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Palmpay
PALMPAY CHINA (HOLDINGS) LIMITED
中國掌付(集團)有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 8047)

**(1) APPOINTMENT OF EXECUTIVE DIRECTOR
AND CHIEF EXECUTIVE OFFICER**
(2) REDESIGNATION OF CHAIRMAN
AND
(3) RESIGNATION OF NON-EXECUTIVE DIRECTOR AND CHAIRMAN

(1) APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board wishes to announce Mr. Yuan Shengjun is appointed as an executive director and chief executive officer of the Company with effect from 1 June 2009.

(2) REDESIGNATION OF CHAIRMAN

The Board wishes to announce Mr. Hsu Tung Sheng is redesignated as chairman of the Board with effect from 1 June 2009.

(3) RESIGNATION OF NON-EXECUTIVE DIRECTOR AND CHAIRMAN

The Board also wishes to announce Dr. Ho Hoi Lap resigned as non-executive director and chairman of the Company with effect from 1 June 2009.

(1) APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The board (the "Board") of the directors (the "Directors") of Palmpay China Holdings Limited (the "Company") together with its subsidiaries (the "Group") wishes to announce Mr. Yuan Shengjun ("Mr. Yuan") is appointed as an executive Director and chief executive officer of the Company with effect from 1 June 2009.

* *for identification purpose only*

Mr. Yuan Shengjun

Mr. Yuan holds a double degree of law and economics from the Renmin University (人民大學) of the People's Republic of China ("PRC"). Mr. Yuan has over 10 years' experience in advisory on management, operation and strategic planning. Mr. Yuan will be responsible for management function and business operation of Media Magic Technology Limited and its subsidiaries which are currently principally engaged in the provision of mobile payment gateway services in the PRC.

Save for being directors of three subsidiaries of the Group, namely Media Magic Technology Limited, Multi Channel Technology Limited and PalmPay Technology Company Limited, Mr. Yuan does not hold any other positions in the Company or any of its subsidiaries and did not hold any directorship or other major appointments in any other listed companies in the last three years immediately prior to the date of appointment as an executive director of the Company.

Mr. Yuan has entered into a letter of appointment with the Company for an initial term of one year commencing on 1 June 2009, which will continue thereafter until being terminated by either party by giving not less than one month's notice. His emolument in connection with his position as an executive Director and chief executive officer is HK\$10,000 per month with reference to market terms, qualifications and work experience of Mr. Yuan plus a discretionary year-end bonus to be determined by the Board from time to time. Mr. Yuan shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting, and is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

Mr. Yuan does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules")).

Mr. Yuan is personally interested in 26,012,000 shares of the Company (the "Shares"), representing approximately 1.66% of the total issued share capital of the Company of 1,566,375,508 Shares and 14,840,000 share options of the Company (the "Share Options") as at the date of this announcement. Save for the 26,012,000 Shares and 14,840,000 Share Options, Mr. Yuan has no other interests in Shares or underlying Shares which is within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there are no other matters about Mr. Yuan's appointment as an executive Director which are required to be disclosed pursuant to Rule 17.50(2) paragraphs (h) to (v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the shareholders of the Company.

(2) REDESIGNATION OF CHAIRMAN

The Board wishes to announce Mr. Hsu Tung Sheng (“Mr. Hsu”), an executive Director, will be redesignated as the chairman of the Board with effect from 1 June 2009. Mr. Hsu was first appointed as executive Director on 2 October 2007. The biographical details of Mr. Hsu are as follows:

Mr. Hsu Tung Sheng

Mr. Hsu, holds a bachelor’s degree in law from the National Chengchi University (Taiwan) (國立政治大學(台灣)). Mr. Hsu has over 10 years’ experience in advisory on management, operation and strategic planning. Mr. Hsu was a consultant of Toyota Tsusho Corporation (“Toyota Tsusho”) and participated in numerous large investment projects for Toyota Tsusho. Mr. Hsu has built up a good relationship with enterprises in Japan.

Save for being the executive Director and directors of six subsidiaries of the Group, namely Media Magic Technology Limited, Multi Channel Technology Limited, PalmPay Technology Co. Ltd., Great Plan Group Limited, Victory Tech Limited and Beaming Investments Limited. Mr. Hsu does not hold any other positions in the Company or any of its subsidiaries and did not hold any directorship or other major appointments in any other listed companies in the last three years immediately prior to the date of appointment as an executive director of the Company.

Mr. Hsu has entered into a letter of appointment with the Company for an initial term of one year commencing on 2 October 2007, which will continue thereafter until being terminated by either party by giving not less than one month’s notice. His emolument in connection with his position as an executive Director is HK\$10,000 per month with reference to market terms, qualifications and work experience of Mr. Hsu, plus a discretionary year-end bonus to be determined by the Board from time to time.

Save for being (i) the elder brother of Mr. Hsu Tung Chi, who is currently executive Director and directors of four subsidiaries of the Group, namely Media Magic Technology Limited, Multi Channel Technology Limited, PalmPay Technology Company Limited and Beijing HuLianHuiZhong Technology Company Limited (北京互聯匯眾科技有限公司); and (ii) the younger brother of Ms. Hsu Ying Mei who is currently the senior management of PalmPay Technology Co. Ltd., Mr. Hsu does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the GEM Listing Rules).

Mr. Hsu is personally interested in 900,000 Shares, representing approximately 0.06% of the total issued share capital of the Company and 14,840,000 Share Options as at the date of this announcement. Save for the 900,000 Shares and 14,840,000 Share Options, Mr. Hsu has no other interests in Shares or underlying Shares which is within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there are no other matters in relation to Mr. Hsu that are required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules, nor are there other matters that need to be brought to the attention of the shareholders of the Company.

(3) RESIGNATION OF NON-EXECUTIVE DIRECTOR AND CHAIRMAN

The Board also wishes to announce Dr. Ho Hoi Lap (“Dr. Ho”), resigned as non-executive Director and chairman of the Company with effect from 1 June 2009 as Dr. Ho wants to devote more time for personal or business affairs which do not compete with the business of the Company. Dr. Ho has confirmed with the Board that there are no matters regarding to his retirement and resignation which need to be brought to the attention of the shareholders of the Company.

GENERAL

The Board would like to take this opportunity to express its warmest welcome to Mr. Yuan and its appreciation to Dr. Ho for his contributions to the Company during his terms of services.

By order of the Board
Palmpay China (Holdings) Limited
Chan Francis Ping Kuen
Executive Director

Hong Kong, 1 June 2009

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

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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from its date of publication and the Company’s website at www.palmpaychina.com.