
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China Innovationpay Group Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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.

 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)

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

A notice convening the annual general meeting of the Company (the “AGM”) to be held at Yue Function Room, First Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 10:00 a.m. on Friday, 9 June 2017, is set out on pages 16 to 20 of this circular. A form of proxy for use by the shareholders of the Company at the AGM (or any adjournment thereof) is also enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Secretary of the Company at the Company’s principal place of business and head office in Hong Kong at Unit 2708, 27/F., The Center, 99 Queen’s Road Central, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM (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 publication and on the Company’s website at www.innovationpay.com.hk.

31 March 2017

CHARACTERISTICS OF THE 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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Accompanying: Form of proxy for AGM

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Yue Function Room, First Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 10:00 a.m. on Friday, 9 June 2017, notice of which is set out on pages 16 to 20 of this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company as may be amended from time to time
“close associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Company”	China Innovationpay Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on GEM
“core connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto in the GEM Listing Rules
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“General Mandates”	the Issue Mandate and the Repurchase Mandate
“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

“Issue Mandate”	the proposed general mandate to be granted to the Directors at the AGM to allot, issue and deal with new Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution granting such mandate
“Latest Practicable Date”	29 March 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Notice”	the notice convening the AGM as set out on pages 16 to 20 of this circular
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company in issue as at the date of passing of the relevant ordinary resolution granting such mandate
“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 share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Codes on Takeovers and Mergers and Share Buy-backs issued by Securities and Futures Commission, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



Executive Directors:

Guan Guisen
Cao Chunmeng
Yan Xiaotian

Independent Non-Executive Directors:

Fong Chi Wah
Wang Zhongmin
Gu Jiawang

Registered office:

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

Principal place of business

and head office in Hong Kong:

Unit 2708, 27/F
The Center
99 Queen's Road Central
Hong Kong

31 March 2017

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The Shareholders passed the resolutions to grant the general mandates to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares (the "Previous Mandates") at the annual general meeting held on 11 May 2016 in accordance with the GEM Listing Rules. The Previous Mandates will lapse at the conclusion of the AGM. It is therefore proposed that the general mandates to issue and allot Shares and to repurchase Shares be renewed at the AGM.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding (i) the proposed renewal of the general mandates to issue and allot Shares and to repurchase Shares of the Company; (ii) the proposed re-election of Directors and (iii) the proposed re-appointment of auditor of the Company and to seek your approval of the resolutions relating to these matters at the AGM.

2. ISSUE MANDATE

Ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate, and authorise the extension of the Issue Mandate to issue and allot the Shares repurchased by the Company under the Repurchase Mandate, details of which are set out in ordinary resolutions nos. 4 and 6 of the AGM Notice. The Shares of the Company which may be issued and allotted pursuant to the Issue Mandate is limited to a maximum of 20% of the issued share capital of the Company at the date of passing of the resolution approving the Issue Mandate. On the basis that 6,099,310,753 Shares are in issue as at the Latest Practicable Date and no further Shares are issued or repurchased prior to the AGM, exercise in full of the Issue Mandate (without being extended by the number of Shares (if any) repurchased by the Company under the Repurchase Mandate) could result in up to 1,219,862,150 Shares being issued and allotted by the Company.

3. REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution no. 5 of the AGM Notice. The Shares of the Company which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the issued share capital of the Company at the date of passing of the resolution approving the Repurchase Mandate.

An explanatory statement as required under the GEM Listing Rules, in particular Rule 13.08, giving certain information regarding the Repurchase Mandate, is set out in the Appendix I hereto.

4. RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws, Mr. Guan Guisen, Mr. Wang Zhongmin and Mr. Gu Jiawang will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

Saved as disclosed in Appendix II to this Circular, Mr. Guan Guisen, Mr. Wang Zhongmin and Mr. Gu Jiawang have no relationships with any directors, senior management, substantial shareholders, or controlling shareholders of the Company.

LETTER FROM THE BOARD

Pursuant to Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election and appointment is subject to shareholders' approval at the relevant general meeting.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

5. RE-APPOINTMENT OF AUDITORS

Messrs. RSM Hong Kong will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment. The Board proposes to re-appoint Messrs. RSM Hong Kong as the auditors of the Company and to hold office until the conclusion of the next annual general meeting of the Company to be held in 2018.

6. ANNUAL GENERAL MEETING

Notice convening the AGM is set out on page 16 to 20 of this circular. A form of proxy for use by the Shareholders at the AGM is also enclosed.

Whether or not you intend to attend the AGM in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Secretary of the Company at its principal place of business and head office in Hong Kong at Unit 2708, 27/F., The Center, 99 Queen's Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

7. VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the AGM shall be voted by poll.

An announcement on the poll results will be made by the Company after the AGM.

8. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate, the re-election of Directors and the re-appointment of auditors are in the best interests of the Company, the Group and the shareholders as a whole and so recommend the shareholders to vote in favour of the resolutions to be proposed at the AGM. The Directors will vote all their shareholdings in favour of the resolutions.

Yours faithfully,
For and on behalf of
China Innovationpay Group Limited
Guan Guisen
Chairman

The following is the explanatory statement given to all shareholders which is required by Rule 13.08 of the GEM Listing Rules and under the Share Buy Back Rules in connection with the proposed Repurchase Mandate.

(I) GEM LISTING RULES RELATING TO THE REPURCHASE SHARES

The GEM Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognized by the Securities and Future Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

(II) SHARE CAPITAL

As the Latest Practicable Date, the issued share capital of the Company comprised 6,099,310,753 Shares.

(III) THE REPURCHASE PROPOSAL

The resolution set out in Resolution 5 in the notice convening the AGM which will be proposed at the AGM relates to the granting of a general and unconditional mandate (the “Repurchase Mandate”) to the Directors to repurchase, on GEM or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission, Shares up to a maximum of 10% of the issued share capital of the Company at the date of passing the resolution (the “Repurchase Proposal”). Exercise in full of the Repurchase Mandate, on the basis of 6,099,310,753 shares in issue as at the Latest Practicable Date, would result in 609,931,075 shares (representing 10% of the total issued share capital of the Company).

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed to repurchase a maximum of 609,931,075 fully paid-up Shares (representing 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM) during the period ending on the earliest of (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 Bye-Laws or the Companies Act 1981 of Bermuda (as amended) to be held; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of Shareholders in general meeting.

(IV) REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

(V) FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-Laws, the GEM Listing Rules and the applicable laws of Bermuda.

It is envisaged that the funds required for any repurchase of Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

An exercise of the Repurchase Mandate in full might have a material adverse impact on the working capital and gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts as at 31 December 2016) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(VI) SHARE PRICES

The highest and lowest prices at which the Shares have been traded on GEM during each of the twelve months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
March	0.385	0.33
April	0.45	0.315
May	0.42	0.345
June	0.43	0.33
July	0.42	0.36
August	0.435	0.375
September	0.63	0.405
October	0.74	0.58
November	0.71	0.59
December	0.66	0.53
2017		
January	0.63	0.56
February	0.59	0.46
March (up to the Latest Practicable Date)	0.68	0.44

(VII) GENERAL INFORMATION

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Bye-Laws, the GEM Listing Rules and the applicable laws of Bermuda.

- (c) No core connected persons (as defined in the GEM Listing Rules) of the Company has notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, if the Repurchase Mandate is exercised.

(VIII) TAKEOVERS CODE

If as the result of a repurchase of the Shares, a Shareholder 's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder 's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mighty Advantage Enterprises Limited, wholly owned by Mr. Guan Guisen, a substantial shareholder of the Company and an executive Director, held 1,311,792,000 Shares, representing approximately 21.51% of the existing issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, the interest of Mighty Advantage Enterprises Limited in the Company would be increased to approximately 23.9% of the issued share capital of the Company. No obligation to make a mandatory offer under the Takeovers Code would arise.

As at the Latest Practicable Date, the Directors have no present intention to exercise the Repurchase Mandate.

(IX) SHARES PURCHASE MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the GEM or otherwise) in the previous six months prior to the Latest Practicable Date.

The biographical details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Guan Guisen, aged 53, joined the Company on 28 February 2011. Mr. Guan acts as an executive Director, Chairman of the Company. Mr. Guan obtained his bachelor degree from China Central University of Finance and Economics (中央財經大學) in 1984 and a master degree from Graduate School of the People's Bank of China (中國人民銀行研究部) in 1987. Mr. Guan has over twenty years of senior management experience in finance, property development and investment in the PRC.

Mr. Guan was a deputy president of Hainan Technology and Industry Group (海南科工集團) from 1990 to 1994, a deputy president of Taihe Holdings Co., Ltd. (太合控股有限公司) from 2001 to 2003 and a director of China Union Pay Data Services Co., Ltd. (銀聯數據有限公司) from 2002 to 2005. From August 2008, Mr. Guan became the chairman of Beijing Dongsan Jinbi Investment Consultancy Co., Ltd. (北京東森金碧投資諮詢有限公司) and a director of China Union Loyalty Co., Ltd. (上海銀商資訊有限公司) from August 2008 to October 2014. From April 2010 to March 2011, Mr. Guan became the chairman of Beijing Shangyin Investment Consultancy Co., Ltd. (商銀融通(北京)投資諮詢有限公司). Mr. Guan owns the entire equity interest in Beijing Dongsan Jinbi Investment Consultancy Co., Ltd., (北京東森金碧投資諮詢有限公司) an investment company, which in turns ever owned 10.18% equity interest in China Union Loyalty Co., Ltd. (上海銀商資訊有限公司). In October of 2014, Beijing Dongsan Jinbi Investment Consultancy Co., Ltd. (北京東森金碧投資諮詢有限公司) disposed 10.18% equity interest in China Union Loyalty Co., Ltd. (上海銀商資訊有限公司).

Pursuant to a service contract entered into between the Company and Mr. Guan, his appointment as an executive Director is for a term of three years and shall continue thereafter subject to retirement by rotation at least once every three years in accordance with the Company's Bye-laws 99 and is eligible offer himself for re-election as director in the AGM. He is entitled to a director's fee of HK\$2,040,000 per annum, which is determined by the prevailing market conditions and his roles and responsibilities in the Company.

APPENDIX II**BIOGRAPHICAL DETAILS OF DIRECTORS
PROPOSED TO BE RE-ELECTED**

As at the date of this circular, the interests or short positions of Mr. Guan in the Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

Name of Directors	Interest in shares	Interest in underlying shares	Total interest in shares	% Shareholding
Mr. Guan Guisen (<i>Note 1</i>)	1,311,792,000(L)	–	1,311,792,000(L)	21.51%
	1,140,000,000(S)	–	1,140,000,000(S)	18.69%

Note 1:

The shares are held by Mighty Advantage Enterprises Limited (“Mighty Advantage”). Mighty Advantage is incorporated in the British Virgin Islands and is beneficially owned by Mr. Guan Guisen.

Save as disclosed above, as at the Latest Practicable Date Mr. Guan Guisen does not have any interests or short positions in any Shares, underlying Shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He has confirmed that there is no other information relating to his appointment which is required to be disclosed pursuant to Rule 17.50(2)(h) to (w) of the GEM Listing Rules or matters needed to be brought to the attention of the Shareholders. Save as disclosed herein, Mr. Guan has confirmed that he does not hold any other position with the Company and other members of the Group, or any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Mr. Guan does not have any relationship with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and any of their respective associates (as defined under GEM Listing Rules) as at the Latest Practicable Date.

APPENDIX II**BIOGRAPHICAL DETAILS OF DIRECTORS
PROPOSED TO BE RE-ELECTED**

Mr. Wang Zhongmin, aged 67, has a diploma in industrial economic management from The Correspondence School of Renmin University of China (中國人民大學函授學院). Mr. Wang has over 40 years of experience in the coal industry. Mr. Wang worked as the deputy section head of the Finance Department of the Ministry of Coal Industry (煤炭工業部財務司) from 1981 to 1988, the section head of the Finance Department in China National Coal Corporation (中國統配煤礦總公司財務部) from 1988 to 1993, the section head and the deputy head of the Finance and Labor Department of Ministry of Coal Industry (煤炭工業部財務勞資司) from 1993 to 1995, the chairman and the general manager of China Coal Trust Co., Ltd. (中煤信託投資有限責任公司) from 1995 to 2002, the chairman of China Credit Trust Co., Ltd. (中誠信託有限責任公司) from 2002 to 2010 and the chairman of Harvest Fund Management Co., Ltd. (嘉實基金管理有限公司) from 2003 to 2011. He was the first chairman of China Trustee Association (中國信託業協會). He was also appointed as the independent director of Shanghai Datun Energy Resources Co., Limited. (上海大屯能源股份有限公司) (stock code: 600508) and deputy chairman of China National Coal Association (中國煤炭工業協會). Mr. Wang joined the Company in April 2011.

Pursuant to a service contract entered into between the Company and Mr. Wang, his appointment as an independent non-executive Director is for a term of three years and shall continue thereafter subject to retirement by rotation at least once every three years in accordance with the Company's Bye-laws 99 and is eligible offer himself for re-election as director in the AGM. He is entitled to a director's fee of HK\$240,000 per annum, which is determined by the prevailing market conditions and his roles and responsibilities in the Company.

As at the date of this circular, the interests or short positions of Mr. Wang in the Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Interest in shares	Interest in underlying shares	Total interest in shares	% Shareholding
Mr. Wang Zhongmin	1,000,000	3,000,000 (Note)	4,000,000	0.07%

Note: The Company granted the share option under New Share Option Scheme on 11 June 2015.

Save as disclosed above, as at the Latest Practicable Date Mr. Wang Zhongmin does not have any interests or short positions in any Shares, underlying Shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He has confirmed that there is no other information relating to his appointment which is required to be disclosed pursuant to Rule 17.50(2)(h) to (w) of the GEM Listing Rules or matters needed to be brought to the attention of the Shareholders. Save as disclosed herein, Mr. Wang has confirmed that he does not hold any other position with the Company and other members of the Group, or any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Mr. Wang does not have any relationship with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and any of their respective associates (as defined under GEM Listing Rules) as at the Latest Practicable Date.

Mr. Gu Jiawang, aged 65, has accumulated profound knowledge and valuable experience in the mass media industry. Mr. Gu worked as a senior editor, commentator, person in charge of the editing section and the head of the business development department of People's Daily (人民日報). He was also appointed as the chief executive officer of China Huawei Investment Holding Company Limited (中國華聞投資控股有限公司) which is held by People's Daily (人民日報) the chairman of Zhongtai Trust and Investment Co., Ltd. (中泰信託投資有限責任公司), the chairman of Shanghai New Huang Pu (Group) Co., Ltd. (上海新黃浦(集團)有限責任公司) and the chairman of Shenzhen Stock Times Media Limited (深圳證券時報社有限公司). Mr. Gu graduated from the Philosophy Department of Nanjing University. He also obtained a postgraduate diploma after studying two years at the Party School of the Central Committee of C.P.C. Mr. Gu joined the Company in April 2011.

Pursuant to a service contract entered into between the Company and Mr. Gu, his appointment as an independent non-executive Director is for a term of three years and shall continue thereafter subject to retirement by rotation at least once every three years in accordance with the Company's Bye-laws 99 and is eligible offer himself for re-election as director in the AGM. He is entitled to a director's fee of HK\$240,000 per annum, which is determined by the prevailing market conditions and his roles and responsibilities in the Company.

APPENDIX II**BIOGRAPHICAL DETAILS OF DIRECTORS
PROPOSED TO BE RE-ELECTED**

As at the date of this circular, the interests or short positions of Mr. Gu in the Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Interest in shares	Interest in underlying shares	Total interest in shares	% Shareholding
Mr. Gu Jiawang	1,000,000	3,000,000 (Note)	4,000,000	0.07%

Note: The Company granted the share option under New Share Option Scheme on 11 June 2015.

Save as disclosed above, as at the Latest Practicable Date Mr. Gu Jiawang does not have any interests or short positions in any Shares, underlying Shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He has confirmed that there is no other information relating to his appointment which is required to be disclosed pursuant to Rule 17.50(2)(h) to (w) of the GEM Listing Rules or matters needed to be brought to the attention of the Shareholders. Save as disclosed herein, Mr. Gu has confirmed that he does not hold any other position with the Company and other members of the Group, or any other directorship in other listed public companies in Hong Kong or overseas in the last three years.

Mr. Gu does not have any relationship with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and any of their respective associates (as defined under GEM Listing Rules) as at the Latest Practicable Date.

NOTICE OF AGM



NOTICE IS HEREBY GIVEN that the annual general meeting of China Innovationpay Group Limited (the “Company”) will be held at Yue Function Room, First Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 10:00 a.m. on Friday, 9 June 2017 for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31st December 2016.
2. To re-elect retiring directors and authorise the board of directors to fix their remuneration.
3. To re-appoint auditors of the Company and to authorise the board of directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass the following resolutions as ordinary resolutions of the Company:

4. **“THAT**
 - (i) subject to paragraph (iii) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as defined below) 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 (including bonds, warrants and debentures convertible into shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF AGM

- (ii) the approval in paragraph (i) of this resolution 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 powers after the end of the Relevant Period;
- (iii) 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 (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as defined below), (b) the exercise of warrants to subscribe for shares of the Company or the exercise of options granted under any ordinary share option scheme adopted by the Company, or (c) an issue of shares of the Company in lieu of whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and this approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

“Relevant Period” means the period from the date of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Company Act 1981 of Bermuda (amended) or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution in general meeting.

“Rights Issue” means offer of shares of the Company 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 as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to overseas shareholders or 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).”

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5. “THAT

- (i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to repurchase issued shares in the capital of the Company on GEM or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in connection with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on GEM or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and this approval shall be limited accordingly; and
- (iii) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Company Act 1981 of Bermuda (as amended) or any applicable laws to be held; and
- (c) the date on which the authority sets out for this resolution is revoked or varied by an ordinary resolution in general meeting.”

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6. “**THAT** conditional upon ordinary resolutions nos. 4 and 5 above being passed, the aggregate nominal amount of shares of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in ordinary resolution no. 5 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 ordinary resolution no. 4 above.”

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

Hong Kong, 31 March 2017

Head Office and Principal Place of Business:

Unit 2708, 27/F.

The Center

99 Queen's Road Central

Hong Kong

Notes:

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more separate proxies to attend and vote instead of him/her. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company.
2. Where there are joint holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, provided that if more than one of such joint holders be present at the AGM personally or by proxy, the person whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company c/o the Company Secretary at the Company's principal place of business and head office in Hong Kong at Unit 2708, 27/F., The Center, 99 Queen's Road Central, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the AGM and any adjourned meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

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4. An explanatory statement containing further details regarding ordinary resolutions nos. 4 to 6 as required by the Rules Governing the Listing of Securities on GEM is set out in appendix I to the circular of the Company dated 31 March 2017.
5. Particulars of the retiring directors are set out in appendix II to the circular of the Company dated 31 March 2017.
6. A form of proxy for use in connection with the AGM is enclosed with the circular of the Company dated 31 March 2017. Such form is also published on the website of GEM at www.hkgem.com and on the Company's website at www.innovationpay.com.hk.
7. As at the date of this notice, the Board comprises three executive Directors, namely Mr. Guan Guisen, Mr. Cao Chunmeng and Mr. Yan Xiaotian; and three independent non-executive Directors, namely Dr. Fong Chi Wah, Mr. Wang Zhongmin and Mr. Gu Jiawang.