
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

**(1) PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND TO REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of China Smartpay Group Holdings Limited (the “Company”) to be held at Hotel Jen Room Hibiscus, 2/F., 508 Queen’s Road West, Hong Kong on Friday, 23 August 2019 at 11:00 a.m., is set out on pages 17 to 21 of this circular. A form of proxy for use at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and, in such event, the form of proxy shall be deemed to be revoked.

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 website of the Company at www.chinasmartpay.com.

25 July 2019

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given the companies listed on GEM are generally small and mid-sized companies, 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.

CONTENTS

	<i>Pages</i>
Definitions	1-2
Letter from the Board	
1. Introduction	3-4
2. General Mandates to Issue and Repurchase Shares	4
3. Re-election of Directors	5
4. AGM and Proxy Arrangement	5
5. Recommendation	6
6. Responsibility Statement	6
7. General Information	6
Appendix I — Explanatory Statement Relating to Share Repurchase	7-12
Appendix II — Details of Directors Proposed to be Re-elected at the AGM. ..	13-16
Notice of Annual General Meeting	17-21

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Hotel Jen Room Hibiscus, 2/F., 508 Queen’s Road West, Hong Kong on Friday, 23 August 2019 at 11:00 a.m. or any adjournment thereof;
“Articles of Association”	the articles of association of the Company, as amended from time to time and “Article” shall mean an article of the Articles of Association;
“Board”	the board of Directors;
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	China Smartpay Group Holdings Limited (中國支付通集團控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM;
“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules;
“Director(s)”	director(s) of the Company;
“GEM”	GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“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 PRC;

DEFINITIONS

“Latest Practicable Date”	23 July 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“PRC”	the People’s Republic of China;
“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);
“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;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs; and
“%”	per cent.

LETTER FROM THE BOARD



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. Yan Dinggui (*Executive Deputy Chairman*)

Dr. Cao Guoqi

Mr. Song Xiangping

Non-executive Directors:

Mr. Zhang Huaqiao (*Chairman*)

Independent non-executive Directors:

Mr. Wang Yiming

Mr. Lu Dongcheng

Dr. Yuan Shumin

Dr. Zhou Jinhuang

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:*

Office No. 01, 31st Floor

Hong Kong Plaza

188 Connaught Road West

Hong Kong

25 July 2019

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND TO REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the AGM relating to, inter alia, (i) the Share

LETTER FROM THE BOARD

Issue Mandate and (ii) the Repurchase Proposal and (iii) the re-election of retiring Directors to enable the Shareholders to make informed decisions as to whether to vote for or against the resolutions.

2. 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 total number of the issued Shares 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 to be held, or (iii) the date of revocation or variation of the said resolution by passing an ordinary resolution in a 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 1,644,188,693 Shares. Assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, no more than 328,837,738 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 total number of the issued Shares 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 number of Shares which may from time to time be purchased by the Company pursuant to the Repurchase Proposal to the Share Issue Mandate.

LETTER FROM THE BOARD

3. RE-ELECTION OF DIRECTORS

The Board currently consists of (i) three executive Directors, namely, Mr. Yan Dinggui, Dr. Cao Guoqi and Mr. Song Xiangping; (ii) one non-executive Director, namely Mr. Zhang Huaqiao and (iii) four independent non-executive Directors, namely, Mr. Wang Yiming, Mr. Lu Dongcheng, Dr. Yuan Shumin and Dr. Zhou Jinhuang.

Pursuant to Article 84(1) of the Articles of Association, Mr. Zhang Huaqiao, Dr. Yuan Shumin and Dr. Zhou Jinhuang shall retire as Directors and be eligible for re-election at the AGM. They have offered themselves for re-election at the AGM.

Details of each of Mr. Zhang Huaqiao, Dr. Yuan Shumin and Dr. Zhou Jinhuang are set out in Appendix II to this circular.

4. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 17 to 21 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) the granting of the Share Issue Mandate; (ii) the granting of the Repurchase Proposal and (iii) the re-election of Directors.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the GEM website (www.hkgem.com) and the Company's website (www.chinasmartpay.com) respectively. Whether or not you are able to attend the AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority to the Company's Hong Kong share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and, in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the ordinary resolutions in relation to (i) the Share Issue Mandate, (ii) the Repurchase Proposal and (iii) the re-election of Directors are all in the best interests of the Company and the Shareholders as a whole and therefore, recommends you to vote in favour of all the relevant resolutions to be proposed at the AGM.

6. 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.

7. GENERAL INFORMATION

Your attention is also drawn to the Appendix I (Explanatory Statement Relating to Share Repurchase) and the Appendix II (Details of Directors Proposed to be Re-elected at the AGM) to this circular.

Yours faithfully,

For and on behalf of the Board of

China Smartpay Group Holdings Limited

中國支付通集團控股有限公司

Yan Dinggui

Deputy Executive Chairman

This Appendix I serves as an explanatory statement, as required by the GEM Listing Rules, to provide certain information to you for your consideration of the Repurchase Proposal.

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% 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 164,418,869 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 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.

The Directors believe that the Repurchase Proposal is in the best interests of the Company and the Shareholders. Such repurchases may enhance the net value and/ or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. As compared with the financial position of the Company as at 31 March 2019 (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 close associates and core 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 close associates (as defined in the GEM Listing Rules) has any present intention, in the event that the Repurchase Proposal is approved by the Shareholders, to sell Shares to the Company.

No core connected persons 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.

APPENDIX I**EXPLANATORY STATEMENT
RELATING TO SHARE REPURCHASE**

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders are interested in 5% or more of the issued Shares as recorded in the register of interests in Shares and short positions of the Company under Section 336(1) of Part XV of the SFO:

Name	Capacity/ Nature of interest	Number of Shares (Note 1)	Approximate percentage of shareholding (Note 2)
Mr. Zhang Chang (“ Mr. Zhang ”)	Interest of controlled corporation (Note 3)	170,000,000 (L)	10.34%
	Beneficial owner (Note 3)	93,090,000 (L)	5.66%
Sino Starlet Limited (“ Sino Starlet ”)	Beneficial owner (Note 3)	170,000,000 (L)	10.34%
Vered Capital Limited (“ Vered Capital ”)	Person having a security interest in shares (Note 4)	260,090,000 (L)	15.82%
Mr. Yan Dinggui (“ Mr. Yan ”)	Interest of controlled corporation (Note 5)	490,019,430 (L)	29.80%
上海嘉銀金融服務有 限公司 (“ 上海嘉銀 ”)	Interest of controlled corporation (Note 5)	490,019,430 (L)	29.80%
Bright New Vision Inc (“ BNV ”)	Interest of controlled corporation (Note 5)	490,019,430 (L)	29.80%
Invech Holdings Limited (“ Invech ”)	Beneficial owner (Note 5)	490,019,430 (L)	29.80%
Lujiazui Finance (Hong Kong) Limited	Beneficial owner (Note 6)	114,210,000 (L)	6.95%

Notes:

1. “L” denotes long position.
2. The percentages were calculated based on the Company’s issued share capital of 1,644,188,693 Shares as at the Latest Practicable Date and on the assumption that there is no other change in the issued share capital of the Company.
3. Out of 263,090,000 Shares, 170,000,000 Shares were held by Sino Starlet, which in turn is wholly owned by Mr. Zhang. As Mr. Zhang is the controlling shareholder of Sino Starlet, he is deemed to be interested in these 170,000,000 Shares held by Sino Starlet pursuant to Part XV of the SFO.
4. Information is extracted from the corporate substantial shareholder notices filed by Vered Capital on 27 July 2018. Accordingly to the notices, Vered Capital acquired the security interests of 170,000,000 Shares from Sino Starlet and 90,090,000 Shares from Mr. Zhang on 27 July 2018.
5. Information is extracted from the corporate substantial shareholder notices filed by Invech and BNV on 21 November 2018 and by 上海嘉銀 and Mr. Yan on 26 November 2018. According to the notices, (i) Invech acquired the 103,908,918 Shares held by Jiayin Finance Holding Group Co., Limited and the 292,880,512 Shares held by Gayang (Hong Kong) Co., Limited, and became the beneficial owner of an aggregate of 490,019,430 Shares; (ii) BNV, being the controlling shareholder of Invech, is deemed to be interested in those 490,019,430 Shares; and (iii) As Mr. Yan, an executive Director, is the ultimate controlling shareholder of 上海嘉銀, which in turn is the indirect controlling shareholder of Invech and BNV, both Mr. Yan and 上海嘉銀 are deemed to be interested in those 490,019,430 Shares held by Invech pursuant to Part XV of the SFO.
6. Information is extracted from the corporate substantial shareholder notice filed by Lujiazui Finance (Hong Kong) Limited on 27 July 2018. According to the notice, (i) LJF Payment Company Limited has entered into voluntary liquidation, therefore LJF Payment Company Limited transferred 114,210,000 Shares to its parent company, Lujiazui Finance (Hong Kong) Limited as a result of the liquidation assets processing and (ii) Lujiazui Finance (Hong Kong) Limited or its directors are accustomed or obliged to act in accordance with the directions or instructions of 上海陸家嘴金融發展有限公司, 上海陸家嘴金融貿易區開發股份有限公司 and 上海陸家嘴(集團)有限公司.

In the event the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Proposal, the interest of Mr. Yan, 上海嘉銀, BNV and Invech (“**Mr. Yan’s Group**”) will be increased to approximately 33.11% of the issued share capital of the Company, assuming there is no change in the number of Shares held by Mr. Yan’s Group and there is no other change to the issued share capital of the Company. In the event of such increase, Mr. Yan’s Group may be obliged to make a mandatory offer under Rule 26 of the Takeovers Code as its shareholding percentage would increase to more than 30% of the voting rights of the Company.

Save as disclosed above, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Proposal. Further, the Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such an extent as would trigger a mandatory offer under Rule 26 of the Takeovers Code, or would result in the number of Shares being held by the public falling below the relevant minimum prescribed percentage as required by the Stock Exchange, which is currently 25% of the entire issued share capital of the Company.

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 Latest Practicable Date, no Shares have been repurchased by the Company.

APPENDIX I**EXPLANATORY STATEMENT
RELATING TO SHARE REPURCHASE**

During each of the previous twelve calendar months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on GEM per month were as follows:

Year/Month	Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
2018		
August	0.900	0.790
September	0.860	0.680
October	0.860	0.600
November	0.750	0.590
December	0.650	0.510
2019		
January	0.510	0.425
February	0.500	0.425
March	0.650	0.475
April	0.590	0.470
May	0.490	0.405
June	0.520	0.420
July (up to the Latest Practicable Date)	0.470	0.360

Details of the following Directors who will retire and be eligible for re-election at the AGM in accordance with the Articles of Association are set out as follows:

NON-EXECUTIVE DIRECTOR**Mr. Zhang Huaqiao (“Mr. Zhang”)**

Mr. Zhang, aged 56, was appointed as a non-executive Director and the chairman of the Company in September 2012 and March 2014 respectively and was re-designated as an executive Director with effect from 13 May 2015. He was further re-designated as a non-executive Director with effect from 15 September 2017.

Mr. Zhang served at the Equities Department of UBS AG, Hong Kong Branch from June 1999 to April 2006 with the last capacity as the head and co-head of its China research team. From May 2006 to September 2008, Mr. Zhang served as an executive director of Shenzhen Investment Limited, a company listed on the Main Board of the Stock Exchange. From September 2008 to June 2011, Mr. Zhang worked in UBS AG, Hong Kong with the last capacity as the deputy head of China Investment Banking Department. Mr. Zhang then was appointed as an executive director and chief executive officer of Man Sang Intentional Limited, a company listed on the Main Board of the Stock Exchange, between September 2011 and April 2012.

Currently, Mr. Zhang is an independent non-executive director of Fosun International Limited, Zhong An Real Estate Limited, China Huirong Financial Holdings Limited, Logan Property Holdings Company Limited and Luye Pharma Group Limited, and the shares of the five companies are listed on the Main Board of the Stock Exchange. He was an independent non-executive director of Wanda Hotel Development (169.HK) between September 2014 and May 2018. He was appointed as a director of Nanjing Central Emporium (Group) Stocks Co., Ltd. between March 2013 and June 2015, a company whose shares are listed on the Shanghai Stock Exchange. Between April 2014 and January 2018, Mr. Zhang was an independent non-executive director of Yancoal Australia Limited (ASX: YAL), a company whose shares are listed on the stock exchange in Australia. He was an independent non-executive director of Sinopec Oilfield Service Corporation (1033.HK) between February 2015 to March 2018.

Mr. Zhang obtained a master’s degree in economics from the Financial Research Institute of the People’s Bank of China in 1986 and a master’s degree of economics of development from the Australian National University in 1991.

Mr. Zhang has entered into a letter of appointment with the Company for a term of three years commencing from 15 September 2017 subject to retirement and re-election under the Articles of Association of the Company. Mr. Zhang is entitled to an annual emolument of HK\$480,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

As at the Latest Practicable Date, Mr. Zhang is interested in 25,000,000 Shares, representing approximately 1.52% of the total number of Shares.

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

Save as disclosed above, Mr. Zhang is not related to any director or senior management or substantial or controlling Shareholders.

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 appointment of Mr. Zhang.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. Yuan Shumin (“Dr. Yuan”)

Dr. Yuan, aged 70, was appointed as an independent non-executive Director on 19 May 2014. Dr. Yuan is the Company’s compliance officer, the chairman of the Company’s audit committee, remuneration committee and internal control committee and a member of the Company’s nomination committee and compliance committee.

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. 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 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. Since April 2014 to present, he acts as chief accountant of Sanda University. From June 2007, he acts as an independent non-executive director of Shanghai Jiaoda Withub Information Industrial Company Limited (8205.HK).

Dr. Yuan has entered into a letter of appointment with the Company for a term of one year commencing from 19 May 2017 subject to retirement and re-election under the Articles of Association of the Company. 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.

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.

Save as disclosed above, Dr. Yuan is not related to any director or senior management or substantial or controlling Shareholders.

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.

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 appointment of Dr. Yuan.

Dr. Zhou Jinhuang (“Dr. Zhou”)

Dr. Zhou, aged 53, was appointed as an independent non-executive Director on 8 June 2016. He obtained a Master of Economics from the School of Economics of the Beijing University (北京大學經濟學院) in 1997 and a Doctorate degree in Economics from the Beijing Normal University (北京師範大學) in 2007. He has over 19 years of experience in banking and finance in the PRC. Dr. Zhou is currently the chairman of 京津冀協同票據交易中心股份有限公司. Prior to joining 京津冀協同票據交易中心股份有限公司, Dr. Zhou has been the vice-president of Shanghai Huarui Bank, the deputy director of the payment system department of the People’s Bank of China (人民銀行支付結算司副司長), the director of the general office of the payment system department of the People’s Bank of China (人民銀行支付結算司綜合處處長) and the deputy director and secretary of the secretariat department of the general office of the People’s Bank of China (人民銀行辦公廳秘書處秘書、副處長).

Dr. Zhou has entered into a letter of appointment with the Company for a term of three years commencing from 8 June 2019, subject to retirement by rotation and re-election under the Articles of Association of the Company. Dr. Zhou 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.

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

Save as disclosed above, Dr. Zhou is not related to any director or senior management or substantial or controlling Shareholders.

As at the Latest Practicable, Dr. Zhou is interested in 1,400,000 Shares, represents approximately 0.09% of the total number of Shares.

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 appointment of Dr. Zhou.

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 OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China Smartpay Group Holdings Limited 中國支付通集團控股有限公司 (the “**Company**”) will be held at Hotel Jen Room Hibiscus, 2/F., 508 Queen’s Road West, Hong Kong on Friday, 23 August 2019 at 11:00 a.m. (the “**Meeting**”) for the following purposes:

1. To receive and adopt the audited financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 March 2019.
2.
 - (i) To re-elect Mr. Zhang Huaqiao as a non-executive director of the Company;
 - (ii) To re-elect Dr. Yuan Shumin as an independent non-executive director of the Company;
 - (iii) To re-elect Dr. Zhou Jinhuang as an independent non-executive director of the Company; and
 - (iv) To authorise the remuneration committee of the Company to fix the remuneration of the Directors of the Company.
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, to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

4. 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 total number of issued shares of the Company 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% of the total number of the issued shares of the Company 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; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“**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 total number of issued shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the total number of the issued shares of the Company 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

NOTICE OF ANNUAL GENERAL MEETING

(iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders the Company in general meeting.”

- C. “**THAT** conditional upon resolutions no. 4A and 4B above being passed, the aggregate 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 total number of issued shares of the Company 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

Yan Dinggui

Deputy Executive Chairman

Hong Kong, 25 July 2019

Head Office and Principal Place of Business in Hong Kong:

Office No. 01, 31st Floor

Hong Kong Plaza

188 Connaught Road West

Hong Kong

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

NOTICE OF ANNUAL GENERAL MEETING

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. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting or at any adjournment thereof 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 and transfer office of the Company, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.
4. The register of members of the Company will be closed from Monday, 19 August 2019 to Friday, 23 August 2019, both days inclusive, during which period no share transfers will be effected. In order to ascertain shareholders' rights for attending and voting at the meeting, all transfers accompanied by the relevant share certificates must be lodged with Union Registrars Limited, the Hong Kong share registrar and transfer office of the Company, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 16 August 2019.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.chinasmartpay.com and on the GEM website at www.hkgem.com to notify members of the date, time and venue of the rescheduled meeting.

As at the date of this circular, the Board comprises (i) three executive Directors, namely, Mr. Yan Dinggui, Dr. Cao Guoqi and Mr. Song Xiangping; (ii) one non-executive Directors, Mr. Zhang Huaqiao; and (iii) four independent non-executive Directors, namely, Mr. Wang Yiming, Mr. Lu Dongcheng, Dr. Yuan Shumin and Dr. Zhou Jinhuang.

This notice 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 website of the Company at www.chinasmartpay.com.