiqi) will commence cooperation on cross-sale of financial products. Various wealth management products will be distributed through the social service platform of Yunhe Financial named “優派生活”, including the fixed income products, asset management schemes and various asset securitization products of the Company.

(iii) Cooperation on Big Data

The parties will conduct credit checking through data analysis based on customers’ behavior data, transaction data, operational data, financial data and asset data. This provides a scientific and reasonable reference on credit limits for financing service, and explores relevant application on big data and the joint establishment of a leading integrated internet financial service platform in the People’s Republic of China (the “**PRC**”) by the parties.

2. *“five-in-one” full service chain led by direct investment business* – “Five-in-one” full service chain refers to equity or debt investment by the Group in potential enterprises; advise on their listing on the New Third Board depending on the circumstances; provide market making services in the New Third Board; act as a sponsor for such enterprises when they are listed on the ChiNext market or the Small and Medium-sized Enterprise (“**SME**”) Board in the PRC or the main board or the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); and subsequent refinancing and equity pledge financing services depending on the demand of the enterprises so listed, thereby establishing a full integrated financial service chain for the enterprises. The Company will provide support to small, medium and micro-sized enterprise clients of Ruizhiqi through its “five-in-one” full service chain. Particulars of the cooperation between the parties on this aspect are as follows:

(i) Financing service cooperation with small, medium and micro-sized enterprises

The parties will identify quality small, medium and micro-sized enterprises with good development potentials and promising prospects through big data analysis on 120,000 enterprises which are receiving services from Ruizhiqi. The Company will target on such small, medium and micro-sized enterprises and based on their internal resources, provide financial supports such as debt and equity financing, angel investment, listing, market making, listing transfer and refinancing on the New Third Board. Specifically, the supports are divided into five parts: (I) equity or debt investment from the direct investment subsidiaries of the Company; (II) listing on the New Third Board through assistance from the Company; (III) provision of market making service by the Company for such enterprises so listed; (IV) sponsor services for transferring to the SME Board or the ChiNext market by the Company; and (V) subsequent refinancing, reorganization and equity pledge financing provided by the Company to the enterprises so transferred.

(ii) Point-to-point and online crowdfunding

The Company will make full use of its professional advantages in areas such as risk control and business operation and Yunhe Financial make full use of its online marketing and internet platform establishment to jointly build an internet investment and financing service platform, research on cooperative organizations and operation models and provide personal and SME investment and financing services in form of point-to-point (“P2P”) loans and crowdfunding.

(iii) Ruizhiqi into capital market

Ruizhiqi will commence comprehensive cooperation with the Company for its entering into the capital market. The Company will formulate strategic development plans leveraging the capital market to facilitate direct financing of Ruizhiqi and its subsidiaries in the PRC or Hong Kong capital market and provide them with financial advisory services such as those for merger and acquisition and reorganization.

II. *Smart City “One-card Pass” (一卡通) service*

The parties will jointly participate in the establishment of Smart City “One-card Pass” project, focusing on facilitating the core business of urban public transportation by applications of administrative matters, utilities and petty payment on smart phones and multi-media servers with a view to generating economic benefits from idle capital in One-card Pass accounts.

III. *Baidu search engine promotion*

The parties will have deep cooperation in promotion on Baidu. They will pin-point customers who have demand for the services through keywords and region and time filters.

IV. *“tieba.baidu” (百度贴吧) media community*

The parties can build up series of services and tools such as function platforms and data platforms through customizing services on the “official Tieba of Central China Securities” (中原証券官方貼吧) to organize and operate the site, release information, lead public opinions, organize online activities for community marketing and promotion.

V. *Entrepreneurship-supporting TV shows*

The Company and Ruizhiqi will jointly organize national entrepreneurship-supporting TV shows in cooperation with TV media to build good image of the Company to explore project resources for commencing the direct investment and internet crowdfunding business.

VI. *Outsourcing integrated online services*

Ruizhiqi will provide a set of integrated internet business supporting services including online platform planning and design; research, development and realization; online marketing and promotion, operation, management and maintenance; etc., to help the Company to commence outsourcing services and develop online financial business.

Reasons and benefits of entering into the Framework Agreement

Ruizhiqi is a renowned internet enterprise in the PRC and holds abundant resources of SME clients. The Board is of the view that entering into the Framework Agreement allows the Company and Ruizhiqi to fully utilize their respective resources and professional advantages; and by establishing a comprehensive strategic cooperation, will provide support to the business development of both parties. The Board considers the terms of the Framework Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Information of Ruizhiqi

Ruizhiqi is a limited company incorporated in the PRC principally engaged in integrated internet construction services regarding internet promotion, electronic payment, e-commerce, financial services, online-to-offline (O2O), logistics services, cloud computing, big data, talent training, legal advisory, health management and IT service outsourcing. To the best of the Directors' knowledge, information and belief, and having made reasonable enquiries, as at the date hereof, each of Ruizhiqi and its ultimate beneficial owner(s) is a party independent of the Company and connected persons of the Company.

If any transaction contemplated under the Framework Agreement constitutes a connected and/or notifiable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange (the "**Listing Rules**"), the Company will make disclosure in due course in compliance with requirements of the Listing Rules.

By order of the Board
Central China Securities Co., Ltd.
Jian Mingjun
Chairman

Henan, the PRC, 26 January 2015

As at the date of this announcement, the Board comprises executive Directors Mr. JIAN Mingjun and Mr. ZHOU Xiaoquan, non-executive Directors Mr. LI Xingjia, Mr. ZHANG Qiang, Mr. ZHU Jie, Mr. WANG Lixin and Mr. YU Zeyang, and independent non-executive Directors Mr. ZHU Shanli, Mr. YUAN Dejun and Mr. YUEN Chi Wai.

* *for identification purposes only*