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PALMPAY CHINA (HOLDINGS) LIMITED

中國掌付(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 8047)

RESULTS OF THE SPECIAL GENERAL MEETING AND ADJUSTMENT TO THE EXERCISE PRICE OF SHARE OPTIONS AND THE SUBSCRIPTION PRICE OF THE WARRANTS

RESULTS OF THE SGM

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by way of poll at the SGM held on 28 January 2011.

ADJUSTMENT TO THE EXERCISE PRICE OF SHARE OPTIONS AND THE SUBSCRIPTION PRICE OF THE WARRANTS

Upon the Share Consolidation and Capital Reduction becoming effect on 31 January 2011, pursuant to the terms and conditions of the Share Options and the Warrants, the exercise price of the outstanding Share Options and the subscription price of the Warrants will be adjusted. Details of the adjustment as stated in this announcement.

The Board is pleased to announce that the resolution as set out in the notice of special general meeting (the “**SGM**”) dated 5 January 2011 (the “**Notice**”) were duly passed by way of poll at the SGM held on 28 January 2011. Reference is made to the circular (the “**Circular**”) of Palmpay China (Holdings) Limited (the “**Company**”) dated 5 January 2011 in relation to (i) the Share Consolidation and the Capital Reduction. Capitalized terms used in this announcement shall have the same meanings as those defined in the Circular unless otherwise specified herein.

As at the date of the SGM, the total number of Shares in issue was 2,686,239,143. There was no Shareholder that was materially interested in any of the proposed resolution at the SGM, and therefore none of the Shareholder is required to abstain from voting in respect of the resolution. Accordingly,

* For identification purposes only

the total number of Shares entitling the Shareholders to attend and vote in respect of the resolution at the SGM was 2,686,239,143. There were no Shares in respect of which their holders were entitled to attend and vote only against any of the resolution at the SGM.

The Company's share registrar and transfer office in Hong Kong, Tricor Tengis Limited, was appointed as the scrutineer at the SGM for the purpose of the vote-taking. The results of the poll are as follows:

Ordinary resolution	Number of votes (Percentage of total number of votes)	
	For	Against
To approve the Share Consolidation, the Capital Reduction and the Authorisation (as defined in the circular of the Company).	925,338,712 97.85%	20,300,000 2.15%

ADJUSTMENT TO THE EXERCISE PRICE OF SHARE OPTIONS AND THE SUBSCRIPTION PRICE OF THE WARRANTS

Upon the Share Consolidation and Capital Reduction becoming effect on 31 January 2011, pursuant to the terms and conditions of the Share Options, the exercise price of the outstanding Share Options will be adjusted with effect from 31 January 2011 as below:

Exercise period	Number of Share Options	Original exercise price (HK\$)	Number of adjusted Share Options	Adjusted exercise price (HK\$)
14/08/2007 to 13/08/2017	13,200,000	0.4333	2,640,000	2.1665
21/12/2007 to 20/12/2017	21,360,000	0.3875	4,272,000	1.9375
17/12/2007 to 16/12/2017	46,800,000	0.3775	9,360,000	1.8875

Upon the Share Consolidation and Capital Reduction becoming effect on 31 January 2011, pursuant to the terms and conditions of the Warrants, the subscription price of the outstanding Warrants will be adjusted from the original subscription price of HK\$0.182 per Share to HK\$0.91 per Share with effect from 31 January 2011.

By order of the Board
Palmpay China (Holdings) Limited
Yuan Shengjun
Chairman

Hong Kong, 28 January 2011

As at the date of this announcement, the executive Directors are Mr. Yuan Shengjun, Mr. Hsu Tung Chi, Mr. Chan Francis Ping Kuen and Mr. Chan Hin Wing, James. The independent non-executive Directors are Mr. Kwok Chi Sun, Vincent, Mr. Yeung Kam Yan and Mr. Cheung Chi Hwa, Justin.

This announcement, for which the directors of Palmpay China (Holdings) Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 posting and the Company’s website at www.palmpaychina.com.