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 中国创新支付集团
CHINA INNOVATIONPAY GROUP
China Innovationpay Group Limited
中國創新支付集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 8083)

ANNOUNCEMENT

References are made to the Circular dated 24 January 2011; announcements dated 22 July 2011, 23 October 2011 and 29 March 2012 concerning the Company's very substantial acquisition.

The Board of Directors wishes to update the Shareholders the recent business development of Country Praise Enterprises Limited and its subsidiary (the "CPE" and "CPE Group"). At the inception of the said acquisition, the CPE Group only had a very small portion of agency gift card business. Realized its potential, the CPE management worked hard to develop and extend this stream of business to a trading business which has now become an integral business segment of the Company.

The Board also wishes to advise the Shareholders that the basis for consideration calculation for the different Scenarios as stipulated in the said circular includes the performance of the trading segment as they are part of the CPE Group's businesses.

Reference is also made to the Company's announcement dated 28 June 2012 that an indirect wholly owned subsidiary of the Company has obtained the Certificate for Approval for Payment Business from PBOC pursuant to the Administrative Measures of Payment Services for Non-Financial Institutions 《非金融機構支付服務管理辦法》 and the Detailed Rules for the Implementation of the Administrative Measures of Payment Services for Non-Financial Institutions 《非金融機構支付服務管理辦法實施細則》.

The success in application for the certificate would satisfactorily comfort the auditor's concern as stated in the "Emphasis of Matter" paragraph in the auditor's report for the year ended 31 December 2011. Upon obtaining the certificate, the Company is now at its full force to develop the pre-paid card business.

By Order of the Board
China Innovationpay Group Limited
Guan Guisen
Chairman

Hong Kong, 18 July 2012

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Guan Guisen, Dr. Lei Chunxiong and Mr. Cao Chunmeng; and three independent non-executive Directors, namely Dr. Fong Chi Wah, Mr. Wang Zhongmin and Mr. Gu Jiawang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief 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 for at least 7 days from the date of its posting and on the Company's website at www.innovationpay.com.hk.