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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)

**COMPLETION OF SUBSCRIPTION OF THE CONVERTIBLE BONDS A
AND
THE CONVERTIBLE BONDS B UNDER GENERAL MANDATE**

The Board is pleased to announce that the respective conditions precedent set out in the First Subscription Agreement and the Second Subscription Agreement have been fulfilled and both the First Subscription Completion and the Second Subscription Completion took place on 27 April 2015.

The Convertible Bonds A in the principal amount of US\$10 million (equivalent to approximately HK\$77.55 million) and the Convertible Bonds B in the principal amount of US\$10 million (equivalent to approximately HK\$77.55 million) have been issued to Subscriber A and Subscriber B respectively.

The net proceeds from the First Subscription and the Second Subscription are approximately US\$9.98 million (equivalent to approximately HK\$77.40 million) and US\$9.85 million (equivalent to approximately HK\$76.39 million) respectively.

Reference is made to the announcements (the “**Announcements**”) of China Smartpay Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 12 April 2015, 14 April 2015 and 15 April 2015 in relation to, among others, the proposed subscription of the convertible bonds of the Company due on 30 April 2018. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

COMPLETION OF SUBSCRIPTION OF THE CONVERTIBLE BONDS A AND THE CONVERTIBLE BONDS B

The Board is pleased to announce that the respective conditions precedent set out in the First Subscription Agreement and the Second Subscription Agreement, including the granting by the GEM Listing Committee of the Stock Exchange of the approval for the listing of, and permission to deal in, the Conversion Shares A and the Conversion Shares B upon full exercise of the conversion rights attaching to the Convertible Bonds A and the Convertible Bonds B respectively, have been fulfilled and both the First Subscription Completion and the Second Subscription Completion took place on 27 April 2015.

The Convertible Bonds A in the principal amount of US\$10 million (equivalent to approximately HK\$77.55 million) and the Convertible Bonds B in the principal amount of US\$10 million (equivalent to approximately HK\$77.55 million) have been issued to Subscriber A and Subscriber B respectively.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The maximum of 41,918,918 Conversion Shares A to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds A in full (based on the initial Conversion Price of HK\$1.85 per conversion share) represent (i) approximately 4.04% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 3.89% of the issued share capital of the Company as enlarged by the allotment and issue of all the Conversion Shares A.

The maximum of 41,918,918 Conversion Shares B to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds B in full (based on the initial Conversion Price of HK\$1.85 per conversion share) represent (i) approximately 4.04% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 3.89% of the issued share capital of the Company as enlarged by the allotment and issue of all the Conversion Shares B.

Based on the initial Conversion Price of HK\$1.85 per conversion share (subject to adjustment), a maximum of 41,918,918 Conversion Shares A and 41,918,918 Conversion Shares B will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds A and the Convertible Bonds B in full, respectively, which in aggregate represent (i) approximately 8.09% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.48% of the issued share capital of the Company as enlarged by the allotment and issue of all the Conversion Shares A and the Conversion Shares B.

As at the date of this announcement, the Company has 1,036,800,000 Shares in issue. For illustrative purpose only, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the issue and allotment of the Conversion Shares A upon the full conversion of the Convertible Bonds A; (iii) immediately after the issue and allotment of the Conversion Shares B upon the full conversion of the Convertible Bonds B; and (iv) immediately after the issue and allotment of the Conversion Shares A and the Conversion Shares B upon the full conversion of the Convertible Bonds A and the Convertible Bonds B, is set out below (assuming that there is no other change in the shareholding structure of the Company prior to such conversions and no adjustment to the Conversion Price):

	As at the date of this announcement		Immediately after the issue and allotment of the Conversion Shares A upon the full conversion of the Convertible Bonds A		Immediately after the issue and allotment of the Conversion Shares B upon the full conversion of the Convertible Bonds B		Immediately after the issue and allotment of the Conversion Shares A and the Conversion Shares B upon the full conversion of the Convertible Bonds A and the Convertible Bonds B	
	No. of Shares	Approximate per cent.	No. of Shares	Approximate per cent.	No. of Shares	Approximate per cent.	No. of Shares	Approximate per cent.
Directors								
Mr. Cheng Nga Ming Vincent (Note 1)	174,500,000	16.83	174,500,000	16.18	174,500,000	16.18	174,500,000	15.57
Mr. Cao Guoqi (Note 2)	52,040,000	5.02	52,040,000	4.82	52,040,000	4.82	52,040,000	4.64
Mr. Zhang Huaqiao	4,750,000	0.46	4,750,000	0.44	4,750,000	0.44	4,750,000	0.42
(A) Sub-total of Directors	231,290,000	22.31	231,290,000	21.44	231,290,000	21.44	231,290,000	20.64
Public Shareholders								
Subscriber A	-	-	41,918,918	3.89	-	-	41,918,918	3.74
Subscriber B	-	-	-	-	41,918,918	3.89	41,918,918	3.74
Other public Shareholders	805,510,000	77.69	805,510,000	74.67	805,510,000	74.67	805,510,000	71.88
(B) Sub-total of public Shareholders	805,510,000	77.69	847,428,918	78.56	847,428,918	78.56	889,347,836	79.36
Total (A) + (B)	1,036,800,000	100.00	1,078,718,918	100.00	1,078,718,918	100.00	1,120,637,836	100.00

Notes:

- 174,500,000 Shares were held by Tian Li Holdings Limited (“**Tian Li**”) which in turn is owned as to 70% and 30% by Mr. Cheng Nga Ming, Vincent (“**Mr. Cheng**”) and Ms. Cheng Nga Yee (“**Ms. Cheng**”) respectively. Ms. Cheng is the sister of Mr. Cheng. As Mr. Cheng is the controlling shareholder of Tian Li, he is deemed to be interested in the 174,500,000 Shares held by Tian Li under the SFO.
- Of 52,040,000 Shares, 51,270,000 were held by Probest Limited (“**Probest**”) which in turn is wholly-owned by Mr. Cao Guoqi (“**Mr. Cao**”), an executive Director. As Mr. Cao is the sole shareholder of Probest, he is deemed to be interested in these 51,270,000 Shares held by Probest under the SFO. The other 770,000 Shares were held by Ms. Zheng Lu who is the spouse of Mr. Cao. Accordingly, Mr. Cao is deemed to be interested in these 770,000 Shares held by Ms. Zheng Lu under the SFO.

The gross proceeds and the net proceeds of the First Subscription amount to approximately US\$10 million (equivalent to approximately HK\$77.5 million) and US\$9.98 million (equivalent to approximately HK\$77.40 million) respectively. The net price per Conversion Share A under the Convertible Bonds A to be issued is approximately HK\$1.846.

The gross proceeds and the net proceeds of the Second Subscription amount to approximately US\$10 million (equivalent to approximately HK\$77.5 million) and US\$9.85 million (equivalent to approximately HK\$76.39 million) respectively. The net price per Conversion Share B under the Convertible Bonds B to be issued is approximately HK\$1.822.

In this announcement, the translation of US\$ into HK\$ is based on the exchange rate of US\$1:HK\$7.755, for illustration purposes only.

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

Hong Kong, 27 April 2015

As at the date of this announcement, the board of the Company comprises (i) five executive Directors, namely, Mr. Cheng Nga Ming Vincent, Mr. Cao Guoqi, Mr. Fung Weichang, Mr. Xiong Wensen and Mr. Song Xiangping; (ii) one non-executive Director, namely, Mr. Zhang Huaqiao; and (iii) three independent non-executive Directors, namely, Mr. Wang Yiming, Mr. Lu Dongcheng and Dr. Yuan Shumin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rule 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.chinasmartpay.com.