

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you have sold or transferred all your shares in China Smartpay Group Holdings Limited, you should at once hand this circular and the accompanying 2013/2014 Annual Report and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser.

If you are in any doubt as to any aspect of this circular or as to any action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Smartpay Group Holdings Limited to be held at Park Lane Room VI, 27/F, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong, on Friday, 25 July, 2014 at 11:00 a.m. is set out on pages 19 to 22 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Union Registrars Limited, the Hong Kong share registrar of China Smartpay Group Holdings Limited, at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of the accompanying form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

This circular 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.

25 June 2014

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 25 July 2014 at 11:00 a.m., the notice of which is set out on pages 19 to 22 of this circular;
“Articles of Association”	the article of association of the Company currently in force;
“Board”	the board of Directors;
“Company”	China Smartpay Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed and traded on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8325);
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	24 June 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Repurchase Proposal”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to repurchase the Shares, details of which are set out in the section headed “General Mandates to Issue and Repurchase Shares” of the Letter from the Board of, and Appendix I to, this circular;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company;
“Share Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to allot, issue and deal with new Shares, details of which are set out in the section headed “General Mandates to Issue and Repurchase Shares” of the Letter from the Board of this circular;
“Shareholders”	holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent.

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)

Executive Directors:

Mr. Cheng Nga Ming Vincent

Ms. Cheng Nga Yee

Mr. Cao Guoqi

Mr. Fung Weichang

Mr. Xiong Wensen

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Non-executive Director:

Mr. Zhang Huaqiao (*Chairman*)

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 3202, Citicorp Centre

18 Whitfield Road

Causeway Bay

Hong Kong

Independent Non-executive Directors:

Mr. Wang Yiming

Mr. Lu Dongcheng

Dr. Yuan Shumin

25 June 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the Annual General Meeting relating to, inter alia, (i) the Share Issue Mandate, (ii) the Repurchase Proposal and (iii) the re-election of Directors to enable the Shareholders to make informed decisions as to whether to vote for or against the resolutions.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

An ordinary resolution relating to the Share Issue Mandate will be proposed which, subject to the said resolution being passed at the Annual General Meeting, empowers the Directors to allot, issue and deal with new Shares of not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution during the period up to (i) the conclusion of the next annual general meeting of the Company, or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws or the Articles of Association of the Company to be held, or (iii) the date of revocation or variation of the said resolution by passing an ordinary resolution in general meeting prior to the next annual general meeting, whichever is the earliest. As at the Latest Practicable Date, there were in issue an aggregate of 864,000,000 Shares. Assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, no more than 172,800,000 Shares may be allotted and issued by the Company if the Share Issue Mandate is exercised in full.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general mandate to repurchase the Shares on the Stock Exchange representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution.

An explanatory statement in connection with the Repurchase Proposal is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the relevant resolution.

Subject to the passing of the proposed ordinary resolutions regarding the Share Issue Mandate and the Repurchase Proposal, a separate resolution will also be proposed to grant a general mandate to the Directors to include the aggregate nominal amount of Shares which may from time to time be purchased by the Company pursuant to the Repurchase Proposal to the Share Issue Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to Article 83(3) of the Company's Articles of Association, each of (i) Mr. Cao Guoqi; (ii) Mr. Fung Weichang; (iii) Mr. Xiong Wensen; and (iv) Dr. Yuan Shumin shall hold office until the Annual General Meeting and, being eligible, offers himself for re-election. The respective biographical details of each of Mr. Cao, Mr. Fung, Mr. Xiong and Dr. Yuan are set out in Appendix II to this circular.

According to Article 84(1) of the Articles of Association, Mr. Cheng Nga Ming Vincent will retire by rotation at the Annual General Meeting and, being eligible, offer himself for re-election. The biographical details of Mr. Cheng are set out in Appendix II to this circular.

According to Article 84(1) of the Articles of Association, Ms. Cheng Nga Yee will retire by rotation at the Annual General Meeting. Ms. Cheng will not offer herself for re-election.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 19 to 22 of this circular.

A form of proxy is enclosed with this circular for use at the Annual General Meeting. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy to the office of the Company's Hong Kong share registrar, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of the accompanying form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at the Annual General Meeting must be taken by poll except for purely procedural or administrative matters. To the best of the knowledge, information and belief of the Directors, none of the Shareholders is required to abstain from voting on any of the resolutions to be proposed at the Annual General Meeting. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

RESPONSIBILITY STATEMENT

This circular, 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 the information contained in this circular 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 circular misleading.

RECOMMENDATION

The Directors are of the opinion that (i) the Share Issue Mandate, (ii) the Repurchase Proposal and (iii) the re-election of Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
China Smartpay Group Holdings Limited
Zhang Huaqiao
Chairman

THE REPURCHASE PROPOSAL

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares. Under the Repurchase Proposal, the number of Shares that the Company may repurchase shall not exceed 10 per cent. of the issued share capital of the Company as at the date of the resolution. The Company's authority is restricted to purchases made on the Stock Exchange in accordance with the GEM Listing Rules. If the Company exercises the Repurchase Proposal in full, on the basis that no further Shares will be issued prior to the date of the Annual General Meeting, up to 86,400,000 Shares will be repurchased by the Company.

The Repurchase Proposal allows the Company to make or agree to make purchases only during the period ending on the earliest of:

- (a) the date of the next annual general meeting;
- (b) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association of the Company or by the applicable laws; or
- (c) the date upon which the Repurchase Proposal is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Proposal will afford the Company the flexibility to make such repurchase when appropriate and beneficial to the Company.

Such repurchases may enhance the net value and/or earnings per Share. As compared with the financial position of the Company as at 31 March 2014 (being the date of its latest audited accounts), the Directors consider that there would be a material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Proposal is to be exercised in full during the proposed repurchase period.

No purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

The Company is empowered by its memorandum and articles of association to purchase its Shares. The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the laws of the Cayman Islands, the repurchased shares will remain part of the authorised but unissued share capital of the Company.

The Directors intend to apply the profits that would otherwise be available for distribution by way of dividend for any purchase of the Shares.

Directors, their associates and connected persons

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Repurchase Proposal is approved by the shareholders, to sell Shares to the Company.

No connected person of the Company (as defined in the GEM Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the GEM Listing Rules, all applicable laws of the Cayman Islands and the regulations set out in the memorandum and articles of association of the Company.

Effect of Takeovers Code

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the following persons are the only substantial shareholders holding more than 10 per cent. of the issued share capital of the Company:

Name	Capacity	Number of Shares	Percentage of shareholding
Mr. Cheng Nga Ming Vincent ("Mr. Cheng")	Corporate – Interest of controlled corporation (Note 1)	174,500,000	20.2%
Tian Li Holdings Limited ("Tian Li") (Note 2)	Beneficial owner	174,500,000	20.2%

Notes:

- Mr. Cheng is the beneficial owner of 70% of the entire issued shares in Tian Li and therefore, Mr. Cheng is deemed to be interested in 174,500,000 Shares held by Tian Li. Mr. Cheng is also a director of Tian Li. The interests of Mr. Cheng and Tian Li are in respect of the same 174,500,000 Shares and duplicate each other.
- Tian Li is a company owned as to 70% and 30% by Mr. Cheng and Ms. Cheng Nga Yee ("Ms. Cheng") respectively. Both Mr. Cheng and Ms. Cheng are directors of Tian Li and the Company. Ms. Cheng is the sister of Mr. Cheng.

In the event that the Repurchase Proposal is to be exercised in full, the interest of Mr. Cheng in the Company would be increased to 22.44 per cent. of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

GEM Listing Rules in relation to repurchases of Shares

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

The GEM Listing Rules provide that all repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, which may be by way of general mandate, or by specific approval in relation to the repurchase transactions.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose.

General

During each of the six months preceding the date of this circular, no Shares have been repurchased by the Company.

During the period from 1 June 2013 up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange per month were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
June	0.92	0.88
July	0.93	0.82
August	1.05	0.90
September	1.30	1.00
October	1.62	1.22
November	1.69	1.48
December	1.62	1.56
2014		
January	1.72	1.50
February	1.68	1.44
March	1.78	1.42
April	1.64	1.04
May	1.37	0.96
June (up to the Latest Practicable Date)	1.32	1.23

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

The following is the information required to be disclosed under the GEM Listing Rules on the Directors standing for re-election at the Annual General Meeting:

MR. CHENG NGA MING VINCENT (“MR. CHENG”), AGED 43, EXECUTIVE DIRECTOR

Position held in the Company’s group

Mr. Cheng was appointed as an executive director of the Company on 25 March 2011. He was the chief executive officer of the Company until 7 November 2013; and the chairman of the Board until 11 March 2014.

Mr. Cheng is currently the authorised representative, the compliance officer and the chairman of the compliance committee of the Company.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Cheng graduated from California State University, Sacramento with major in finance. He is a private investor who has extensive experience in investment management and securities analysis. He has about 17 years of experience in investment with hedge fund groups responsible for investment portfolios with a primary focus in Asia. Mr. Cheng is responsible for the overall corporate strategies and business development of the Group.

Save as disclosed, Mr. Cheng had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Cheng has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from 25 March 2013 and expiring on 24 March 2014 subject to retirement and re-election under the Articles of Association.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Mr. Cheng is the brother of Ms. Cheng Nga Yee. Save as disclosed above, he is not related to any director or senior management or substantial or controlling Shareholders.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

Long position in the Shares:

Number	Capacity	Approximate percentage of interest in Shares
174,500,000	Corporate – Interest of controlled corporation (<i>Note 1</i>)	20.20%

Note:

1. These 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 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. Mr. Cheng holds an effective interest of approximately 14.1% of the Company by virtue of his beneficial interest in Tian Li. Mr. Cheng is also a director of Tian Li.

Save as disclosed above and as at the date of this circular, Mr. Cheng does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director’s emoluments and the basis of determining the director’s emoluments; and

Mr. Cheng is entitled to an annual emolument of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the re-election of Mr. Cheng.

MR. CAO GUOQI (“MR. CAO”), AGED 50, EXECUTIVE DIRECTOR

Position held in the Company’s group

Mr. Cao was appointed as an executive director of the Company on 18 September 2013.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Cao obtained a doctoral degree in political economics from Shanghai Academy of Social Sciences (上海社會科學院) in 2004. Mr. Cao has been the MBA supervisor in Shanghai Advanced Institute of Finance, Shanghai Jiaotong University (上海交通大學上海高級金融學院) since December 2011, the part-time professor of Hunan University (湖南大學) since April 2008, the consultant to the government of Dongli District of Tianjin Municipality (天津市東麗區政府顧問) since March 2010, the executive director and general manager of Probest Limited in Hong Kong, the executive director and general manager of Master Energy INC in Hong Kong, and was appointed as the general manager of Shanghai Haigang New City Investment and Development Co., Ltd. (上海海港新城投資開發有限公司) from April 2002 to April 2005. Mr. Cao is an independent non-executive director of (i) Shanghai Jiada Withub Information Industrial Company Limited and (ii) Dongwu Cement International Limited, companies whose shares are listed on the Growth Enterprise Market and the Main Board of the Stock Exchange respectively. He is also an independent director of Inner Mongolia Jinyu Group Stock Company Limited (內蒙古金宇集團股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange. In April 2014, Mr. Cao was appointed as a chairman of SBI China Capital Holdings Limited.

Save as disclosed, Mr. Cao had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Cao has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 18 September 2013 and expiring on 17 September 2016 subject to retirement and re-election under the Articles of Association.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Mr. Cao is not related to any director or senior management or substantial or controlling Shareholders.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

Long position in the Shares and underlying shares of equity derivatives:

Number	Capacity	Approximate percentage of interest in Shares
51,270,000	Corporate – Interest of controlled corporation (<i>Note 1</i>)	5.93%
770,000	Interest of spouse (<i>Note 2</i>)	0.09%
6,000,000	Beneficial owner (<i>Note 3</i>)	0.69%

Notes:

1. These 51,270,000 Shares were held by Probest Limited (“Probest”) which in turn is wholly owned by Mr. Cao. As Mr. Cao is the controlling shareholder of Probest, he is deemed to be interested in these 51,270,000 Shares held by Probest under the SFO.
2. These 770,000 Shares were held by Ms. Zheng Lu who is the wife of Mr. Cao. Accordingly, Mr. Cao is deemed to be interested in these 770,000 Shares under the SFO.
3. These 6,000,000 Shares represent the options of shares granted to Mr. Cao pursuant to the Company’s share option scheme. Accordingly, he is deemed to be interested in these Shares under the SFO.

Save as disclosed above and as at the date of this circular, Mr. Cao does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director’s emoluments and the basis of determining the director’s emoluments; and

Mr. Cao is entitled to an annual emolument of HK\$240,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

In addition, Mr. Cao accepted 6,000,000 share options on 19 November 2013 to subscribe 6,000,000 Shares under and subject to and upon the terms and conditions of the share option scheme adopted by the Company on 14 August 2009.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the re-election of Mr. Cao.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

MR. FUNG WEICHANG (“MR. FUNG”), AGED 65, EXECUTIVE DIRECTOR

Position held in the Company’s group

Mr. Fung was appointed as an executive director on 18 September 2013 and the chief executive officer of the Company on 7 November 2013.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Fung obtained a master degree in business administration from the Santa Clara University in California in the US in 1976. He had worked for MasterCard International from October 1992 to December 2008 and his last position was Executive Vice President and General Manager of the Greater China region for MasterCard International, Asia Pacific Region. From January 2009 to December 2010, Mr. Fung was the Senior Consultant of MasterCard International, Asia Pacific Region. Prior to joining the Company, Mr. Fung provided consultancy services in respect of mobile payment.

Mr. Fung had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Mr. Fung has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 18 September 2013 and expiring on 17 September 2016 subject to retirement and re-election under the Articles of Association.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Mr. Fung is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

Long position in the underlying shares of equity derivatives:

Number	Capacity	Approximate percentage of interest in Shares
2,000,000	Beneficial owner (<i>Note 1</i>)	0.23%

Note:

1. These 2,000,000 Shares represent the options of shares granted to Mr. Fung pursuant to the Company’s share option scheme. Accordingly, Mr. Fung is deemed to be interested in these Shares under the SFO.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Save as disclosed above and as at the date of this circular, Mr. Fung does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Fung is entitled to an annual emolument of HK\$360,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

In addition, Mr. Fung accepted 2,000,000 share options on 19 November 2013 to subscribe 2,000,000 Shares under and subject to and upon the terms and conditions of the share option scheme adopted by the Company on 14 August 2009.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the re-election of Mr. Fung.

MR. XIONG WENSEN ("MR. XIONG"), AGED 46, EXECUTIVE DIRECTOR

Position held in the Company's group

Mr. Xiong was appointed as an executive director and the president of the Company on 3 June 2014.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Mr. Xiong obtained a bachelor's degree in engineering (Computer Science and Technology) (計算機科學與技術) from Tsinghua University (清華大學) in July 1990. Mr. Xiong also obtained a master's degree in business administration from Cheung Kong Graduate School of Business (長江商學院) in December 2004.

Mr. Xiong joined China Merchants Bank from 1990 as the programmer of the computer department at the head office and the deputy general manager until 2003. Mr. Xiong was the deputy general manager (副總經理) of 上海銀商資訊有限公司 (China Union Loyalty Co. Ltd.*) from September 2006 to August 2007; and the president of 開聯信息技術有限公司 (Open Union Information Technology Co. Ltd.*) from October 2007 to October 2008 respectively. From October 2008 up to May 2014, Mr. Xiong had been the vice president and the senior vice president, and the director of 通聯支付網絡服務股份有限公司 (Allinpay Network Service Co., Ltd.*).

Mr. Xiong had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

* For identification purpose only

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Length or proposed length of services with the Company

Mr. Xiong has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 3 June 2014 and expiring on 2 June 2017 subject to retirement and re-election under the Articles of Association.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Mr. Xiong is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

As at the date of this circular, Mr. Xiong does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Mr. Xiong is entitled to an annual emolument of HK\$1,440,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the re-election of Mr. Xiong.

DR. YUAN SHUMIN ("DR. YUAN"), AGED 65, INDEPENDENT NON-EXECUTIVE DIRECTOR

Position held in the Company's group

Dr. Yuan was appointed as an independent non-executive director of the Company on 19 May 2014. Dr. Yuan is the Company's compliance officer, the chairman of the Company's audit committee, the Company's remuneration committee and the Company's internal control committee and a member of the Company's nomination committee and the Company's compliance committee.

Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications

Dr. Yuan was a member of the Chinese Institute of Certified Public Accountants. He obtained a doctorate degree in Science (part-time doctorate program) in the School of Management from Fudan University (復旦大學管理科學系) in January 1998.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Dr. Yuan was the supervisor of teaching department, the assistant supervisor and the assistant dean of the School of Accountancy in Shanghai University of Finance and Economics (上海財經大學會計學院) from 1993 to 2000; and the standing assistant dean and the dean of the School of Adult Education in Shanghai University of Finance and Economics (上海財經大學成人教育學院) from 2000 to 2005. Dr. Yuan has joined the School of Accountancy in Shanghai Finance University (上海金融學院) since September 2005 and had been the president of that School of Accountancy until 2013.

From 2008 to March 2014, Dr. Yuan was an independent director of Shanghai Tofflon Science and Technology Co., Ltd. (上海東富龍科技股份有限公司), whose shares are listed on the Chinext of Shenzhen Stock Exchange. Dr. Yuan is an independent director of (i) Deluxe Family Co., Ltd. (華麗家族股份有限公司); (ii) Shanghai Jiabao Industry & Commerce (Group) Co., Ltd. (上海嘉寶實業(集團)股份有限公司), the shares of these companies are listed on the Shanghai Stock Exchange; and (iii) Shanghai Morn Electric Equipment Co., Ltd. (上海摩恩電氣股份有限公司), the shares of this company are listed on the Shenzhen Stock Exchange.

Dr. Yuan is also an independent non-executive director of Shanghai Jiaoda Withub Information Industrial Company Limited, whose shares are listed on the Growth Enterprise Market of The Stock Exchange.

Save as disclosed, Dr. Yuan had not held any directorship in any other public listed companies or had any other major appointment in the last three years.

Length or proposed length of services with the Company

Dr. Yuan has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from 19 May 2014 and expiring on 18 May 2015 subject to retirement and re-election under the Articles of Association.

Relationships with any directors, senior management or substantial or controlling shareholders of the Company

Dr. Yuan is not related to any director or senior management or substantial or controlling Shareholders.

Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance

As at the date of this circular, Dr. Yuan does not have any interest in the Shares within the meaning of Part XV of the SFO.

Director's emoluments and the basis of determining the director's emoluments; and

Dr. Yuan is entitled to an annual emolument of HK\$72,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

APPENDIX II PARTICULARS OF DIRECTORS FOR RE-ELECTION

Matters that need to be brought to the attention of the shareholders of the Company

Save as disclosed above, there are no further information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company in respect of the re-election of Dr. Yuan.

NOTICE OF ANNUAL GENERAL MEETING

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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Smartpay Group Holdings Limited (the “Company”) will be held at Park Lane Room VI, 27/F, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong, on Friday, 25 July 2014 at 11:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company and the Reports of the Directors and the Auditors for the year ended 31 March 2014.
2.
 - (i) To re-elect Mr. Cheng Nga Ming Vincent as an executive Director;
 - (ii) To re-elect Mr. Cao Guoqi as an executive Director;
 - (iii) To re-elect Mr. Fung Weichang as an executive Director;
 - (iv) To re-elect Mr. Xiong Wensen as an executive Director;
 - (v) To re-elect Dr. Yuan Shumin as an independent non-executive Director;
and
 - (vi) To authorise the remuneration committee of the Company to fix the remuneration of the Directors.
3. To re-appoint Mazars CPA Limited as the auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

4. To consider, and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:-

ORDINARY RESOLUTIONS

A. "THAT:

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue or scrip dividend scheme or similar arrangement of the Company or the exercise of the subscription rights under the share option scheme of the Company shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held;
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

B. **“THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and
- (c) for the purposes of this resolution :

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- C. “**THAT** conditional upon resolution no. 4B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 4B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no.4A above.”

By Order of the Board
China Smartpay Group Holdings Limited
Mr. Tang Wai Leung
Company Secretary

Hong Kong, 25 June 2014

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*
Unit 3202, Citicorp Centre
18 Whitfield Road
Causeway Bay
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. A form of proxy for the meeting is enclosed herewith. Completion and return of the form of proxy will not preclude a member from attending the meeting if he/she so wishes. In the event that a member who has lodged a form of proxy attends the meeting, his/her form of proxy will be deemed to have been revoked.
3. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at Union Registrars Limited, the Hong Kong share registrar of the Company, at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof.

As at the date of this circular, the Board comprises (i) five executive directors, namely, Mr. Cheng Nga Ming Vincent, Ms. Cheng Nga Yee, Mr. Cao Guoqi, Mr. Fung Weichang and Mr. Xiong Wensen; (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.