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China Smartpay Group Holdings Limited

中國支付通集團控股有限公司

(formerly known as Oriental City Group Holdings Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8325)

PLACING OF EXISTING SHARES AND TOP UP SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE, PLACING OF SALE SHARES AND RESUMPTION OF TRADING

PLACING OF EXISTING SHARES AND TOP UP SUBSCRIPTION OF NEW SHARES

On 28 March 2014, the Company entered into the Placing and Subscription Agreement with the Vendor and the Placing Agents, pursuant to which (i) the Placing Agents, as agents of the Vendor, shall during the Placing Period, on a best effort basis, procure the Placees to purchase up to 144,000,000 Placing Shares at the Placing Price upon the terms and subject to the conditions set out in the Placing and Subscription Agreement and (ii) the Company has agreed to issue and the Vendor has agreed to subscribe up to 144,000,000 Subscription Shares on the terms and subject to the conditions set out in the Placing and Subscription Agreement.

The Placing Price was determined after arm's length negotiation among the Company, the Vendor and the Placing Agents with reference to the market prices of the Shares, the recent trading volume of the Shares and the prospects of the Group. The Subscription Price, being equal to the Placing Price, was determined after arm's length negotiation between the Vendor and the Company with reference to the Placing Price. The maximum Subscription Shares represent (i) 20.0% of the existing issued share capital of the Company of 720,000,000 Shares as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company of 864,000,000 Shares as enlarged by the allotment and issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

It is expected that the maximum net proceeds from the Subscription (after deducting the placing commission payable to the Placing Agents and other expenses) will amount to approximately HK\$204 million. The Company intends to apply the aggregate net proceeds from the Subscription to finance the Possible Investment and/or Possible Acquisition (if materialise) or towards other lucrative business and investment opportunities which may arise in the future or otherwise as general working capital of the Group.

ISSUE OF SUBSCRIPTION SHARES UNDER GENERAL MANDATE

The Subscription Shares are to be issued under the General Mandate granted to the Directors at the extraordinary general meeting of the Company held on 20 December 2013. As such, the allotment and issue of the Subscription Shares are not subject to additional Shareholders' approval. An application will be made to the Listing Committee of the Stock Exchange for granting approval for the listing of, and permission to deal in, the Subscription Shares.

PLACING OF SALE SHARES

The Board announces that it has been informed by Mr. Cheng that, subsequent to the Placing and Subscription Agreement, the Vendor and Mr. Cheng have entered into the Sale Shares Placing Agreement with the Placing Agents (A) and (B) on 28 March 2014, pursuant to which the Vendor and Mr. Cheng agreed to place through the Placing Agents (A) and (B) 68,500,000 Shares and 27,000,000 Shares respectively at the Placing Price and the Placing Agents (A) and (B), as agents of the Vendor and Mr. Cheng, shall during the Placing Period, on a best effort basis, procure the Placees to purchase up to 95,500,000 Sale Shares at the Placing Price. Completion of the Sale Shares Placing is expected to take place on a date falling within four Business Days after the Transaction Date or such other date as the Company and the Placing Agents (A) and (B) may agree.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Assuming the Placing is completed in full, the shareholding interest of the Vendor and its concert parties in the issued share capital of the Company will be reduced from approximately 37.50% to approximately 17.50% immediately upon completion of the Placing and will increase to approximately 31.25% immediately after the completion of the Subscription, thereby triggering a general offer obligation under Rule 26 of the Takeovers Code. The Vendor acknowledges that it will obtain a waiver from the Executive Director of the Corporate Finance Division of the SFC waiving the obligation of the Vendor and its concert parties to make a general offer for all the issued Shares as a result of the Placing and the Subscription if necessary. However, in the event that the Sale Shares Placing and the Placing are completed in full before the Subscription, the shareholding interest of the Vendor and its concert parties in the issued share capital of the Company will be further reduced to 4.24% and will increase to approximately 20.20% immediately after the completion of the Subscription. Further announcement will be made upon completion of the Placing and the Sale Shares Placing.

As the Subscription is subject to the satisfaction of a number of conditions and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 28 March 2014 pending the release of this announcement. The Company has made an application to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 31 March 2014.

THE PLACING AND SUBSCRIPTION AGREEMENT

THE PLACING

Date: 28 March 2014

Parties: (i) the Company

(ii) Vendor

(iii) the Placing Agents: (A) Oriental Patron Securities Limited
(B) First Shanghai Securities Limited
(C) Guotai Junan Securities (Hong Kong) Limited
(D) Taiping Securities (HK) Co. Ltd.

The Vendor is a controlling shareholder of the Company (as defined under the GEM Listing Rules) and holds 243,000,000 Shares or approximately 33.75% of the existing issued share capital of the Company as at the date of this announcement, and hence a connected person of the Company. The Vendor is 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 and an executive Director. Mr. Cheng personally holds 27,000,000 Shares or approximately 3.75% of the existing issued share capital of the Company as at the date of this announcement.

Each of the Placing Agents and its ultimate beneficial owners are Independent Third Parties. The Placing Agents will in aggregate receive a placing commission of 2.5% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares being placed by the Placing Agents. The placing commission was negotiated on arm’s length basis between the Company, the Vendor and the Placing Agents and determined with reference to, amongst other things, the market rate and the price performance of the Shares. The Directors consider that the terms of the Placing, including the placing commission, are fair and reasonable based on the current market conditions and the Placing is in the interests of the Company and the Shareholders as a whole.

Placees

The Vendor appoints the Placing Agents as its agents to procure not less than six institutional, corporate or independent individual investors on a best effort basis to purchase the Placing Shares. For the avoidance of doubt, the Placing Agents have no obligation to take up any Placing Shares by themselves in case any of the Placing Agents fails to procure any places to purchase for the Placing Shares. The Placing Agents shall use their best effort to ensure that (i) each of the Placees and/or their respective ultimate beneficial owner(s) is Independent

Third Party and is not a concert party with the Company and its connected persons; and (ii) immediately after the Placing, none of the Placees will become a substantial shareholder of the Company.

Number of Placing Shares

The Placing Agents shall during the Placing Period, on a best effort basis, place, or procure the placing of, the Placing Shares in one tranche and in the proportions as set out as follows:

- (a) as to the Placing Agent (A), up to 33,000,000 Placing Shares;
- (b) as to the Placing Agent (B), up to 51,000,000 Placing Shares;
- (c) as to the Placing Agent (C), up to 40,000,000 Placing Shares; and
- (d) as to the Placing Agent (D), up to 20,000,000 Placing Shares.

Up to 144,000,000 Placing Shares represents (i) 20.0% of the existing issued share capital of the Company of 720,000,000 Shares as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company of 864,000,000 Shares as enlarged by the allotment and issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

Placing Price

The price of HK\$1.46 per Placing Share represents: (i) a discount of approximately 11.0% to the closing price of HK\$1.64 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 12.6% to the average closing price of approximately HK\$1.67 per Share as quoted on the Stock Exchange for the five trading days of the Share immediately prior to and including the Last Trading Day.

The Placing Price was determined with reference to the prevailing market price, the recent trading volume of the Shares and the prospects of the Group and was negotiated on an arm's length basis between the Placing Agents, the Company and the Vendor. The Board (including the independent non-executive Directors) considers that the terms of the Placing are fair and reasonable based on the current market condition and that the Placing is in the interests of the Company and the Shareholders as a whole.

Rights and Ranking of the Placing Shares

The Placing Shares will be sold free from all liens, charges and encumbrances and together with the rights attaching to them, including the right to receive all dividends declared, made or paid after the date of the Placing and Subscription Agreement. The Placing Shares will rank equally in all respects among themselves and with the Shares in issue as at the date of this announcement.

Condition of the Placing

The Placing is unconditional.

Rescission

If any of the following events occurs at any time prior to 10:00 a.m. on the Completion Date, the Placing Agents may, by giving a written notice to the Vendor and the Company, at any time prior to 10:30 a.m. on the Completion Date rescind the Placing and Subscription Agreement without liability to the other party hereto or any thereof and, subject to certain paragraphs of the Placing and Subscription Agreement which shall continue, the Placing and Subscription Agreement shall thereupon cease to have effect and none of the parties hereto shall have any rights or claims by reason thereof, save for any antecedent breaches:

- (a) in the reasonable opinion of the Placing Agents there shall have been since the date of the Placing and Subscription Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing and the Subscription; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties set out in the Placing and Subscription Agreement comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date hereof and prior to 10:00 a.m. on the Completion Date which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing and Subscription Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the opinion of the Placing Agents is material in the context of the Placing.

Completion of the Placing

Completion of the Placing is expected to take place on a date falling within four Business Days after the Transaction Date or such other date as the Company and the Placing Agents may agree.

THE SUBSCRIPTION

Pursuant to the Placing and Subscription Agreement, the Vendor agrees to subscribe as principal for, and the Company agrees to issue new Shares in such number equal to the number of the Placing Shares to be issued by the Company.

Number of Subscription Shares

Up to 144,000,000 Shares, which is the same as the number of the Placing Shares, representing (i) 20.0% of the existing issued share capital of the Company of 720,000,000 Shares as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company of 864,000,000 Shares as enlarged by the allotment and issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

Subscription Price

The Subscription Price is equivalent to the Placing Price. The Company will bear all costs and expenses of the Subscription and will reimburse the Vendor all costs and expenses incurred by it in respect of the Placing. Based on the estimated expenses for the Placing and the Subscription, the net subscription price is approximately HK\$1.424 per Subscription Share.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Conditions of the Subscription

Completion of the Subscription is conditional upon the fulfillment of the following conditions:

- (a) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Subscription Shares (and such listing and permission not being subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and

- (b) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

If the above conditions are not fulfilled within 14 days after the date of the Placing and Subscription Agreement (or such later date as may be agreed between the Company and the Vendor), the obligations and liabilities of the Vendor and the Company under the Subscription shall be null and void and neither the Company nor the Vendor shall have any claim against the other for costs, damages, compensation or otherwise, provided that the Company shall reimburse the Vendor any legal fees and out-of-pocket expenses which the Vendor shall be obliged to pay in connection with the Placing.

Completion of the Subscription

Completion of the Subscription shall take place on the second Business Day after the date upon which the last of the above conditions to be satisfied shall have been so satisfied, provided that it shall take place on a date no later than a date falling 14 days after the date of the Placing and Subscription Agreement (or such other time and/or date as the Vendor and the Company may agree in writing).

If the Subscription is to be completed thereafter, it will constitute a connected transaction under the GEM Listing Rules and require compliance with all the relevant requirements under Chapter 20 of the GEM Listing Rules, including but not limited to the issue of a separate announcement and approval of the independent Shareholders.

General Mandate to issue the Subscription Shares

The Subscription Shares are to be issued under the General Mandate granted to the Directors at the extraordinary general meeting of the Company held on 20 December 2013. As such, the allotment and issue of the Subscription Shares are not subject to additional Shareholders' approval.

The maximum 144,000,000 Subscription Shares to be allotted and issued will utilize 100% of the General Mandate. As at the date of this announcement, the Company has not utilized the General Mandate.

Application for listing

An application will be made to the Listing Committee of the Stock Exchange for granting approval for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE PLACING AND THE SUBSCRIPTION AND THE USE OF PROCEEDS

The Group is principally engaged in operating the card acceptance business in Thailand. It is the business strategy of the Group to identify possible investment to enhance its profitability and thereby increase the value of the Company. For instance, on 26 February 2013, an indirect wholly-owned subsidiary of the Company as purchaser entered into a non-legally binding memorandum of understanding (the “MOU”) with a third party in respect of a possible acquisition of interests in the issued share capital of a target company. This target company, together with its subsidiary, is principally engaged in the payment card business in the PRC. As set out in the announcement of the Company dated 2 September 2013, the Group entered into a confirmation letter with the vendor of such target company so as to further explore the possibility of proceeding the acquisition of the abovementioned target company (the “Possible Acquisition”) (details of which refer to the announcements of the Company dated 26 February 2013, 12 April 2013, 13 May 2013, 28 May 2013, 28 June 2013, 28 August 2013, 2 September 2013, 1 November 2013, 31 December 2013 and 28 February 2014). On the other hand, as set out in the announcement of the Company dated 4 November 2013, the Group entered into a framework agreement with four third parties in relation to, amongst other things, the possible investment (the “Possible Investment”) of the Group in the share capital of a company which, together with its subsidiaries, will be principally engaged in the operation of prepaid card business and internet payment services in the PRC. As at the date of this announcement, the Company is still carrying out the due diligence reviews in respect of the Possible Investment and the Possible Acquisition and terms of the definitive agreement contemplated under the Possible Investment is still in negotiation.

According to the interim report of the Company for the six months ended 30 September 2013, the cash and cash equivalents amounted to approximately HK\$34 million as at 30 September 2013. In view that the existing level of cash and cash equivalents would not be sufficient to support the consideration of the Possible Investment and/or Possible Acquisition, the Company decided to conduct a fund raising exercise by the Placing and the Subscription. It is expected that the maximum net proceeds from the Subscription (after deducting the placing commission payable to the Placing Agents and other expenses) will amount to approximately HK\$204 million. The Company intends to apply the aggregate net proceeds from the Subscription to finance the Possible Investment and/or Possible Acquisition (if materialise) or towards other lucrative business and investment opportunities which may arise in the future or otherwise as general working capital of the Group.

The Directors consider the Placing and the Subscription offers a good opportunity to raise further capital and broaden the shareholders base of the Company thereby increasing the liquidity of the Shares as well as to strengthen the financial position of the Group. The Directors consider that the terms of Placing and Subscription Agreement are fair and reasonable and the Placing and the Subscription is in the interests of the Company and its Shareholders as a whole.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Shares do not exceed 20% of the issued share capital of the Company. As at the date of this announcement, save for the 60,000,000 share options granted under the share option schemes of the Company, there are no other securities issued which confer any other subscription rights in the Shares.

PLACING OF SALE SHARES

The Board announces that it has been informed by Mr. Cheng that, subsequent to the Placing and Subscription Agreement, the Vendor and Mr. Cheng have entered into the Sale Shares Placing Agreement with the Placing Agents (A) and (B) on 28 March 2014, pursuant to which the Vendor and Mr. Cheng agreed to place through the Placing Agents (A) and (B) 68,500,000 Shares and 27,000,000 Shares respectively at the Placing Price and the Placing Agents (A) and (B), as agents of the Vendor and Mr. Cheng, shall during the Placing Period, on a best effort basis, procure the Placees to purchase up to 95,500,000 Sale Shares at the Placing Price. Completion of the Sale Shares Placing is expected to take place on a date falling within four Business Days after the Transaction Date or such other date as the Company and the Placing Agents (A) and (B) may agree.

EFFECT ON SHAREHOLDING OF THE PLACING AND THE SUBSCRIPTION AND THE SALE SHARES PLACING

The shareholding structure of the Company as at the date of this announcement and immediately after the completion of the Placing and the Subscription and the Sale Shares Placing in full is as follows (assuming there being no other change in the share capital of the Company):

	As at the date of this announcement		Immediately after completion of the Placing		Immediately after completion of the Placing and the Sale Shares Placing		Immediately after completion of the Placing, the Sale Shares Placing and the Subscription	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Vendor (<i>Note 1</i>)	243,000,000	33.75	99,000,000	13.75	30,500,000	4.24	174,500,000	20.20
Mr. Cheng (<i>Note 1</i>)	27,000,000	3.75	27,000,000	3.75	–	–	–	–
Mr. Cao Guoqi (“Mr. Cao”), a Director	49,910,000 (<i>Note 2</i>)	6.93	49,910,000	6.93	49,910,000	6.93	49,910,000	5.77
Public Shareholders:								
Placees	–	–	144,000,000	20.00	239,500,000	33.26	239,500,000	27.72
Other public Shareholders	<u>400,090,000</u>	<u>55.57</u>	<u>400,090,000</u>	<u>55.57</u>	<u>400,090,000</u>	<u>55.57</u>	<u>400,090,000</u>	<u>46.31</u>
Total	<u>720,000,000</u>	<u>100.00</u>	<u>720,000,000</u>	<u>100.00</u>	<u>720,000,000</u>	<u>100.00</u>	<u>864,000,000</u>	<u>100.00</u>

Notes:

1. The Vendor is owned as to 70% and 30% by Mr. Cheng and Ms. Cheng respectively. Ms. Cheng is the sister of Mr. Cheng. Mr. Cheng personally holds 27,000,000 Shares.
2. Of which 49,140,000 Shares are held by Probest Limited which in turn is wholly owned by Mr. Cao and 770,000 Shares are held by Ms. Zheng Lu who is the wife of Mr. Cao.

FUND RAISING DURING THE PAST TWELVE MONTHS

Set out below is the summary of the equity fund raising activity of the Company during the past 12 months immediately preceding the date of this announcement.

Date of initial announcement	Fund raising activity	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
10 October 2013	Placing of 120,000,000 new Shares	HK\$119.7 million	finance the Possible Investment and/or Possible Acquisition (if materialize) or otherwise as general working capital of the Group	(i) as to approximately HK\$50 million was used as deposit for the Possible Investment; and (ii) as to remaining balance of approximately HK\$69.7 million as general working capital.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Assuming the Placing is completed in full, the shareholding interest of the Vendor and its concert parties in the issued share capital of the Company will be reduced from approximately 37.50% to approximately 17.50% immediately upon completion of the Placing and will increase to approximately 31.25% immediately after the completion of the Subscription, thereby triggering a general offer obligation under Rule 26 of the Takeovers Code. The Vendor acknowledges that it will obtain a waiver from the Executive Director of the Corporate Finance Division of the SFC waiving the obligation of the Vendor and its concert parties to make a general offer for all the issued Shares as a result of the Placing and the Subscription if necessary. However, in the event that the Sale Shares Placing and the Placing are completed in full before the Subscription, the shareholding interest of the Vendor and its concert parties in the issued share capital of the Company will be further reduced to

4.24% and will increase to approximately 20.20% immediately after the completion of the Subscription. Further announcement will be made upon completion of the Placing and the Sale Shares Placing.

As the Subscription is subject to the satisfaction of a number of conditions and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 28 March 2014 pending the release of this announcement. The Company has made an application to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 31 March 2014.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Board”	the board of Directors
“Business Day”	any day on which banks in Hong Kong are open for business (other than Saturday and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“Company”	China Smartpay Group Holdings Limited (formerly known as “Oriental City Group Holdings Limited”), a company incorporated in Cayman Islands with limited liability and the Shares of which are listed on the GEM
“Completion Date”	a date falling within four Business Days after the Transaction Date or such other date as the Company and the Placing Agents may agree

“concert party(ies)”	party(ies) acting in concert (as defined under the Takeovers Code)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	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 the GEM
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with up to 144,000,000 Shares, representing 20% of the issued share capital of the Company as at the extraordinary general meeting of the Company held on 20 December 2013
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) who is(are) third party(ies) independent of the Company and connected persons of the Company
“Last Trading Date”	27 March 2014, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of the announcement
“Mr. Cheng”	Mr. Cheng Nga Ming Vincent, an executive Director and the controlling shareholder of the Vendor
“Placee(s)”	any person or entity whom the Placing Agents has procured to subscribe for the Placing Shares and/or the Sale Shares (as the case may be)
“Placing”	the placing of the Placing Shares to the Placee(s) pursuant to the Placing and Subscription Agreement

“Placing Agents”	<p>(A) Oriental Patron Securities Limited, a licensed corporation to carry out types 1 and 4 regulated activities under the SFO;</p> <p>(B) First Shanghai Securities Limited, a licensed corporation to carry out types 1, 4 and 6 regulated activities under the SFO;</p> <p>(C) Guotai Junan Securities (Hong Kong) Limited, a licensed corporation to carry out types 1 and 4 regulated activities under the SFO; and</p> <p>(D) Taiping Securities (HK) Co., Ltd., a licensed corporation to carry out type 1 regulated activity under the SFO</p>
“Placing and Subscription Agreement”	the placing and subscription agreement dated 28 March 2014 between the Company, the Vendor and the Placing Agents in respect of the Placing and the Subscription
“Placing Period”	the period commencing upon the execution of the Placing and Subscription Agreement and terminating at 5:00 p.m. (Hong Kong time) on the fourth Business Days after the date of the Placing and Subscription Agreement
“Placing Price”	HK\$1.46 per Placing Share
“Placing Share(s)”	up to 144,000,000 new Shares, to be placed pursuant to the Placing and Subscription Agreement
“Sale Shares Placing”	the placing of an aggregate of up to 95,500,000 existing Shares held by the Vendor and Mr. Cheng to the Placee(s) pursuant to the Sale Shares Placing Agreement
“Sale Shares Placing Agreement”	the placing agreement dated 28 March 2014 between the Vendor, Mr. Cheng, the Placing Agents (A) and (B) in respect of the Sale Shares Placing
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares at the Subscription Price by the Vendor
“Subscription Price”	the subscription price of HK\$1.46 per Subscription Share under the Placing and Subscription Agreement
“Subscription Shares”	up to 144,000,000 new Shares to be issued by the Company to the Vendor pursuant to the Placing and Subscription Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Transaction Date”	(i) 31 March 2014 (or the date falling within the Placing Period on which the Placing Agents have actually placed the Placing Shares) or; (ii) if dealings in the Shares on the Stock Exchange are suspended at all times on 31 March 2014 (or the date falling within the Placing Period on which the Placing Agents have actually placed the Placing Shares), the first day on which dealings resume (or such other date as the Vendor, the Company and the Placing Agents may agree in writing); where in each case, the Placing Agents shall immediately notify the Company of the number of Placing Shares placed in writing

“Vendor” Tian Li Holdings Limited, which is owned as to 70% and 30% by Mr. Cheng and Ms. Cheng respectively, is a controlling Shareholder and holds 243,000,000 Shares as at the date of this announcement

“%” per cent.

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

Hong Kong, 28 March 2014

As at the date of this announcement, the Board comprises (i) four executive Directors, namely, Mr. Cheng Nga Ming Vincent, Ms. Cheng Nga Yee, Mr. Cao Guoqi and Mr. Fung Weichang; (ii) one non-executive Director, namely, Mr. Zhang Huaqiao; and (iii) three independent non-executive Directors, namely, Mr. Lee Kin Fai, Mr. Wang Yiming and Mr. Lu Dongcheng.

This announcement, for which the directors of the Company 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 at www.hkgem.com for at least 7 days from the date of its posting and on the Company’s website at www.ocg.com.hk.