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51信用卡
51 CREDIT CARD INC.
51 信用卡有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2051)

VOLUNTARY ANNOUNCEMENT

**CONDUCT OF INDEPENDENT REVIEW OF INTERNAL CONTROLS ON
EXISTING VIE ARRANGEMENTS OF THE GROUP**

This announcement is made by 51 Credit Card Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

Reference is made to (i) the announcements of the Company dated 4 November 2022 and 9 January 2023 in relation to, among others, the dispute with Mr. Yang (the former controlling shareholder of Shouhui Kaizhuo) and deconsolidation of the SK Group from the Group, and (ii) the annual report of the Company for the year ended 31 December 2022 (the “**2022 Annual Report**”). Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meaning as those defined in the 2022 Annual Report.

The Company acknowledges the importance of good corporate governance and continue to strive to improve the risk management and internal control systems of the Group from time to time. As disclosed in the Corporate Governance Report contained in the 2022 Annual Report, the Board had conducted a review of the risk management and internal control systems for the year ended 31 December 2022, and found it to be adequate and effective. Notwithstanding such findings, given the occurrence of the particular incident of the SK Group, the Group has resolved to undertake a review (the “**IC Review**”) of the Group’s risk management and internal control systems on, among others, the existing variable interest entities (“**VIE**”) arrangements of the Group to identify any areas of improvement to strengthen its existing internal control systems.

The IC Review will be conducted by Avista Risk Advisory Limited, an external internal control consultant (the “**External IC Consultant**”). The External IC Consultant will conduct an independent review of the Group’s internal controls on its investment management process, suggest areas for improvement and assist the Company to assess the sufficiency and effectiveness of the Group’s internal control systems. In particular, the scope of “investment” shall cover all subsidiaries (including those held on bare trust or by nominee arrangement), VIE and non-controlling investee companies of the Company (collectively, the “**Investee Companies**”). The scope of the IC Review shall cover the Group’s:

1. investment management policies and procedures;
2. pre-investment assessment procedures;
3. continuing monitoring procedures for investment;
4. communication and reporting mechanisms (including operational and financial information) between Investee Companies;
5. appointment and resignation procedures for directors, supervisors and key management personnel of the Investee Companies;
6. business development and strategy management;
7. major transactions and contracts management;
8. bank accounts and significant payment management;
9. company chop and stamp management;
10. documentation management for significant decision-making processes and meeting minutes; and
11. monitoring procedures in compliance with VIE-related agreements.

The IC Review is expected to commence on or around 1 September 2023 and expected to be completed in the fourth quarter of 2023.

By Order of the Board

51 Credit Card Inc.

Sun Haitao

Chairman, Chief Executive Officer and Executive Director

27 July 2023

As at the date of this announcement, the executive Directors are Mr. Sun Haitao and Ms. Wu Shan; the non-executive Directors are Ms. Zou Yunli, Ms. Gao Li and Ms. Jiang Chloe Cuicui and the independent non-executive Directors are Mr. Ye Xiang, Mr. Xu Xuchu and Mr. Shou Jian.