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POLL RESULTS OF THE SPECIAL GENERAL MEETING

Reference is made to the circular (“**Circular**”) of China Innovationpay Group Limited (“**Company**”) dated 2 January 2018. Terms used in this announcement shall have the same meanings as those defined in the Circular.

At the SGM held on 26 January 2018, voting on each of the proposed ordinary resolutions (“**Resolutions**”) as set out in the notice of the SGM contained in the Circular was conducted by poll. The Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, acted as scrutineer for the vote-taking at the SGM.

The Board is pleased to announce that all of the Resolutions were duly passed at the SGM. The poll results in respect of each of the Resolutions are as follows:

Ordinary resolutions	For <i>Number of Shares</i> <i>(Approximate %)</i>	Against <i>Number of Shares</i> <i>(Approximate %)</i>
<p>1. (a) To approve, confirm and ratify the conditional sale and purchase agreement dated 17 March 2017 (as supplemented by the supplemental agreements dated 9 June 2017, 10 July 2017, 11 October 2017, 31 October 2017 and 29 December 2017 respectively) entered into between Whitecrow Investment Ltd., Rory Huang Investment Ltd., V5.Cui Investment Ltd., Youzan Teamwork Inc., Xincheng Investment Limited, Aves Capital, LLC, Tembusu HZ II Limited, Matrix Partners China III Hong Kong Limited, Hillhouse KDWD Holdings Limited, E&A Amigne Investments Limited, Ralston Global Holdings Limited and Puhua Investment Ltd (collectively, the “Sellers”), the Company and Qima Holdings Ltd. (“Target Company”) (the “Sale and Purchase Agreement”, a copy of which has been produced before the meeting marked “A” and initialed by the chairman of the meeting for the purpose of identification) for the sale and purchase of the 621,038,809 ordinary shares in the issued share capital of the Target Company, representing 51% of the issued share capital of the Target Company, which shall be satisfied by the Company by way of allotment and issue of 5,516,052,632 consideration shares of the Company (“Consideration Shares”) to the Sellers in proportion to their shareholding in the Target Company, and the transactions contemplated thereunder and in connection therewith;</p>	<p>635,769,858 (100%)</p>	<p>0 (0%)</p>

<p style="text-align: center;">Ordinary resolutions</p>	<p style="text-align: center;">For <i>Number of Shares</i> <i>(Approximate %)</i></p>	<p style="text-align: center;">Against <i>Number of Shares</i> <i>(Approximate %)</i></p>
<p>(b) subject to the fulfillment of the conditions of the Sale and Purchase Agreement, to authorise any one director of the Company (the “Director”) to exercise all the powers of the Company and to take all steps as might in his opinion be desirable or necessary in connection with the Sale and Purchase Agreement to, including without limitation, allot and issue the Consideration Shares;</p> <p>(c) to approve all other transactions contemplated under the Sale and Purchase Agreement and to authorise any one Director to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as he considers necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Sale and Purchase Agreement, the allotment and issue of the Consideration Shares and to agree to such variation, amendments or waiver of matters relating thereto as are, in the opinion of the such Director, in the interests of the Company and its shareholders as a whole; and</p> <p>(d) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consideration Shares, to confirm and approve the unconditional specific mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Consideration Shares pursuant to the Sale and Purchase Agreement.</p>		

Ordinary resolutions		For <i>Number of Shares</i> <i>(Approximate %)</i>	Against <i>Number of Shares</i> <i>(Approximate %)</i>
2.	Subject to and conditional upon the passing of the resolutions set out as Resolution No.1 in the notice convening the SGM, to approve the ruling letter of Whitewash Waiver (as defined in the circular of the Company dated 2 January 2018 (the “ Circular ”) granted by the Executive (as defined in the Circular) to the Sellers and to authorise any one director of the Company to do all such things and take all such action as he may consider to be necessary or desirable to implement any of the matters relating to or incidental to the Whitewash Waiver (as defined in the Circular).	622,777,858 (97.96%)	12,992,000 (2.04%)
3.	(a) To approve, confirm and ratify the conditional placing agreement dated 17 March 2017 (“ SM Placing Agreement ”) entered in to between the Company as issuer and Oriental Patron Asia Limited as placing agent in relation to the placing of up to 460,000,000 shares (“ SM Placing Share(s) ”) of HK\$0.01 each in the share capital of the Company in accordance with the terms and conditions of the SM Placing Agreement at the placing price of HK\$0.5 to HK0.75 per SM Placing Share (a copy of which has been produced before the meeting marked “B” and initialed by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder;	635,769,858 (100%)	0 (0%)

<p style="text-align: center;">Ordinary resolutions</p>	<p style="text-align: center;">For <i>Number of Shares</i> <i>(Approximate %)</i></p>	<p style="text-align: center;">Against <i>Number of Shares</i> <i>(Approximate %)</i></p>
<p>(b) conditional upon, among others, The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the SM Placing Shares to be allotted and issued under the SM Placing Agreement, to approve the allotment and issue of the SM Placing Shares to the relevant placee(s) in accordance with the terms and conditions of the SM Placing Agreement and to grant the board (the “Board”) of Directors with a specific mandate to allot and issue the SM Placing Shares to the relevant placee(s); and</p> <p>(c) to authorise any one Director to do all such things and acts as he may in his discretion consider as necessary, expedient or desirable for the purpose of or in connection with the implementation of the SM Placing Agreement and the transactions contemplated thereunder, including but not limited to the execution all such documents under seal where applicable, as he considers necessary or expedient in his opinion to implement and/or give effect to the allotment and issue of the SM Placing Shares and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.</p>		

Ordinary resolutions	For <i>Number of Shares</i> <i>(Approximate %)</i>	Against <i>Number of Shares</i> <i>(Approximate %)</i>
<p>4. (a) To approve, confirm and ratify the framework agreement dated 8 April 2017 entered into between Beijing Gaohuitong Commercial Management Co., Ltd. and 杭州有贊科技有限公司 (Hangzhou Youzan Technology Company Limited*) (the “Third Party Payment Services Framework Agreement”) (a copy of which has been produced before the meeting marked “C” and initialed by the chairman of the meeting for identification purpose) and all the transactions contemplated thereunder;</p> <p>(b) to approve, confirm and ratify the annual caps for the maximum aggregate annual value for the transactions contemplated under the Third Party Payment Services Framework Agreement for each of the three financial years ending 31 December 2019 as more particularly set out in the Circular; and</p> <p>(c) to authorise any one director of the Company to do all such things and acts of administrative nature as he may in his discretion consider necessary, expedient or desirable for the purpose of or in connection with the implementation of the Third Party Payment Services Framework Agreement and the transactions contemplated thereunder, including but not limited to the execution of all such documents under seal where applicable, as he considers necessary or expedient in his opinion to implement and/or give effect to the Third Party Payment Services Framework Agreement.</p>	<p>635,769,858 (100%)</p>	<p>0 (0%)</p>

<p style="text-align: center;">Ordinary resolutions</p>	<p style="text-align: center;">For <i>Number of Shares</i> <i>(Approximate %)</i></p>	<p style="text-align: center;">Against <i>Number of Shares</i> <i>(Approximate %)</i></p>
<p>5. (a) To approve, confirm and ratify the loan agreement dated 8 April 2017 (as supplemented by the supplemental loan agreement dated 29 November 2017) entered into between the Company and the Target Company (the “Loan Agreement”) (a copy of which has been produced before the meeting marked “D” and initialed by the chairman of the meeting for identification purpose) and all the transactions contemplated thereunder;</p> <p>(b) to approve, confirm and ratify the annual caps for the maximum aggregate annual value for the transactions contemplated under the Loan Agreement for each of the three financial years ending 31 December 2020 as more particularly set out in the Circular; and</p> <p>(c) to authorise any one director of the Company to do all such things and acts of administrative nature as he may in his discretion consider necessary, expedient or desirable for the purpose of or in connection with the implementation of the Loan Agreement and the transactions contemplated thereunder, including but not limited to the execution of all such documents under seal where applicable, as he considers necessary or expedient in his opinion to implement and/or give effect to the Loan Agreement.</p>	<p style="text-align: center;">635,769,858 (100%)</p>	<p style="text-align: center;">0 (0%)</p>

Notes:

1. The percentage of votes is based on the total number of Shares held by the Shareholders who voted at the SGM in person or by corporate representative or proxy.

The total number of issued Shares as at the date of the SGM was 6,978,955,197. In accordance with the Listing Rules and the Takeovers Code, Mighty Advantage Enterprises Limited and parties acting in concert with it, the Sellers and their respective concert parties, and the Directors were required to abstain and had abstained from voting on the Resolutions at the SGM. To the best knowledge of the Directors, as at the date of the SGM, the aggregate shareholding of the Shareholders who were required to abstain from voting at the SGM was 1,403,852,000 Shares. The total number of Shares entitling the Independent Shareholders to attend and vote for or against the Resolutions as set out in the above table at the SGM was 5,575,103,197.

Save as disclosed above, (i) no Shareholders had stated their intention in the Circular to vote against or abstain from voting on the Resolutions at the SGM; (ii) there was no Share entitling the holder to attend and abstain from voting in favour at the SGM as set out in Rule 13.40 of the Listing Rules; and (iii) no Shareholders are required under the Listing Rules to abstain from voting.

The Executive has granted the Whitewash Waiver subject to (i) the approval of the issue of the Consideration Shares and the SM Placing Shares by a vote of the Independent Shareholders taken by way of poll at the SGM; and (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights being made by each of the Sellers and parties acting in concert with any of them between the date of the Announcement, i.e. 17 March 2017, and the date of Completion.

CHANGES TO THE SHAREHOLDING AS A RESULT OF THE ACQUISITION AND THE SM PLACING

As at the date of this announcement, the Company has 6,978,955,197 Shares in issue. Set out below is a table showing the shareholding structure of the Group (i) as at the date of this announcement; (ii) immediately after the allotment and issue of all SM Placing Shares; (iii) immediately after the allotment and issue of the Consideration Shares; and (iv) immediately after the allotment and issue of the Consideration Shares and all the SM Placing Shares.

Name of the shareholder of the Company	As at the date of this announcement		After the allotment and issue of all SM Placing Shares		After the allotment and issue of the Consideration Shares		After the allotment and issue of the Consideration Shares and all SM Placing Shares	
	Number of shares held	Approximate shareholding percentage	Number of shares held	Approximate shareholding percentage	Number of shares held	Approximate shareholding percentage	Number of shares held	Approximate shareholding percentage
Mighty Advantage Enterprises Limited (Note 1)	1,311,792,000	18.80%	1,311,792,000	17.63%	1,311,792,000	10.50%	1,311,792,000	10.13%
Cao Chunmeng (Note 2)	67,420,000	0.97%	67,420,000	0.91%	67,420,000	0.54%	67,420,000	0.52%
Yan Xiaotian (Note 2)	21,640,000	0.31%	21,640,000	0.29%	21,640,000	0.17%	21,640,000	0.17%
Fong Chi Wah (Note 3)	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%
Wang Zhongmin (Note 3)	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%
Gu Jiawang (Note 3)	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%	1,000,000	0.01%
Central Huijin Investment Limited (Note 1)	48,640,000	0.70%	48,640,000	0.65%	48,640,000	0.39%	48,640,000	0.38%
Sellers								
Whitecrow Investment	-	-	-	-	1,440,601,703	11.53%	1,440,601,703	11.12%
Rory Huang	-	-	-	-	407,543,167	3.26%	407,543,167	3.15%
V5.Cui Investment	-	-	-	-	241,885,127	1.94%	241,885,127	1.87%
Youzan Teamwork	-	-	-	-	363,170,101	2.91%	363,170,101	2.80%
Xincheng Investment	-	-	-	-	370,607,335	2.97%	370,607,335	2.86%
Aves Capital	-	-	-	-	201,123,478	1.61%	201,123,478	1.55%
Tembusu HZ	-	-	-	-	905,961,684	7.25%	905,961,684	6.99%
Matrix Partners China III	-	-	-	-	391,846,533	3.14%	391,846,533	3.02%
Hillhouse KDWD	-	-	-	-	700,848,478	5.61%	700,848,478	5.41%
E&A Amigne	-	-	-	-	337,131,570	2.70%	337,131,570	2.60%
Ralston Global	-	-	-	-	77,666,728	0.62%	77,666,728	0.60%
Puhua Investment	-	-	-	-	77,666,728	0.62%	77,666,728	0.60%
Sub-total	-	-	-	-	5,516,052,632	44.16%	5,516,052,632	42.57%
SM Placees	-	-	460,000,000	6.18%	-	-	460,000,000	3.55%
Other public shareholders	5,526,463,197	79.19%	5,526,463,197	74.31%	5,526,463,197	44.21%	5,526,463,197	42.65%
Sub-total	5,526,463,197	79.19%	5,986,463,197	80.49%	5,526,463,197	44.21%	5,986,463,197	46.20%
Total	6,978,955,197	100.00%	7,438,955,197	100.00%	12,495,007,829	100.00%	12,955,007,829	100.00%

Notes:

1. Mighty Advantage Enterprises Limited (“**Mighty Advantage**”) is beneficially owned by Mr. Guan Guisen, who is an executive Director. Based on the best knowledge and information of the Directors as at the Latest Practicable Date, Mighty Advantage has a short position of 1,140,000,000 Shares under a legal charge in connection with certain financing provided by Chance Talent Management Limited to Mighty Advantage. Chance Talent Management Limited is a wholly owned subsidiary of the China Construction Bank Corporation which is in turn controlled by Central Huijin Investment Limited.
2. Each of Mr. Cao Chunmeng and Mr. Yan Xiaotian is an executive Director.
3. Each of Dr. Fong Chi Wah, Mr. Wang Zhongmin and Mr. Gu Jiawang is an independent non-executive Director.

Further announcement(s) will be made by the Company upon Completion and SM Placing Completion.

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

Hong Kong, 26 January 2018

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Guan Guisen, Mr. Cao Chunmeng and Mr. Yan Xiaotian; and four independent non-executive Directors, namely Dr. Fong Chi Wah, Mr. Wang Zhongmin (suspended), Mr. Gu Jiawang and Mr. Xu Yanqing.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omissions of which would make any statement in this announcement misleading.

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.