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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Credit China Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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中国信贷
CREDIT CHINA

CREDIT CHINA HOLDINGS LIMITED
（中國信貸控股有限公司）

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8207)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF 60.3% INTEREST IN CHINA RUNKING FINANCING GROUP HOLDINGS LIMITED AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

大有融資有限公司
MESSIS CAPITAL LIMITED

A notice convening an extraordinary general meeting of Credit China Holdings Limited to be held at Huashan Room, Level 5, Island Shangri-La, Hong Kong at Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 15 December 2014 at 10:30 a.m. is set out on pages 44 to 45 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular. Such form of proxy is also published on the websites of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (www.hkgem.com) and the Company (www.creditchina.hk).

Whether or not you are able to attend the extraordinary general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of posting and on the website of the Company on www.creditchina.hk.

24 November 2014

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "EXCHANGE")

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 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

DEFINITIONS

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

"Announcement"	the announcement of the Company dated 26 October 2014 in relation to the Disposal
"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of Directors
"Business Day"	a day on which licensed banks in Hong Kong are generally open for normal banking business throughout their normal business hours (excluding a Saturday, Sunday or public holiday)
"BVI"	the British Virgin Islands
"China Fortune"	China Fortune Financial Group Limited (stock code: 290), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
"China Runking"	China Runking Financing Group Holdings Limited (formerly known as Media Eagle Limited), a company incorporated in Hong Kong with limited liability, which is owned as to 60.3% by Jovial Lead, 25% by Gold Kingdom, 9.7% by Full Plus and 5% by Profounders as at the Latest Practicable Date
"China Runking Group"	China Runking and its subsidiaries
"China Runking Shares"	shares of HK$1.00 each in the share capital of China Runking
"Company"	Credit China Holdings Limited (stock code: 8207), an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed and traded on GEM
"connected person"	has the meaning ascribed to it under the GEM Listing Rules
"Completion"	completion of the Disposal
"Director(s)"	the director(s) of the Company

"Disposal"	the disposal of 60.3% equity interest in China Runking by Jovial Lead pursuant to the terms and conditions of the Offer Letter and its acceptance
"EGM"	the extraordinary general meeting of the Company to be held at Huashan Room, Level 5, Island Shangri-La, Hong Kong at Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 15 December 2014 at 10:30 a.m., to consider and, if appropriate, to approve the resolution contained in the notice of the meeting which is set out on pages 44 to 45 of this circular, or any adjournment thereof
"Full Plus"	Full Plus Group Limited, a company incorporated in the BVI with limited liability, which is interested in 9.7% equity interest in China Runking as at the Latest Practicable Date and the entire issued share capital of which is legally and beneficially owned by Mr. Yam Tak Cheung
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Gold Kingdom"	Gold Kingdom Holdings Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of China Fortune, which is interested in 25% equity interest in China Runking as at the Latest Practicable Date
"Group"	the Company and its subsidiaries
"Hackett"	Hackett Enterprises Limited, a company incorporated in the Republic of Seychelles with limited liability, which is indirectly and wholly-owned by Mr. Ting
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee of the Company formed by all the independent non-executive Directors, namely Messrs. Ge Ming, Peter Z Kuk and Wang Wei to advise the Independent Shareholders in respect of the Disposal

"Independent Financial Adviser"	Messis Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal
"Independent Shareholders"	Shareholders other than Hackett, Mr. Ting and their respective associates including Kaiser Capital, who are required by the GEM Listing Rules to abstain from voting on the resolutions approving the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder
"Latest Practicable Date"	21 November 2014, being the last practicable date for ascertaining certain information included in this circular
"Jovial Lead"	Jovial Lead Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company
"Kaiser Capital"	Kaiser Capital Holdings Limited, a company incorporated in the BVI with limited liability, which is wholly-owned by Mr. Ting and holds approximately 9.97% issued share capital of the Company
"Mr. Ting"	Mr. Ting Pang Wan, Raymond, a Substantial Shareholder and a former executive Director and co-chairman (who resigned on 7 July 2014) of the Company
"Offer Letter"	an offer letter dated 24 October 2014 and issued by Hackett to Jovial Lead in relation to the Disposal
"Percentage Ratios"	the percentage ratios set out in Rule 19.08 to be applied for determining the classification of a transaction under the GEM Listing Rules
"PRC"	the People's Republic of China which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"Profounders"	Profounders Project I Limited, a company incorporated in the BVI with limited liability, which is interested in 5% equity interest in China Runking as at the Latest Practicable Date
"Right of Co-Sale"	the right of co-sale granted to current shareholders of China Runking, under the Shareholders' Agreement, pursuant to which in the event that any shareholder of China Runking proposes to sell any of China Runking Shares representing not less than 20% of the issued share capital of China Runking, the non-selling shareholder(s) of China Runking, who does not exercise the Right of First Refusal shall have a right of co-sale to participate in such sale on the same terms and conditions
"Right of First Refusal"	the right of first refusal granted to current shareholders of China Runking, under the Shareholders' Agreement, pursuant to which in the event that any shareholder of China Runking proposes to sell any of China Runking Shares, the non-selling shareholder(s) of China Runking shall have a right of first refusal to purchase such China Runking Shares on the same terms and conditions
"Sale Shares"	141,102,000 China Runking Shares, being 60.3% of the issued share capital of China Runking as at the Latest Practicable Date
"Shareholders"	holder(s) of the issued Shares
"Shareholders' Agreement"	the shareholders' agreement entered into amongst Gold Kingdom, Jovial Lead, Full Plus and Profounders, being all the existing shareholders of China Runking, in relation to the management of China Runking and its relationship with each of its shareholders
"Share(s)"	ordinary share(s) of HK$0.10 each in the capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the GEM Listing Rules
"Substantial Shareholder"	has the meaning ascribed to it under the GEM Listing Rules
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent

中国信贷
CREDIT CHINA

CREDIT CHINA HOLDINGS LIMITED
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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8207)

Executive Directors:
Mr. Phang Yew Kiat *(Vice-Chairman and Chief Executive Officer)*
Mr. Chng Swee Ho
Mr. Sheng Jia
Ms. Shen Li

Non-executive Directors:
Mr. Li Mingshan *(Chairman)*
Mr. Li Gang
Mr. Wong Sai Hung

Independent Non-executive Directors:
Mr. Ge Ming
Mr. Peter Z Kuk
Mr. Wang Wei

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

Principal Place of Business in Hong Kong:
Rooms 3533-39, Level 35,
Two Pacific Place,
88 Queensway,
Hong Kong

24 November 2014

To the Shareholders

Dear Sir/Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO
THE DISPOSAL OF 60.3% INTEREST IN
CHINA RUNKING FINANCING GROUP HOLDINGS LIMITED
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Announcement.

On 24 October 2014 (after trading hours of the Stock Exchange), Jovial Lead, a subsidiary of the Company, had received the Offer Letter from Hackett offering to purchase the Sale Shares from Jovial Lead for a cash consideration of HK$192,698,000. The offer was accepted by Jovial Lead subject to the terms and conditions of the Offer Letter and its acceptance.

The purpose of this circular is to provide Shareholders (i) further particulars of the Disposal; (ii) the letter from the Independent Board Committee with its recommendation to the Independent Shareholders in respect of the Disposal; (iii) the letter from the Independent Financial Adviser with its advice and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Disposal; and (iv) a notice of the EGM.

2. OFFER LETTER

Date

24 October 2014

Parties

Vendor:	Jovial Lead, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company. Jovial Lead is principally engaged in investment holding.
Purchaser:	Hackett, a company incorporated in the Republic of Seychelles with limited liability, which is wholly-owned by Mr. Ting, a Substantial Shareholder and a former executive Director and co-chairman (who resigned on 7 July 2014) of the Company and thus a connected person of the Company. Hackett is principally engaged in investment holding.

Subject matter

Pursuant to the terms and conditions of the Offer Letter which have been accepted by Jovial Lead, Jovial Lead has conditionally agreed to sell and Hackett has conditionally agreed to purchase the Sale Shares.

Consideration

The consideration for the sale and purchase of the Sale Shares is HK$192,698,000 of which HK$100,000,000 is payable by Hackett to Jovial Lead in cash at Completion and HK$92,698,000 is payable by Hackett to Jovial Lead in cash on or before 31 March 2015.

The payment in two instalments was a term offered by Hackett in the Offer Letter which is considered a normal commercial term by the Company for the reasons that (i) the Company will receive more than half of the consideration at Completion; (ii) the balance of the consideration will be paid by Hackett within three to four months after Completion, which is a reasonable period; and (iii) the full amount of the consideration will be settled by Hackett in cash.

The consideration of HK$192,698,000 was offered by Hackett in the Offer Letter which is considered fair and reasonable by the Company based on the unaudited net assets value of the China Runking Group as at 30 September 2014 of approximately HK$319,566,000 and the consideration (for 60.3% of the issued share capital of China Runking) represents a price-earnings ratio of approximately 10.6 times of the audited consolidated net profit of the China Runking Group of approximately HK$30,111,000 for the year ended 31 December 2013.

The Company has reviewed the price-earnings ratios and the price-to-book ratios as at 24 October 2014 (being the date of the Offer Letter) of China Huirong Financial Holdings Limited (stock code: 1290) ("**China Huirong**"), Far East Horizon Limited (stock code: 3360) ("**Far East**") and Differ Group Holding Company Limited (stock code: 8056) ("**Differ**") which are principally engaged in business that are closely comparable with that of the China Runking Group, namely, the provision of loan financing (other than banking) in the PRC, for their latest financial year; and having the majority (more than 50%) of their consolidated revenue being derived from interest income from the provision of loan financing for their latest financial year.

The Company notes that Differ's price-earnings ratio and price-to-book ratio as at 24 October 2014 (being the date of the Offer Letter) is significantly higher than those of China Huirong and Far East. According to Differ's latest interim report for the six months ended 30 June 2014, the Company notes that its net profit increased by approximately 83.8%. The Company also notes from the positive profit alert announcement of Differ dated 22 October 2014 that Differ's net profit is expected to increase by more than 90% for the nine months ended 30 September 2014 as compared to the net profit of the corresponding period ended 30 September 2013. The Company therefore considers that Differ's valuation as perceived by the market and thus its significantly higher historical price-earnings and price-to-book ratio than those of China Huirong and Far East are due to factors specific to Differ's own circumstances and are not reflective of the industry average. As such, the Company does not make reference to Differ's price-earnings ratio and price-to-book ratio.

The price-earnings ratio of approximately 10.6 times is the highest amongst the 8.30 times of China Huirong and the 9.05 times of Far East as at 24 October 2014 (being the date of the Offer Letter). The Company therefore considers that the price-earnings ratio of approximately 10.6 times is fair and reasonable.

The consideration of HK$192,698,000 is based on the unaudited net assets value of the China Runking Group attributable to Jovial Lead's 60.3% interest in China Runking as at 30 September 2014 and represents a price-to-book ratio of 1.00 time. The Company considers that such basis is fair and reasonable since (i) the Disposal at such consideration will allow the Company to realise its investment in the China Runking Group at full book value; (ii) the consideration will be settled wholly in cash without any non-cash payment; (iii) the Company will be able to apply the net cash proceeds as the general working capital of its internet finance business which has better prospectus for growth and profitability; and (iv) the price-to-book ratio of 1.00 time is comparable to the average price-to-book ratio of approximately 1.01 time of China Huirong and Far East as at 24 October 2014 (being the date of the Offer Letter).

Conditions precedent of the Disposal

Completion is subject to the fulfillment of the following conditions precedent:

(a) all necessary consents, licences and approvals required to be obtained on the part of Jovial Lead in respect of the Disposal and the transactions contemplated hereunder having been obtained and remaining in full force and effect;

(b) the Right of First Refusal and the Right of Co-Sale under the Shareholders' Agreement having been waived by each of Gold Kingdom, Full Plus and Profounders or having expired;

(c) the Independent Shareholders having passed the necessary resolutions at the EGM to approve the offer under the Offer Letter and its acceptance and the transactions contemplated thereunder; and

(d) the offer made by Hackett for 22,698,000 shares in China Runking held by Full Plus as set out in the offer letter issued by Hackett to Full Plus having been accepted by Full Plus and become unconditional (save for the condition in relation to the offer under the Offer Letter).

None of the above conditions precedent are capable of being waived by Jovial Lead or Hackett. If the above conditions precedent have not been satisfied at or before 4:00 p.m. on 30 November 2014 (or such later date as agreed between Jovial Lead and Hackett), the agreement under the Offer Letter and Jovial Lead's acceptance will cease and determine and thereafter neither party shall have any obligations and liabilities towards each other save for any antecedent breaches.

As at the Latest Practicable Date, none of the above conditions precedent had been fulfilled.

Completion

Completion shall take place at 4:00 p.m. within three (3) Business Days after all the conditions precedent set out in the Offer Letter have been fulfilled or such other time as may be agreed between Jovial Lead and Hackett in writing.

Upon Completion, the China Runking Group will cease to be subsidiaries of the Company and its financial results will no longer be consolidated in the consolidated financial statements of the Group.

3. FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Based on the unaudited net assets value of the China Runking Group as at 30 September 2014, no gain or loss on the Disposal is expected to be recorded in the books of the Group.

The net proceeds from the Disposal will be used as general working capital of the Group's internet finance business.

4. INFORMATION ON THE CHINA RUNKING GROUP

The China Runking Group is principally engaged in micro-loan financing services in Chongqing City, the PRC. As at the Latest Practicable Date, China Runking is owned as to 60.3% by Jovial Lead, as to 25% by Gold Kingdom, 9.7% by Full Plus and 5% by Profounders.

Financial information of China Runking

Set out below is the consolidated financial information of China Runking and its subsidiaries for the two years ended 31 December 2012 and 2013 respectively:

	For the year ended 31 December	
	2012	**2013**
	(Audited)	(Audited)
	HK$'000	*HK$'000*
Turnover	45,678	63,813
Net profit before tax attributable to all shareholders of China Runking	36,616	37,921
Net profit after tax attributable to all shareholders of China Runking	28,019	30,111
Net assets	24,828	294,795

The China Runking Group commenced its micro-loan financing business in 2012. At the initial stage of the development of its micro-loan financing business, the China Runking Group utilised its idle funds by lending real estate-backed loans to a number of customers. Therefore, the turnover of the China Runking Group for the year ended 31 December 2012 was mainly contributed by real estate-backed loans in large loan amounts which were secured and required less administrative effort and manpower to manage. As the micro-loan financing business developed in 2013, the turnover of the China Runking Group for the year ended 31 December 2013 was mainly contributed by micro loans with significantly smaller loan amounts which were generally unsecured. As such, the administrative and manpower costs for the year ended 31 December 2013 were significantly higher than those for the year ended 31 December 2012 and the net profit margin decreased considerably for the year ended 31 December 2013.

The significant increase in net assets value from HK$24,828,000 as at 31 December 2012 to HK$294,795,000 as at 31 December 2013 was due to the capitalisation of the shareholders' loans in the aggregate amount of approximately HK$234,000,000 during the year ended 31 December 2013.

5. REASONS FOR AND BENEFITS OF THE DISPOSAL

The principal activities of the Group are provision of pawn loan service, entrusted loan service, real estate-backed loan service, microfinance service, other loan service and financing consultancy service, P2P loan consultancy service and online third party payment service.

The Disposal represents a good opportunity to the Group to realise its investment in the China Runking Group so that the Group may utilise its resources and funds to strengthen the area of internet finance business, which has better potential for growth.

The Group reset the strategy on the traditional financing business and made significant progress on the internet finance business this year. Balancing both types of activity allows the Group continually to improve its track record, while managing its balance sheet exposure and the cyclicality of the industry. The business of the China Runking Group is capital-intensive and requires much more manpower and administrative effort to manage. The planned disposal of the China Runking Group is in line with the Group's strategy on restructuring its non-core assets, strengthening its capital position and reducing its exposure to credit risk. In addition, the realization of the investment in the China Runking Group at the net assets value of the China Runking Group will generate a cash inflow of HK$192,698,000 to the Group for the working capital of the Group's internet finance business.

The Company will continue to focus on the internet finance business since with the development of internet, the rising of internet financing is an undeniable fact. According to some market statistics in 2013, small and medium enterprises which accounted for 70 percent of the community of the PRC could only get less than 20 percent of the total loans granted by financial institution. This proves that the traditional banking and financing system does not fully satisfy the need in the market. For the nine months ended 30 September 2014, the Group has recorded exponential growth in the traffic and transaction volume of the internet finance businesses. With this encouraging results, the Group believes that it is in the right direction to build its presence in internet financing and hence will focus its resources in this area of business.

After Completion, the Group will continue the micro-loan financing services business (being its on-going micro-financing business other than that operated by the China Runking Group) but will readjust the scale of such business in accordance with the Group's strategy and business focus (i.e. to focus on the development of its internet finance business). The Group's plan to dispose of its interest in the China Runking Group is a step for the readjustment of the scale of the micro-loan financing services business. The readjustment is consistent with its strategy to better deploy the resources and capitals on internet finance business.

The Company had previously approached Gold Kingdom, Full Plus and Profounders to enquire about their interest in acquiring the Jovial Lead's interest in China Runking but none of them indicated that they intended to acquire Jovial Lead's interest in China Runking. To the best of the Company's knowledge, Full Plus has accepted the conditional offer made by Hackett for the purchase of 22,698,000 shares in China Runking held by Full Plus.

The Company has not approached other potential buyers and has not considered an open tender bid for the Sale Shares since (i) the chances for successfully identifying a suitable buyer offering a higher price or receiving bids with a higher price under an open tender before the lapse of the offer under the Offer Letter were slim; (ii) China Runking is a private company and it is very difficult to find a buyer to acquire only part of the interest in China Runking especially when such buyer is not familiar with other shareholders of China Runking; and (iii) the Company only wishes to sell Jovial Lead's interest in China Runking to a person with sufficient experience and expertise in the micro-loan financing business to ensure that the sale of Jovial Lead's interest in China Runking will not cause any disruption to the business of the China Runking Group to protect the interest of the customers of the China Runking Group.

None of the Directors (including the independent non-executive Directors) has any material interests in the Disposal and was not required to abstain from voting on the Board resolutions approving the Disposal.

6. GEM LISTING RULES IMPLICATIONS

As some of the applicable Percentage Ratio(s) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Rule 19.06 of the GEM Listing Rules.

As Hackett is wholly-owned by Mr. Ting and Mr. Ting is a Substantial Shareholder and a former executive Director and co-chairman (who resigned on 7 July 2014) of the Company and hence a connected person of the Company, the Disposal constitutes a connected transaction of the Company under Rule 20.13 of the GEM Listing Rules. The Disposal is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

7. INDEPENDENT BOARD COMMITTEE

An Independent Board Committee consisting all of the independent non-executive Directors, who have no interest in the Disposal, has been formed to advise the Independent Shareholders as to whether or not the terms of the Offer Letter and the Disposal are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole. Messis Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

8. EGM

The notice of EGM is set out on pages 44 to 45 of this circular. At the EGM, resolutions will be proposed to approve, inter alia, the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder.

As at the Latest Practicable Date, Mr. Ting and his respective associates including Kaiser Capital are regarded as having material interest in the Disposal and therefore they are required to abstain from voting in respect of the 341,500,000 Shares held by them on the resolution(s) proposed to be passed at the EGM for approving the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder.

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

A form of proxy for use at the EGM 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.creditchina.hk) respectively. Whether or not you are able to attend the EGM, 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 Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

9. RECOMMENDATION

The Directors (excluding the independent non-executive Directors whose view is included in the section titled "Letter from the Independent Board Committee" in this circular) consider that the Disposal is on normal commercial terms and the terms of the Disposal under the Offer Letter and its acceptance are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors (excluding the independent non-executive Directors whose view is included in the section titled "Letter from the Independent Board Committee" in this circular) recommend the Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of EGM.

10. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 14 and 15 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM and the letter from the Independent Financial Adviser set out on pages 16 to 37 of this circular which contains its advice to the Independent Board Committee and Independent Shareholders in relation to the Offer Letter and the transactions contemplated thereunder.

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
On behalf of the Board
Credit China Holdings Limited
Phang Yew Kiat
Vice-Chairman and Chief Executive Officer

中国信贷
CREDIT CHINA

CREDIT CHINA HOLDINGS LIMITED
（中國信貸控股有限公司）

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8207)

24 November 2014

To the Independent Shareholders

Dear Sir/Madam

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF 60.3% INTEREST IN CHINA RUNKING FINANCING GROUP HOLDINGS LIMITED AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

We refer to the circular of the Company dated 24 November 2014 (the "**Circular**") of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter when used herein unless the context otherwise requires.

The Independent Board Committee has been constituted to, among other things, give recommendations to the Independent Shareholders in respect of the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder. Messis Capital Limited has been appointed as the independent financial adviser to advise us in this respect. Details of its advice, together with the principal factors and reasons taken into consideration in arriving at such advices, are set out in its letter on pages 16 to 37 of the Circular, and the additional information set out in other sections of and appendices to the Circular.

Having considered the terms of the Disposal pursuant to the terms and conditions of the Offer Letter as well as the advice and recommendations of Messis Capital Limited as set out in its letter of advice, we consider that the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder are fair and reasonable as far as the Independent Shareholders are concerned. The Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder are in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders to vote in favor of the resolutions to be proposed at the EGM to approve the Disposal pursuant to the terms and conditions of the Offer Letter and its acceptance and the transactions contemplated thereunder.

Yours faithfully,
Independent Board Committee
CREDIT CHINA HOLDINGS LIMITED
（中國信貸控股有限公司）

Mr. Ge Ming **Mr. Peter Z Kuk** **Mr. Wang Wei**
Independent non-executive Directors

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders for inclusion in this circular.

大有融資有限公司
MESSIS CAPITAL LIMITED

24 November 2014

To: The Independent Board Committee and
the Independent Shareholders of Credit China Holdings Limited

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RESPECT OF THE DISPOSAL OF 60.3% INTEREST IN CHINA RUNKING FINANCING GROUP HOLDINGS LIMITED

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with the Disposal, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 24 November 2014 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 24 October 2014, Jovial Lead, an indirect wholly-owned subsidiary of the Company, had received the Offer Letter from Hackett offering to purchase the Sale Shares from Jovial Lead for a cash consideration of HK$192,698,000. The offer was accepted by Jovial Lead subject to the terms and conditions of the Offer Letter, pursuant to which Jovial Lead has conditionally agreed to sell and Hackett has conditionally agreed to purchase the Sales Shares at a total consideration of HK$192,698,000, of which HK$100,000,000 is payable by Hackett to Jovial Lead in cash at Completion and HK$92,698,000 is payable by Hackett to Jovial Lead in cash on or before 31 March 2015.

The Sale Shares represent 60.3% of the issued share capital of China Runking. As at the Latest Practicable Date, China Runking is owned as to 60.3% by Jovial Lead, as to 25% by Gold Kingdom, as to 9.7% by Full Plus, and as to 5% by Profounders. Upon the Completion, the China Runking Group will cease to be subsidiaries of the Company.

As some of the applicable Percentage Ratios in respect of the Disposal exceeds 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company. As Hackett is wholly owned by Mr. Ting, who is a Substantial Shareholder and a former executive Director and co-chairman (who resigned on 7 July 2014) of the Company, Hackett is a connected person of the Company. Accordingly, the Disposal also constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Hackett, Mr. Ting and their respective associates including Kaiser Capital are regarded as having material interest in the Disposal and therefore are required to abstain from voting on the resolution proposed to be passed at the EGM for approving the Disposal.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Ge Ming, Mr. Peter Z Kuk and Mr. Wang Wei, has been established to advise the Independent Shareholders in respect of the Disposal. We, Messis Capital Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to (i) whether the Disposal is on normal commercial terms, in the ordinary and usual course of business of the Company, fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) whether the Independent Shareholders should vote in favour of the resolution to approve the Disposal.

OUR INDEPENDENCE

In the last two years, we have not acted as an independent financial adviser in respect of the Company's other transactions. As at the Latest Practicable Date, other than this appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with the Disposal, we did not have any other relationship with or interest in the Company or any other parties that could reasonably be regarded as relevant to our independence. For the purpose of Rule 17.96 of the GEM Listing Rules, we are independent of the Company.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Directors and the management of the Company. We have assumed that all statements, information and representations provided by the Directors and the management of the Company, for which they are solely and wholly responsible, were true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion and expectation made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information has been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Directors and the management of the Company. We believe that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group.

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

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Disposal, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Disposal and our recommendation to the Independent Board Committee and the Independent Shareholders, we have taken the following principal factors and reasons into consideration:

A. The Disposal

We note that the Directors are of the view that the Disposal represents a good opportunity for the Group to realise its investment in China Runking Group, which is principally engaged in the provision of micro-loan financing in Chongqing City, the PRC, and after the Disposal, the Group may focus on utilizing its resources and funds to strengthen its internet finance business, which has better potential for growth in the opinion of the Directors.

In this connection, we have assessed whether the Disposal is in the interest of the Company and the Shareholders as a whole by taking into account the following principal factors:

A.1. Information of the Group

We note from the Company's latest annual report for the year ended 31 December 2013 (the "**Annual Report**") and its interim report for the six months ended 30 June 2014 (the "**Interim Report**") and also its third quarterly report for the nine months ended 30 September 2014 (the "**Third Quarterly Report**") that the Group's revenue is principally derived from the following activities:

(1) the provision of loan financing (other than micro-loan financing) in the PRC and Hong Kong, which generates interest income for the Group;

(2) the provision of micro-loan financing in the PRC, which generates interest income for the Group;

(3) the provision of third-party payment services, which refers to the provision of online third-party payment services and prepaid card issuance business;

(4) the provision of "P2P" loan consultancy services in the PRC, which refers to the provision of internet housing loan and automobile loan financing service; and

(5) other, which refers to property investment.

The table below sets out the audited key financial information of the Group for the year ended 31 December 2013 and the unaudited financial information of the Group for the six months ended 30 June 2014 and the nine months ended 30 September 2014 as extracted from the Annual Report, the Interim Report and the Third Quarterly Report:

	For the nine months ended 30 September	For the six months ended 30 June		For the year ended 31 December	
	2014	2014	2013	2013	2012
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue	281,099	171,550	134,585	269,728	302,422
Profit before tax	103,690	59,185	80,035	206,533	223,276
Profit for the period/year	84,973	47,463	65,658	154,765	164,274
Profit attributable to owners of the Company	74,406	44,239	61,369	141,247	149,534

The following table sets out the Group's segment financial information as extracted from the Annual Report, the Interim Report and the Third Quarterly Report:

	For the nine months ended 30 September	For the six months ended 30 June		For the year ended 31 December	
	2014	2014	2013	2013	2012
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue					
– Loan financing	151,771	103,441	120,448	218,321	265,254
– Micro loan financing	74,570	46,942	14,137	51,210	37,168
– Third-party payment services	39,250	16,070	–	197	–
– P2P loan consultancy services	15,508	5,097	–	–	–
	281,099	171,550	134,585	269,728	302,422
Segment results					
– Loan financing	119,795	84,798	88,036	158,084	220,067
– Micro loan financing	35,748	20,935	8,098	28,450	33,392
– Third-party payment services	23,094	6,701	–	(828)	–
– P2P loan consultancy services	2,352	(1,196)	–	–	–
– Others	398	–	–	75,677	–

We note that the Group's revenue attributable to its micro loan financing business has demonstrated a general increasing trend in recent periods as shown in the above table. For instance, we note that the Group's revenue attributable to its micro loan financing business increased from approximately RMB37.2 million for the year ended 31 December 2012 to approximately RMB51.2 million for the year ended 31 December 2013. In addition, such revenue further increased to approximately RMB74.6 million for the nine months ended 30 September 2014, surpassing the corresponding revenue for the entire year ended 31 December 2013 of approximately RMB51.2 million. We note that such increases in revenue of the Group's micro loan financing business was mainly contributed by the performance of the China Runking Group as a result of its growth in loan portfolios and business performance as further discussed in the section "A.3. Information of China Runking" below.

Nevertheless, we also note that unlike the Group's other types of loans granted to customers, the majority of the Group's micro loans were unsecured, which would inherently expose the Group to higher risk:

	As at 31 December 2013	**As at 31 December 2012**
	RMB'000	*RMB'000*
Loan receivables		
Secured loans		
– Loans to customers (other than micro loans)	693,592	979,139
– Micro loans to customers	5,816	–
	699,408	979,139
Unsecured loans		
– Loans to customers (other than micro loans)	90,648	–
– Micro loans to customers	210,900	858
	301,548	858
Total loan receivables	1,000,956	979,997

Please also refer to the paragraph headed "A.3. Information of China Runking" for a further discussion regarding the loan receivables of the China Runking Group.

We have discussed with the Directors and note that the Group will strive to establish a comprehensive internet financing platform and actively explore innovation in the internet financing service model. We also understand from the Directors that after the Disposal, the Group may focus on utilizing its resources and funds to strengthen its internet finance business, which has potential for rapid growth of this business.

The table below summarizes the segment result of the micro loan financing business and the online third-party payment services business of the Group for the year ended 31 December 2013, the six months ended 30 June 2014 and the nine months ended 30 September 2014 as extracted from the Annual Report, the Interim Report and the Third Quarterly Report:

	For the nine months ended 30 September 2014	**For the six months ended 30 June 2014**	**For the year ended 31 December 2013**
	RMB'000	*RMB'000*	*RMB'000*
Revenue			
– Micro loan financing	74,570	46,942	51,210
– Third-party payment services	39,250	16,070	197
Segment result			
– Micro loan financing	35,748	20,935	28,450
– Third-party payment services	23,094	6,701	(828)
Profit margin			
– Micro loan financing	47.9%	44.6%	55.6%
– Third-party payment services	58.8%	41.7%	N/A

We note from the Annual Report, the Interim Report and the Third Quarterly Report that the online third-party payment services business had only been acquired by the Group in November 2013. We also note that such online third-party payment services business turned from a segment loss of approximately RMB828,000 for the year ended 31 December 2013 to a segment profit of approximately RMB6.7 million for the six months ended 30 June 2014 and approximately RMB23.1 million for the nine months ended 30 September 2014 as shown in the above table. We further note that based on the segment revenue of approximately RMB16.1 million and the segment profit of approximately RMB6.7 million for the six months ended 30 June 2014 as well as the segment revenue of approximately RMB39.3 million and the segment profit of approximately RMB23.1 million for the nine months ended 30 September 2014 as shown in the above table, such online third-party payment services business had a profit margin of approximately 41.7% for the six months ended 30 June 2014 and 58.8% for the nine months ended 30 September 2014, which demonstrated an increasing trend. Meanwhile, we note that the profit margin of micro loan financing business decreased from approximately 55.6% for the year ended 31 December 2013 to approximately 47.9% for the nine months ended 30 September 2014. We also note that the profit margin for the Group's micro loan financing business is lower than the profit margin of its online third-party payment services business. Accordingly, we concur with the view of the Directors that the internet finance business has better potential for growth than the micro-loan financing business.

As advised by the Directors, we further note that after Completion, the Group will continue its micro-loan financing business (being its other on-going micro-financing business other than that operated by the China Runking Group). We note that from the overall perspective of the Group, the Group will readjust the scale of its micro-loan financing business in accordance with its business focus (i.e. to focus on the development of its internet finance business). Having considered the performance of the Group's micro-loan financing business and its online third-party payment services business as discussed above, we consider that such readjustment after the Completion is fair and reasonable.

Based on the foregoing, we note that:

(i) the Disposal of the Group's investment in China Runking Group, which is principally engaged in the provision of micro loan financing business in the PRC, can reduce the credit risk of the Group as the majority of the Group's micro loans granted to customers are unsecured; and

(ii) after the Disposal, the Group intends to focus on utilizing its resources and funds to strengthen its internet finance business, which was profitable, achieved high profit margin and have better potential for growth as discussed above.

A.2. Net proceeds from the Disposal

We understand from the Directors that the net proceeds from the Disposal will be used as general working capital of the Group's internet finance business.

We note from the Annual Report and the Interim Report that the amount of the Group's all borrowings and its interest expenses increased significantly in recent years:

	For the six months ended/As at 30 June		**For the year ended/ As at 31 December**	
	2014	**2013**	**2013**	**2012**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
All Borrowings (including bank and other loans, corporate bond and financial assets sold under repurchase agreement)	732,359	292,904	719,566	301,610
Interest expenses	46,036	15,529	37,822	19,427

We note from the Annual Report and the Interim Report that such increases were mainly due to the additional interest-bearing borrowings obtained by the Group to fund its operation and business development.

In view of the increases in the Group's borrowings and interest expenses, we consider that the net proceeds from the Disposal will strengthen the Group's financial resources and reduce the extent of the Group's needs for interest-bearing borrowings to fund its operation and business development.

A.3. Information of China Runking

We note that China Runking is a company incorporated in Hong Kong with limited liability and is owned as to 60.3% by Jovial Lead, 25% by Gold Kingdom, 9.7% by Full Plus and 5% by Profounders as at the Latest Practicable Date. The China Runking Group is principally engaged in the provision of micro-loan financing in Chongqing City, the PRC.

Set out below are certain audited consolidated financial information of the China Runking Group for each of the two financial years ended 31 December 2013 and 2012 and the unaudited consolidated financial information of the China Runking Group for the nine months ended 30 September 2014:

	For the nine months ended 30 September	**For the year ended 31 December**	
	2014	**2013**	**2012**
	HK$'000	*HK$'000*	*HK'000*
Turnover	86,523	63,813	45,678
Net profit before tax attributable to all shareholders of China Runking	35,298	37,921	36,616
Net profit after tax attributable to all shareholders of China Runking	26,635	30,111	28,019
Net assets	319,566	294,795	24,828

We note that the turnover of the China Runking Group recorded a significantly increase of approximately 39.7% from approximately HK$45.7 million in 2012 to approximately HK$63.8 million in 2013. Despite so, its net profit after tax recorded an increase of only approximately 7.5% from approximately HK$28.0 million in 2012 to approximately HK$30.1 million in 2013. We also note that its net profit margin (calculated as net profit after tax divided by turnover) decreased considerably from approximately 61.3% in 2012 to approximately 47.2% in 2013 and further decreased to approximately 30.8% for the nine months period ended 30 September 2014. Based on our review of the audited consolidated financial statements of China Runking for the two financial years ended 31 December 2013 and 2012 and its unaudited consolidated financial statement for the nine months ended 30 September 2014, we note that the significant decrease in the net profit margin of the China Runking Group was primarily due to its significant increase in staff costs, which in turn was mainly due to the additional staff and administrative effort required to manage and to cope with the business growth. As advised by the Directors, the China Runking Group commenced its micro-loan financing business in 2012. At the initial stage of the development of its micro-loan financing business, the China Runking Group utilised its idle funds by lending real estate-backed loans to a number of customers. Therefore, the turnover of the China Runking Group for the year ended 31 December 2012 was mainly contributed by real estate-backed loans in large loan amounts which were secured and required less administrative effort and manpower to manage. As the micro-loan financing business developed in 2013, the turnover of the China Runking Group for the year ended 31 December 2013 was mainly contributed by micro loans with significantly smaller loan amounts which were generally unsecured. As such, the administrative and manpower costs for the year ended 31 December 2013 were significantly higher than those for the year ended 31 December 2012 and the net profit margin decreased considerably for the year ended 31 December 2013. We further understood from the management of the Company that the further decrease in net profit margin for the nine months ended 30 September 2014 to approximately 30.8% was mainly due to the same reasons as mentioned above.

We further note that China Runking Group's return on equity (calculated as net profit after tax divided by net assets) decreased substantially from approximately 112.9% in 2012 to approximately 10.2% in 2013, which was partly due to the higher staff costs as discussed above and partly (and more importantly) due to a significant increase in its net assets value. The increase in net assets value from HK$24,828,000 as at 31 December 2012 to HK$294,795,000 as at 31 December 2013 was due to the capitalization of the shareholder's loans in the aggregate amount of approximately HK$234,000,000 during the year ended 31 December 2013. We have discussed with the Directors and note that the shareholders of China Runking Group injected capital into the PRC operating subsidiaries of the China Runking Group in 2011 for financing the operation of its micro loan financing business. While such funds were treated as paid-up registered capital of the PRC operating subsidiaries, they were treated as shareholders' loans at the offshore holding company level until the aforesaid loan capitalization in 2013. Such accounting treatments therefore resulted in the net asset value of the entire China Runking Group (including both the PRC operating subsidiaries and the offshore holding companies) to record a significant change in 2013. Regardless of the effect of such accounting treatments, we note that the overall profitability of China Runking Group was nevertheless affected as a result of the substantial decrease in net profit margin as discussed above.

In addition, we note from the audited consolidated financial statements of China Runking that as at 31 December 2013 and unaudited consolidated financial statements of China Runking as at 30 September 2014, the majority of the loan receivables of the China Runking Group were unsecured:

	As at 30 September 2014	**As at 31 December 2013**
	HK$'000	*HK$'000*
Loan receivables		
– Secured	144,914	63,436
– Unsecured	207,788	259,970
	352,702	323,406

Based on the above, we note that the China Runking Group had granted more secured loans and less unsecured loans as at 30 September 2014 as compared with 31 December 2013. Nevertheless, we note that it still remained that the majority of the loan receivables of the China Runking Group were unsecured.

Granting unsecured loans to customers would inherently expose the Group to higher risk than grating secured loans. We note from the latest interim report of the Company for the six months ended 30 June 2014 that the Group has recorded allowance for loan receivables of approximately RMB9.5 million as at 30 June 2014. Based on the information provided by the Company, out of such RMB9.5 million, approximately RMB8.7 million was attributable to China Runking Group's micro-finance loans receivables. Given that the Group's other loan receivables were mainly secured in nature, the Disposal of the Group's investment in China Runking Group, whose loan receivables mainly comprised unsecured loans, can reduce the credit risk of the Group.

Furthermore, we note from the statistics published by the People's Bank of China that the number of firms engaged in the business of providing micro-financing in Chongqing has been increasing in recent years:

	As at 31 December 2012	As at 31 December 2013	As at 30 June 2014
Number of firms providing micro-financing in Chongqing	157	207	235

As shown in the above table, we note that the number of firms providing micro-financing in Chongqing increased significantly from 157 as at 31 December 2012 to 235 as at 30 June 2014, representing an increase of approximately 49.7% over the entire period, which could result in increasing competition for the China Runking Group.

Based on the above, we note that:

(i) despite its growth in revenue, the China Runking Group did not exhibit a stable net profit margin and profitability;

(ii) the Disposal of the Group's investment in China Runking Group, whose loan receivables mainly comprised unsecured loans, can reduce the credit risk of the Group; and

(iii) the number of firms providing micro-financing in Chongqing has been increasing in recent years, which could result in increasing competition for the China Runking Group.

A.4. Our view

Based on the foregoing and having considered in particular that:

(i) the China Runking Group did not exhibit a stable net profit margin and profitability and could be facing increasing competition in Chongqing;

(ii) the Disposal can reduce the credit risk faced by the Group as the majority of the China Runking Group's loan receivables were unsecured loans; and

(iii) after the Disposal, the Group intends to focus on utilizing its resources and funds to strengthen its internet finance business, which was profitable and achieved high profit margin,

we consider that the Disposal is in the interest of the Company and the Shareholders as a whole.

B. Principal terms of the Disposal

B.1. Overview

We summarize in the following table the principal terms of the Disposal:

Date:	24 October 2014	
Parties:	Vendor:	Jovial Lead, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company. Jovial Lead is principally engaged in investment holding.
	Purchaser:	Hackett, a company incorporated in the Republic of Seychelles with limited liability, which is wholly-owned by Mr. Ting, a Substantial Shareholder and a former executive Director and co-chairman (who resigned on 7 July 2014) of the Company and thus a connected person of the Company. Hackett is principally engaged in investment holding.
	Subject matter:	Pursuant to the terms and conditions of the Offer Letter which have been accepted by Jovial Lead, Jovial Lead has conditionally agreed to sell and Hackett has conditionally agreed to purchase the Sale Shares, which represent 60.3% of the issued share capital of China Runking.

Consideration:	The consideration for the sale and purchase of the Sale Shares is HK$192,698,000 of which HK$100,000,000 is payable by Hackett to Jovial Lead in cash at Completion and HK$92,698,000 is payable by Hackett to Jovial Lead in cash on or before 31 March 2015.
Completion:	Completion shall take place at 4:00 p.m. within three (3) Business Days after all the conditions precedent set out in the Offer Letter have been fulfilled or such other time as may be agreed between Jovial Lead and Hackett in writing.

B.2. Basis of the consideration

According to the Letter from the Board, the consideration of HK$192,698,000 was offered by Hackett in the Offer Letter which is considered fair and reasonable by the Company based on the unaudited net assets value of the China Runking Group as at 30 September 2014 of approximately HK$319,566,000 and the consideration represents a price-earnings ratio of approximately 10.6 times of the audited consolidated net profit of the China Runking Group for the year ended 31 December 2013.

B.3. Comparison with other comparable companies

In accessing the fairness and reasonableness of the Consideration, we consider that the price-to-earnings ratio ("**PER**") and the price-to-book ratio ("**PBR**") approaches are appropriate approaches.

PER analysis is a common valuation method for the assessment of the value of a business. In particular, it is used for valuating businesses with an established and profitable history. Given that the China Runking Group has recorded net profits during the past two years, we consider that the PER analysis is an appropriate method to evaluate the consideration of the Disposal.

PBR analysis is another business valuation method for valuating a company. Given that the revenue of the China Runking Group is mainly generated from its loan receivables, which represents the majority of the assets of the Company, we also consider that the PBR analysis is another applicable valuation method for our analysis.

In this regard, we compared the PER and PBR represented by the consideration of the Disposal with the PERs and PBRs as at 24 October 2014 (being the date of the Offer Letter) of other Hong Kong listed companies engaged principally in business similar to that of the China Runking Group.

As disclosed in the paragraph headed "A.3. Information of China Runking" above, the net profit after tax of the China Runking Group for the year ended 31 December 2013 was approximately HK$30,111,000. Therefore, the consideration of HK$192,698,000 (for 60.3% of the issued share capital of China Runking) represents a PER of approximately 10.6 times. Also, based on the audited consolidated net asset value of the China Runking Group of approximately HK$294,795,000 as at 31 December 2013, the consideration of the Disposal represents a PBR of approximately 1.08 times.

For comparison purpose, we have, on a best effort basis, conducted a search of comparable companies which meet the criteria of (i) having listed on the Hong Kong Stock Exchange on or before 24 October 2014, being the date of the Offer Letter; (ii) being principally engaged in the provision of micro-financing in the PRC (i.e. having the same principal business as the China Runking Group) with the majority (more than 50%) of their consolidated revenue being derived from interest income from the provision of micro-loans for their latest financial year. However, based on our search results, we note that there were no companies that meet the aforesaid criteria.

In view of the above, we have relaxed the criteria to include non-bank companies which were principally engaged in the provision of different types of loan financing in the PRC (including loans in the form of not only micro-loans but also other types of loans such as pawn loans, entrusted loans, finance leases, etc., whether collateral-backed or not).

Based on our study of the relevant prospectuses and annual reports of the Company and the Comparables (as defined below), we note that micro-loans are different from other types of loans in certain technical aspects. For instance, (a) micro-loans can be unsecured in nature while pawn loans in the PRC are secured and usually backed by real estate or other types of collaterals; (b) micro-loans are typically of small amounts and are granted by the loan provider directly to the borrower, while entrusted loans can be of relatively large amounts and are granted by the loan provider indirectly to the borrower through an entrustment arrangement with a bank; and (c) finance lease is an arrangement where the loan provider purchases certain assets such as machinery from the borrower (or from a supplier of the assets as designated by the borrower) and leases the assets back to the borrower immediately afterwards in return for a series of monthly rental income, with an option for the borrower to obtain the title of ownership of the assets at the end of the lease period at a nominal consideration, effectively resulting in an arrangement where the initial purchase price of the assets by the loan provider can be regarded as the loan principal, while the assets can be regarded as collaterals and the monthly rental payment can be regarded as repayment of the loan comprising a principal portion and an interest portion. Despite the above technical differences, we consider that the fundamental natures of these businesses (i.e. the provision of loan financing in the PRC in the form of different types of loans and/or finance leases) are essentially the same because all of them fundamentally involve the granting of loans to borrowers in return for interest income. As such, we consider that these businesses are comparable to the China Runking Group's micro-financing business.

Based on the above, the new criteria are (i) having listed on the Hong Kong Stock Exchange on or before 24 October 2014, being the date of the Offer Letter; (ii) being principally engaged in businesses that are closely comparable with that of the China Runking Group, namely, the provision of loan financing (other than banking) in the PRC, for their latest financial year; and (iii) having the majority (more than 50%) of their consolidated revenue being derived from interest income from the provision of loan financing for their latest financial year.

Based on the abovementioned criteria, we have identified 3 comparable companies (the "**Comparables**") by searching through published information on the Stock Exchange's website. To the best of our knowledge, effort and endeavor and based on our search conducted according to the abovementioned criteria, we consider that the list of Comparables is an exhaustive list of those fair and representative comparable companies for comparison purpose.

We have computed the PER and PBR for each of the Comparables based on (i) their respective market capitalization as at 24 October 2014 (being the date of the Offer Letter) with reference to the closing price of their respective shares as quoted on the Stock Exchange on 24 October 2014; and (ii) in relation to PER, the net profit attributable to the equity holders of the Comparables as set out in their respective latest annual reports published on or before 24 October 2014, and, in relation to PBR, the equity attributable to the equity holders of the Comparables as set out in their respective latest annual reports. Whenever the financial information of the Comparables was presented in RMB in their respective annual reports, we have converted the relevant RMB amounts into HK$ based on a reference exchange rate of RMB1 to HK$1.2665, which was quoted from Hong Kong Association of Banks and is solely for purpose of this comparison only.

We set out our findings in the table below:

Comparables (stock code)	**Principal business**	**PER** *(times)*	**PBR** *(times)*
Differ Group Holding Company Limited (8056) ("**Differ**")	Provision of guarantee, pawn loans, financial consultation, entrusted loans and finance lease services in the PRC	32.18	2.55
China Huirong Financial Holdings Limited (1290) ("**China Huirong**")	Provision of pawnshop services through granting collateral-backed loans to customers in the PRC	8.30	0.79
Far East Horizon Limited (3360) ("**Far East**")	Provision of financial leasing and advisory services in the PRC	9.05	1.23
	Maximum	32.18	2.55
	Minimum	8.30	0.79
	Average	16.51	1.52
	The Disposal	10.6	1.08

We note that the PER and the PBR represented by the consideration of the Disposal were within the range of PER and PBR of the Comparables but were both lower than the corresponding average value represented by the Comparables.

However, we note that Differ's PER and PBR is significantly higher than the other two Comparables. According to Differ's latest interim report for the six months ended 30 June 2014, we note that its net profit increased by approximately 83.8%. We also note from the positive profit alert announcement of Differ dated 22 October 2014 that Differ's net profit is expected to increase by more than 90% for the nine months ended 30 September 2014 as compared to the net profit of the corresponding period ended 30 September 2013. The historical PER and PBR of Differ as shown in the above table do not take into account such significant growth in financial performance after its last financial year. Therefore, we consider that Differ's valuation as perceived by the market and thus its significantly higher historical PER and PBR than the other Comparables as shown above are due to factors specific to Differ's own circumstances and are not reflective of the industry average. As such, we consider that Differ's PER and PBR should be excluded for the purpose of our analysis.

On the other hand, we note from the latest interim report of China Huirong and Far East that their respective net profit for the interim period increased by approximately 20.3% and 12.7% respectively, which are slightly higher but still reasonably comparable to the growth in net profit of the China Runking Group (being approximately 7.5% in 2013 as compared to 2012 as discussed in the paragraph headed "A.3. Information of China Runking" above).

If Differ's PER and PBR are excluded from the above analysis, the average PER of the Comparables would become approximately 8.68 times while the average PBR would become approximately 1.01 times. As such, we note that the PER and PBR represented by the consideration of the Disposal (being 10.6 times and 1.08 times respectively) would be higher than the average PER and PBR represented by the Comparables (after excluding Differ).

After excluding Differ's PER and PBR from the above analysis, we note that there are only 2 Comparables left. Despite so, having considered (i) the lack of any Hong Kong-listed companies principally engaged in the exact same business as the China Runking Group; (ii) the absences of Hong Kong-listed companies with comparable business other than the 3 Comparables; and (iii) the principal businesses of the 2 Comparables left for the purpose of our analysis involve the granting of loans in the PRC in return for interest income which is closely comparable to the business of the China Runking Group, we consider that the number of Comparables is reasonably sufficient for the purpose of our analysis.

B.4. Payment terms

We note that the consideration of the Disposal is divided into two instalments. The first instalment of HK$100,000,000 is payable in cash at Completion and the second instalment of HK$92,698,000 is payable in cash on or before 31 March 2015. Although the Company will only receive the second instalment in about three to four months after Completion, having considered that:

(i) the second instalment accounts for less than half of the total consideration;

(ii) China Runking is a private company and it is difficult to find a buyer to acquire only 60.3% of the interest in China Runking especially when such buyer may not be familiar with the other shareholders of China Runking;

(iii) the total consideration as offered by Hackett represents a PBR and PER that is higher than the industry average as discussed in our comparable analysis in paragraph B.3 above; and

(iv) the full amount of the consideration will be settled by Hackett in cash without any non-cash payment,

we are of the view that, on the balance of costs and benefits with respect to the totality of the factors mentioned above, such payment terms are under normal commercial terms and are fair and reasonable.

B.5. Our view

Given that China Runking is a private company and it is difficult to find a buyer to acquire only part of the interest of China Runking especially when the buyer may not be familiar with other shareholders of China Runking and based on the above PER and PBR analysis and having considered in particular that the PER and PBR represented by the consideration of the Disposal are both higher than the average represented by the Comparables after excluding Differ, we consider that the consideration of the Disposal is on normal commercial terms or better, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

C. Alternative offers

As advised by the Directors, the Company had previously approached Gold Kingdom, Full Plus and Profounders to enquire about their interest in acquiring Jovial Lead's interest in China Runking but none of them indicated that they intended to acquire Jovial Lead's interest in China Runking.

On the other hand, to the best of the Company's knowledge, Full Plus has accepted the conditional offer made by Hackett for the purchase of 22,698,000 shares in China Runking held by Full Plus where the consideration was set on the same basis as that of the Disposal, i.e., with reference to the unaudited net assets value of the China Runking Group as at 30 September 2014 of approximately HK$319,566,000 and a price-earnings ratio of approximately 10.6 times of the audited consolidated net profit of the China Runking Group for the year ended 31 December 2013.

As advised by the Directors, the Company has not approached other potential buyers and has not considered an open tender bid for the Sale Shares because (i) the chances for successfully identifying a suitable buyer offering a higher price or receiving bids with a higher price under an open tender before the lapse of the offer under the Offer Letter were slim; (ii) China Runking is a private company and it is very difficult to find a buyer to acquire only part of the interest in China Runking especially when such buyer is not familiar with other shareholders of China Runking; and (iii) the Company only wishes to sell Jovial Lead's interest in China Runking to a person with sufficient experience and expertise in the micro-loan financing business to ensure that the sale of interest in China Runking will not cause any disruption to the business of the China Runking Group to protect the interest of the customers of the China Runking Group. Based on the above, we concur with the view of the Directors that it is fair and reasonable for the Company not to approach other potential buyers and not to consider an open tender bid for the Sale Shares.

D. Possible financial effect of the Disposal

(i) Effect on net assets value

Upon Completion, there will be no material impacts on the Group's net assets value as a result of the Disposal because the consideration of the Disposal is equivalent to the corresponding net asset value of the China Runking Group.

(ii) Effect on liquidity position

It is expected the Group's cash position will increase by HK$192,698,000 and the liquidity of the Group will be enhanced as the consideration of the Disposal is to be fully settled by cash.

(iii) Effect on earnings

Upon Completion, the China Runking Group will cease to be subsidiaries of the Company and its financial results will no longer be consolidated into the consolidated financial statements of the Group. In addition, based on the unaudited net assets value of the China Runking Group as at 30 September 2014, no gain or loss on the Disposal is expected to be recorded in the books of the Group.

RECOMMENDATION

Having taken into account the principal factors discussed above, we are of the view that, although the Disposal is not in the ordinary and usual course of business of the Company, it is on normal commercial terms or better, fair and reasonable so far as the Company and Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, and the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolutions to be proposed at the EGM to approve the Disposal.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Robert Siu
Managing Director

Mr. Robert Siu is a licensed person registered with the SFC and regarded as a responsible officer of Messis Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 15 years of experience in corporate finance industry.

A. 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.

B. DISCLOSURE OF INTERESTS

Interests of Directors and chief executive of the Company

At the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which 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 and short positions which were taken or deemed to have been taken under such provisions of the SFO); or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or were required pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Capacity/Nature of interest	Number of Shares held Long position	Number of Shares held Short position	Aggregate percentage of interest as at the Latest Practicable Date
Shen Li	Beneficial owner	2,432,000	–	0.08%
Sheng Jia	Family interest *(Note 1)*	80,000	–	0.00%

Note 1: Mr. Sheng Jia is deemed interested in, and duplicated, the 80,000 Shares which Ms. Hu Haichen is interested in who is the spouse of Mr. Sheng Jia.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) are 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 and short positions which he is taken or deemed to have under such provisions of SFO); or (b) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

Interests of substantial shareholders and other persons

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a director or chief executive of the Company) who had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

(a) Interests in the Shares

Name of Director	Capacity/Nature of interest	Number of Shares held Long position	Short position	Aggregate percentage of interest as at the Latest Practicable Date
Mr. Zhang Zhenxin	Beneficial owner	21,736,000	–	0.67%
	Family interest	18,000,000 *(Note 1)*	–	0.56%
	Interest in controlled corporation	677,800,000 *(Note 2)*	–	21.04%
Ms. Zhang Xiaomin	Beneficial owner	18,000,000	–	0.56 %
	Family interest	699,536,000 *(Note 1)*	–	21.72%
First Pay Limited （第一支付有限公司）	Beneficial owner	677,800,000	–	21.04%
Silver Paragon Limited	Beneficial owner	349,990,000	–	10.87%

Name of Director	Capacity/Nature of interest	Number of Shares held Long position	Short position	Aggregate percentage of interest as at the Latest Practicable Date
Ms. So Naoko	Interest in controlled corporation	349,990,000 *(Note 3)*	–	10.87%
Jiefang Media (UK) Co. Limited ("**Jiefang Media**")	Beneficial owner	336,222,400	–	10.44%
Shanghai Xinhua Publishing Group Limited（上海新華發行集團有限公司）("**Xinhua Publishing**")	Interest in controlled corporation	336,222,400 *(Note 4)*	–	10.44%
Shanghai Greenland Group Company Limited（上海綠地（集團）有限公司）("**Greenland Group**")	Interest in controlled corporation	336,222,400 *(Note 4)*	–	10.44%
Jiefang Daily Group（解放日報報業集團）(together with Jiefang Media, ("**Jiefang Group**")	Interest in controlled corporation	336,222,400 *(Note 4)*	–	10.44%
Mr. Ting Pang Wan Raymond	Beneficial owner	20,490,000	–	0.64%
	Interest in controlled corporation	321,010,000 *(Note 5)*	–	9.97%
	Physically settled option	14,490,000	–	0.45%
Kaiser Capital Holdings Limited	Beneficial owner	321,010,000	–	9.97%
Mr. Yam Tak Cheung	Interest in controlled corporation	225,925,600 *(Note 6)*	–	7.01%
Integrated Asset Management (Asia) Limited	Beneficial owner	225,925,600	–	7.01%

Note 1: Mr. Zhang Zhenxin is the spouse of Ms. Zhang Xiaomin. Therefore, Mr. Zhang Zhenxin is deemed to be interested in, and duplicated, the 18,000,000 Shares Ms. Zhang Xiaomin is interested in and, similarly, Ms. Zhang Xiaomin is deemed to be interested in, and duplicated, the 699,536,000 Shares Mr. Zhang Zhenxin is interested in.

Note 2: First Pay Limited is wholly owned by Mr. Zhang Zhenxin. Therefore, Mr. Zhang Zhenxin is deemed to be interested in, and duplicated, the 677,800,000 Shares held by First Pay Limited.

Note 3: Silver Paragon Limited is wholly owned by Ms. So Naoko. Therefore, Ms. So Naoko is deemed to be interested in, and duplicated, the 349,990,000 Shares held by Silver Paragon Limited.

Note 4: Jiefang Media is wholly-owned by Xinhua Publishing, which was in turn owned by Jiefang Group and its associates as to approximately 50.8% and Greenland Group as to approximately 39%. Therefore, under the SFO, Xinhua Publishing was deemed to be interested in, and duplicated, all the Shares held by Jiefang Media, and each of Jiefang Group and Greenland Group was deemed to be interested in, and duplicated, all the Shares held by Jiefang Media through Xinhua Publishing.

Note 5: Kaiser Capital Holdings Limited is wholly owned by Mr. Ting Pang Wan Raymond. Therefore, Mr. Ting Pang Wan Raymond is deemed to be interested in, and duplicated, the 321,010,000 Shares held by Kaiser Capital Holdings Limited.

Note 6: Integrated Asset Management (Asia) Limited is wholly owned by Mr. Yam Tak Cheung. Therefore, Mr. Yam Tak Cheung is deemed to be interested in, and duplicated, the 225,925,600 Shares held by Integrated Asset Management (Asia) Limited.

Save as disclosed above, the Directors and chief executive of the Company are not aware of any other persons (other than a director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

C. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries have been engaged in any litigation or claims of material importance and, so far as the Directors are aware, there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

D. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing and proposed service contract with the Company or any members of the Group other than contracts expiring or determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

E. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

None of the Directors had any interest, either direct or indirect, in any assets which had been, since 31 December 2013 (being the date to which the latest published audited accounts were made up) and up to the Latest Practicable Date, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date which was significant in relation to the business of the Group.

F. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, controlling shareholders and their respective close associates was interested in any business apart from the business of the Group, which competed or may to compete or conflicted or may conflict, either directly or indirectly, with that of the Group.

G. EXPERT AND CONSENT

The following is the qualification of the experts who had given opinion or advice which is contained in this circular:

Name	**Qualification**
Messis Capital Limited	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the above expert did not have:

(a) any direct or indirect interest in any assets which have been, since 31 December 2013 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and

(b) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the references to its name in the form and context in which they appear.

H. NO MATERIAL ADVERSE CHANGE

At the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2013 (being the date to which the latest published audited consolidated financial statements of the Group were made up) save for the decrease in the net profit margin for the six months ended 30 June 2014 as compared to the net profit margin for the year ended 31 December 2013.

I. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at Rooms 3533-39, Level 35, Two Pacific Place, 88 Queensway, Hong Kong up to and including the date which is 14 days from the date of this circular:

(a) the Offer Letter;

(b) the form of acceptance under the Offer Letter;

(c) the memorandum and articles of association of the Company;

(d) the letter from the Board, the text of which is set out on pages 5 to 13 of this circular;

(e) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages 14 to 15 of this circular;

(f) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 16 to 37 of this circular;

(g) the written consent from the Independent Financial Adviser referred to in the paragraph headed "Expert and Consent" in this appendix; and

(h) this circular.

中国信贷
CREDIT CHINA

CREDIT CHINA HOLDINGS LIMITED
（中國信貸控股有限公司）

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8207)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of CREDIT CHINA HOLDINGS LIMITED (the "**Company**") will be held at Huashan Room, Level 5, Island Shangri-La, Hong Kong at Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 15 December 2014 at 10:30 a.m., for considering and if thought fit, passing, with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT**

(A) the offer letter dated 24 October 2014 issued by Hackett Enterprises Limited ("**Hackett**") to Jovial Lead Limited ("**Jovial Lead**"), an indirect wholly-owned subsidiary of Credit China Holdings Limited (the "**Company**") (a copy of which has been produced to the meeting marked "A" and initialled by the chairman of the meeting for the purpose of identification) (the "**Offer Letter**") which is accepted by Jovial Lead by a form of acceptance dated 26 October 2014 (a copy of which has been produced to the meeting marked "B" and initialed by the chairman of the meeting for the purpose of identification) (the "**Form of Acceptance**"), pursuant to which Jovial Lead has conditionally agreed to sell and Hackett has conditionally agreed to purchase the 141,102,000 shares of HK$1.00 each in the share capital of China Runking Financing Group Holdings Limited (formerly known as Media Eagle Limited) at a consideration of HK$192,698,000 which will be settled entirely in cash, and all transactions, matters and amendments contemplated under the Offer Letter and its acceptance by the Form of Acceptance, and the execution, performance and implementation of the Offer Letter and its acceptance by the Form of Acceptance and all ancillary matters contemplated under the Offer Letter and its acceptance by the Form of Acceptance be and are hereby generally and unconditionally approved, confirmed and ratified; and

(B) any one director of the Company be and is hereby authorised to do all such acts or things and to sign and execute all such other or further documents and to take all such steps which in the opinion of the director may be necessary, appropriate, desirable or expedient to implement and/or give effects to the Offer Letter and its acceptance by the Form of Acceptance and the transactions contemplated thereunder."

Yours faithfully,
On behalf of the Board
Credit China Holdings Limited
Phang Yew Kiat
Vice-Chairman and Chief Executive Officer

Hong Kong, 24 November 2014

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

Principal Place of Business in Hong Kong:
Rooms 3533-39, Level 35,
Two Pacific Place,
88 Queensway,
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. 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.

2. A proxy form for use at the EGM is enclosed. Whether or not you intend to attend the EGM in person, you are encouraged to complete and return the enclosed proxy form in accordance with the instructions printed thereon.

3. In order 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 certified copy of that power or authority, must be deposited at the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. In the case of joint registered holders of shares of the Company, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such shares of the Company as if he was solely entitled thereto, but if more than one of such joint holders are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares of the Company shall alone be entitled to vote in respect thereof.

5. Pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the voting on the ordinary resolution at the EGM will be conducted by way of poll.