YUXING INFOTECH INVESTMENT HOLDINGS LIMITED

裕興科技投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8005)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN BEIJING GOLDEN YUXING ELECTRONICS AND TECHNOLOGY COMPANY LIMITED

AND

VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE PROPOSED REPURCHASE(S) OF NO MORE THAN 41 MILLION "A" SHARES BUT NO LESS THAN 27 MILLION "A" SHARES OF PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.

Financial Adviser to Yuxing InfoTech Investment Holdings Limited

ANGLO CHINESE CORPORATE FINANCE, LIMITED 英高

Anglo Chinese Corporate Finance, Limited

THE AGREEMENT

On 11th October 2013 after trading hours, Yuxing International, ZSSB and Golden Yuxing, all wholly owned subsidiaries of the Company, entered into the conditional Agreement with the Purchaser and JI, pursuant to which the Purchaser has agreed to acquire and each of Yuxing International and ZSSB has agreed to sell 99% and 1% of the entire equity interests in Golden Yuxing, respectively, at the Total Disposal Consideration. At the same time, it was agreed that Yuxing International or its designated entities shall repurchase no more than 41 million Ping An A Shares but no less than 27 million Ping An A Shares from JI during the Repurchase Period.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under the GEM Listing Rules in respect of the Proposed Disposal are more than 75%, the Proposed Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. In addition, the Proposed Repurchase(s) will constitute a very substantial acquisition of the Company as the relevant percentage ratios are more than 100% and is therefore subject to reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. To the best knowledge, information and belief of the Directors having made all reasonable enquires, no Shareholder has a material interest in the transactions contemplated under the Agreement. No Shareholder will be required to abstain from voting on the resolution(s) to be proposed at the SGM to approve, amongst other things, the Transactions.

A circular containing, among other things, further particulars of the Proposed Disposal and the Proposed Repurchase(s), other information as required under the GEM Listing Rules and the notice of SGM to consider and, if thought fit to approve the resolution(s) relating to the Transactions, will be despatched to the Shareholders on or before 31st October 2013.

As there are certain conditions for the Agreement to become effective and the payment of the Total Disposal Consideration by the Purchaser, the issue of this announcement should not be regarded in any way as implying that the Agreement will become effective. Therefore, the Shareholders and potential investors should exercise caution when dealing in the Shares.

The Board is pleased to announce that on 11th October 2013 after trading hours, Yuxing International, ZSSB and Golden Yuxing, all wholly owned subsidiaries of the Company, entered into the conditional Agreement with the Purchaser and JI pursuant to which the Purchaser has agreed to acquire and each of Yuxing International and ZSSB has agreed to sell 99% and 1% of the entire equity interests in Golden Yuxing, respectively, at the Total Disposal Consideration. At the same time, it was agreed that Yuxing International or its designated entities shall repurchase no more than 41 million Ping An A Shares but no less than 27 million Ping An A Shares from JI during the Repurchase Period.

PRINCIPAL TERMS OF THE AGREEMENT

Date

11th October 2013 (after trading hours)

Parties

(i) Yuxing International, as the first vendor;

(ii) ZSSB, as the second vendor (together with Yuxing International, the Vendors);

(iii) HHXL Investment, as the Purchaser;

(iv) Golden Yuxing, as the target company; and

(v) JI.

HHXL Investment is a company incorporated in the PRC with limited liability and principally engaged in investment and investment management, investment consulting, real estate consulting etc. As at the date of this announcement, HHXL Investment is held as to 3% by Qinbo (秦博), 37% by 陝西嘉特科技有限公司 (Shaanxi Jiate Technology Co., Ltd.*) and 60% by 杭州永原網絡科技有限公司 (Hangzhou Yongyuan Network Technology Co., Ltd.*). Shaanxi Jiate Technology Co., Ltd. is ultimately beneficially owned by three individuals and Hangzhou Yongyuan Network Technology Co., Ltd. is ultimately beneficially owned by Yang Maolan (楊茂蘭) as to 51.43% and five other individuals as to the remaining 48.57%. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of HHXL Investment, its respective associates and ultimate beneficial shareholders is an Independent Third Party. The Purchaser approached the Vendors to initiate the negotiations of the Agreement.

Golden Yuxing, a sino-foreign co-operative joint venture, is owned as to 99% by Yuxing International and 1% by ZSSB, both of which are wholly owned subsidiaries of the Company. Golden Yuxing is indirectly interested in 51 million Ping An A Shares through its 36.66% equity interest in JI.

JI is a company established as a domestic enterprise in the PRC with principal assets of 139,112,886 Ping An A Shares. The Company, through Golden Yuxing, has an equity interest of 36.66% in JI (and hence the associated economic benefits of the corresponding 51 million Ping An A Shares). The Other JI Shareholder, 林芝正大環球投資有限公司(Linzhi Zhengda Global Investment Co., Ltd.*), holds the remaining 63.34% equity interests in JI. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Other JI Shareholder and its respective associates and ultimate beneficial shareholders is an Independent Third Party.

The Proposed Disposal

Assets to be disposed

100% equity interest of Golden Yuxing (including its 36.66% equity interest in JI and hence the associated economic benefits of the corresponding 51 million Ping An A Shares)

After completion of the Proposed Disposal, Golden Yuxing will become a wholly owned subsidiary of the Purchaser.

The Total Disposal Consideration

The Total Disposal Consideration is determined after arm's length negotiation on the basis of the following formula:

The Disposal Price per Ping An A Share
times (x) 51 million Ping An A Shares
minus (-) Debts Payable
minus (-) Other Remaining Debts

The Total Disposal Consideration based on the above formula shall be no more than RMB1,413.8 million (equivalent to approximately HK$1,784.0 million) but no less than RMB1,410.8 million (equivalent to approximately HK$1,780.2 million) (subject to deduction of the Other Remaining Debts). Of the Total Disposal Consideration, approximately RMB1,383.8 million (equivalent to approximately HK$1,746.1 million) will be paid to Yuxing International and RMB30 million (equivalent to approximately HK$37.9 million) (subject to deduction of the Other Remaining Debts) will be paid to ZSSB.

The parties to the Agreement also agreed that the bank balances (after taking into account any interest expenses) of Golden Yuxing immediately before the Cut-off Date belong to Yuxing International and ZSSB and shall be paid to Yuxing International or ZSSB or their designated entities within five Business Days from the Cut-off Date; and bank balances (after taking into account any interest expenses) of Golden Yuxing on and after the Cut-off Date belong to Golden Yuxing and the Purchaser.

Golden Yuxing shall settle the Amount Payable to SZSB in full within five Business Days from the date of approval of the Transactions by the Shareholders at the SGM. Under the Agreement, the Purchaser agreed to provide capital to Golden Yuxing for settling the Amount Payable to SZSB. Since the Amount Payable to SZSB is deducted from the Total Disposal Consideration, the Company considers that it is more commercially favourable for the Vendors to receive the Amount Payable to SZSB before, but not after, the payment of the Total Disposal Consideration to the Vendors.

In addition to the payment of the Total Disposal Consideration in the manner specified in the paragraph headed "Payment terms for the Total Disposal Consideration" below, after the date of the Agreement, the Debts Payable shall continue to be assumed by Golden Yuxing and the Purchaser agreed to provide unconditional financial support to Golden Yuxing such that the latter can timely and fully repay the Debts Payable as and when they fall due.

Payment terms for the Total Disposal Consideration

The Total Disposal Consideration will not be paid to Yuxing International and ZSSB in accordance with their respective shareholdings in Golden Yuxing. The ZSSB Disposal Consideration is proportionally higher than the Yuxing International Disposal Consideration as ZSSB is a domestically established and operated PRC company and it is the Group's intention to retain more cash in the PRC for operational purposes. Given that Yuxing International and ZSSB are both wholly owned subsidiaries of the Company, the fact that the Total Disposal Consideration will not be paid to Yuxing International and ZSSB in accordance with their respective shareholdings in Golden Yuxing will not have any material impact on the Group on a consolidated basis.

The Total Disposal Consideration shall be payable by the Purchaser to the Vendors by cash in the following manner:

Payment of the ZSSB Disposal Consideration

The parties to the Agreement agreed that a Deposit of RMB30 million shall be paid by the Purchaser to ZSSB within five Business Days from the date of the Agreement. The Deposit does not form part of the Total Disposal Consideration and will be refunded by ZSSB to the Purchaser on the Final Payment Date.

In the event that any of the conditions as set out in the paragraph headed "Conditions for the Agreement to become effective" below cannot be fulfilled by 1st June 2014, ZSSB shall refund the Deposit to the Purchaser in full within five Business Days from the date on which the last of such conditions is not fulfilled.

If the Agreement becomes effective upon satisfaction of the conditions set out in the paragraph headed "Conditions for the Agreement to become effective" below, ZSSB shall refund the Deposit to the Purchaser in full within five Business Days from the Final Payment Date.

Further, the ZSSB Disposal Consideration should be paid in two tranches:

(i) the first tranche of RMB27 million of the ZSSB Disposal Consideration shall be paid within five Business Days by the date of approval by the relevant commerce bureau;

(ii) the second tranche or the balance of the ZSSB Disposal Consideration shall be paid within five Business Days from the Cut-off Date after deducting the Other Remaining Debts.

In the event that the Purchaser fails to settle the first tranche of the ZSSB Disposal Consideration for more than five Business Days after the payment due date referred to above, the Deposit will not be refunded to the Purchaser.

The Vendors shall apply for the registration of transfer of the equity interest in Golden Yuxing from the Vendors to the Purchaser at the relevant industrial and commerce bureaus within five Business Days from the date when all the following conditions are satisfied:

(i) the fulfilment of all the conditions for the Agreement to become effective;

(ii) the payment of the Deposit by the Purchaser to ZSSB;

(iii) the settlement of the Amount Payable to SZSB by the Purchaser on behalf of Golden Yuxing; and

(iv) the completion of the pledge of 32.2 million Ping An A Shares by JI referred to below.

In the event that the Vendors delay in applying for the relevant registration procedures for more than five Business Days after the date on which all the four conditions referred to above in this paragraph are fulfilled, such delay shall constitute a breach of the Agreement and an amount equivalent to two times of the Deposit shall be paid to the Purchaser by the Vendors.

Pledge of 32.2 million Ping An A Shares by JI

Pursuant to the Agreement, JI agreed to pledge its 32.2 million Ping An A Shares to guarantee the payment of the Total Disposal Consideration by the Purchaser to the Vendors and the obligation of JI under the Proposed Repurchase(s). JI shall complete the relevant procedures of such pledge within five Business Days from the effective date of the Agreement.

The 32.2 million Ping An A Shares represent the 51 million Ping An A Shares currently held by JI excluding the 10 million Ping An A Shares subject to the Ping An Freezing Order and the 8.8 million Ping An A Shares subject to the Loan Security.

Payment of the Yuxing International Disposal Consideration

The Yuxing International Disposal Consideration shall be paid by the Purchaser to Yuxing International within five Business Days from the date of the foreign exchange payment approval by the relevant government authority in respect of the Proposed Disposal. In the event that the Purchaser fails to make such payment in full on time, the Purchaser is liable to pay an overdue penalty with an applicable daily interest rate of 0.03% to Yuxing International or its designated entities.

The Proposed Repurchase(s)

Assets to be acquired

Pursuant to the Agreement, Yuxing International (for itself or its designated entities) is committed to repurchasing no more than 41 million Ping An A Shares but no less than 27 million Ping An A Shares from JI during the Repurchase Period. Yuxing International and the Purchaser shall finalise the amount of the Initial Repurchase Consideration prior to each Proposed Repurchase. The Proposed Repurchase(s) can be made in several tranches and through the same or different entities instructed by Yuxing International from time to time during the Repurchase Period. The exact number of Ping An A Shares to be repurchased will be determined by Yuxing International at the time when each Proposed Repurchase is conducted.

The maximum number of 41 million Ping An A Shares under the Proposed Repurchase(s), which shall be subject to the Ping An Capital Adjustments, is determined on the basis of the 51 million Ping An A Shares currently held by JI excluding the 10 million Ping An A Shares subject to the Ping An Freezing Order and represents the Group's "net" economic benefits of the Ping An A Shares after taking into account the Settlement Fee.

To illustrate the adjustment to the maximum number of the 41 million Ping An A Share as a result of the Ping An Capital Adjustments, by way of example, if there is a bonus issue of one bonus Ping An A Share for every ten existing Ping An A Shares, the maximum number of Ping An A Shares to be repurchased shall be adjusted from 41 million to 45.1 million, i.e. 41 million + (41 million/10). As Ping An is a company listed both on the Stock Exchange and the Shanghai Stock Exchange and any adjustment to its share capital is disclosed to the public, the Ping An Capital Adjustments can be calculated and its impact on the maximum number of Ping An A Shares to be repurchased can be assessed by reference to such disclosure. It is therefore not necessary for the corresponding Ping An Capital Adjustments to be subsequently confirmed by an independent professional party.

The minimum number of 27 million Ping An A Shares is determined on the basis of (i) the Total Disposal Consideration after taking into consideration additional cash requirements for the payment of, amongst other things, taxes and expenses (including the Differential Payment in respect of the Proposed Repurchase(s)) associated with the Transactions and (ii) the Repurchase Price per Ping An A Share.

The Company will comply with the applicable requirements of the GEM Listing Rules if there is any change in the maximum and minimum numbers of Ping An A Shares under the Proposed Repurchase(s).

The Initial Repurchase Consideration

The calculation of the Initial Repurchase Consideration for the Proposed Repurchase(s) is arrived at after arm's length negotiations on the basis of the following formula:

> The Repurchase Price per Ping An A Share
> **times (x)** number of Ping An A Shares to be repurchased by Yuxing International or its designated entities for the Proposed Repurchase(s) subject to the maximum number of 41 million Ping An A Shares and the minimum number of 27 million Ping An A Shares to be repurchased under the Proposed Repurchase(s) on the basis of the share capital of Ping An as at the date of the Agreement

The Repurchase Price per Ping An A Share is the same as the Disposal Price per Ping An A Share. Under the Agreement, Yuxing International or its designated entities are not prohibited from acquiring Ping An A Shares from other third parties. However, as mentioned above, Yuxing International is obliged to repurchase no less than 27 million Ping An A Shares from JI during the Repurchase Period.

The maximum number of 41 million Ping An A Shares in calculating the Initial Repurchase Consideration takes into account the 10 million Ping An A Shares subject to the Ping An Freezing Order but it does not take into account the 8.8 million Ping An A Shares subject to the Loan Security which is currently expected to be released prior to the commencement of the Repurchase Period.

The Actual Repurchase Consideration

In the event that the Actual Repurchase Consideration for each Proposed Repurchase is different from the Initial Repurchase Consideration as calculated above, each of the Purchaser, Yuxing International or their respective designated entities shall pay the Differential Payment to the other side.

If the Actual Repurchase Consideration is higher than the Initial Repurchase Consideration, the Purchaser or its designated entities should transfer the Differential Payment representing the excess amount paid by the Yuxing International or its associates to a designated bank account of Yuxing International or its associates. Yuxing International or its designated entities shall also be responsible for paying the taxes and transaction costs associated with such excess amount on behalf of JI for each Proposed Repurchase(s). If the Actual Repurchase Consideration is lower than the Initial Repurchase Consideration, Yuxing International or its associates should transfer the Differential Payment representing the shortfall between Initial Repurchase Consideration and the Actual Repurchase Consideration to a designated bank account of the Purchaser or its associates.

The Differential Payment (including the taxes and transaction costs) is also applicable where the Actual Repurchase Consideration differs from the Initial Repurchase Consideration as a result of the Ping An Capital Adjustments. In the example in the sub-section headed "The Proposed Repurchase(s) – Assets to be acquired" above, as a result of the adjustment to the number of maximum number of Ping An A Shares to be repurchased from 41 million to 45.1 million following the bonus issue, if such 45.1 million Ping An A Shares are actually repurchased during the Repurchase Period, the Purchaser shall pay the Vendors a Differential Payment equivalent to the Actual Repurchase Consideration, being 45.1 million times (x) the actual repurchase price per Ping An A Share, minus (-) 41 million times (x) the Repurchase Price per Ping An A Share. In addition, the Differential Payment must be made within five Business Days from the date of completion of the relevant share registration procedures for each Proposed Repurchase(s).

Accordingly, the Differential Payment caters for (i) changes in fluctuations in the share prices of the Ping An A Shares during the Repurchase Period and (ii) changes in the quantities of the Ping An A Shares repurchased under the Proposed Repurchase(s) as a result of the Ping An Capital Adjustments.

Timing and methods of the Proposed Repurchase(s)

As mentioned above, the Yuxing International Disposal Consideration will be paid by the Purchaser within five Business Days from the date of the foreign exchange payment approval by the relevant government authority in respect of the Proposed Disposal. The Repurchase Period will commence immediately thereafter and Yuxing International or its designated entities will then have the financial resources to implement the Proposed Repurchase(s).

In order to ensure that the Company is able to acquire the Ping An A Shares at a reasonable price during the Repurchase Period, apart from setting the Repurchase Price per Ping An A Share at the Disposal Price per Ping An A Share, the parties to the Agreement also agreed that the Proposed Repurchase(s) can be conducted in tranches because in the event that the share price of Ping An A Shares is increasing and Yuxing International has to acquire a smaller quantity of Ping An A Shares at a higher price, additional time will be allowed for the Purchaser to pay the Differential Payment to Yuxing International in respect of this particular tranche of the Proposed Repurchase and for Yuxing International to receive adequate funding to make additional Proposed Repurchase(s) before the expiry of the Repurchase Period. As such, the Company believes that the current arrangement in relation to the Proposed Repurchase(s) will give the Vendors more flexibility in conducting the Proposed Repurchase(s) in a reasonable timeframe.

In light of the relevant PRC laws and regulations including the trading rules of the Shanghai Stock Exchange and the significant amount of Ping An A Shares involved, it is not practicable for Yuxing International or its designated entities to repurchase Ping An A Shares directly from JI through private agreements or on market purchases. The PRC legal advisor of the Company is of the view that according to Article 3 of Interim Measures for Listed Companies to Handle the Transfer Business of Tradable Shares by Agreement (上市公司流通股協議轉讓業務辦理暫行規則) which took effect on 14th August 2006, based on the maximum number of 41 million Ping An A Shares under the Proposed Repurchase(s) which represents less than 5% of the total issued share capital of Ping An at the date of the Agreement, the Proposed Repurchase(s) do(es) not meet the requirement for transfer of tradable shares by private agreements. Further, Yuxing International or its designated entities and JI cannot conduct the Proposed Repurchase(s) by call auctions with each other because call auctions are not conducted on a one-to-one trading platform where the identity of each of the buyer and the seller of the shares is not known.

The Company therefore considers that it is more practicable to carry out the Proposed Repurchase(s) through block trades in the secondary market as block trades can facilitate the proposed arrangement under the Proposed Repurchase(s) whereby Yuxing International or its designated entities can buy, and JI can sell, an agreed amount of the Ping An A Shares simultaneously. According to the relevant trading rules of the Shanghai Stock Exchange, block trades of individual "A" shares can be executed subject to a lower limit and an upper limit of not more than 10% each of the closing price of the previous session of the "A" shares on the trading day of the block trades. Yuxing International or its designated entities and JI will negotiate and confirm the actual price of each Proposed Repurchase within such limits.

It is agreed that Yuxing International or its designated entities can implement the Proposed Repurchase(s) through, amongst other things, direct and indirect holding vehicles and other legitimate trust and asset management arrangements and shall go through the necessary regulatory approvals.

Obligations under the Proposed Repurchase(s)

The Default Payment

If Yuxing International or its designed entities fail to repurchase the Ping An A Shares during the Repurchase Period or the actual number of Ping An A Shares repurchased by Yuxing International or its designated entities (where JI is not in breach of its selling obligations under the Proposed Repurchase(s)) is less than 27 million, Yuxing International shall be liable to pay the Default Payment which represents an absolute value calculated with reference to the following formula:

> (Repurchase Price per Ping An A Share
> **minus** (-) average daily trading price of Ping An A Shares for the day before expiry of the Repurchase Period) *(Note 1)*
> **times** (x) (27 million Ping An A Shares – the actual number of Ping An A Shares repurchased by Yuxing International or its designated entities)
> **times** (x) 2 *(Note 2)*

Notes:

1. *Average daily trading price of Ping An A Shares on the date before expiry of the Repurchase Period is calculated with reference to the trading value of Ping An A Shares for the day before expiry of the Repurchase Period divided by the trading volume of Ping An A Shares for the day before expiry of the Repurchase Period. There are no upper limit and lower limit for the difference between the Repurchase Price per Ping An A Share and such average daily trading price.*

2. *The "2 times" multiple is determined with a view to increasing the penalty and cost of the defaulting party and hence ensuring that the Proposed Repurchase(s) can be carried out properly in accordance with the terms of the Agreement.*

Although there is no upper limit for the difference between the Repurchase Price per Ping An A Share and the average daily trading price of Ping An A Shares for the day before expiry of the Repurchase Period in the formula above, as the Company is committed to repurchasing 27 million Ping An A Shares during the Repurchase Period, the Company considers that the possibility that Yuxing International (or any of its designated entity) is required to pay the Default Payment is remote.

If JI fails to sell the Ping An A Shares to Yuxing International or its designated entities during the Repurchase Period (whether or not such failure is caused by the disposal, transfer, pledge or encumbrances of the relevant Ping An A Shares by JI) or the actual amount of Ping An A Shares sold by JI to Yuxing International under the Proposed Repurchase(s) is less than the Indicated Repurchased Ping An A Shares, JI shall be liable to pay the Default Payment which represents an absolute value calculated with reference to the following formula:

> (Repurchase Price per Ping An A Share
> **minus** (-) average daily trading price of Ping An A Shares for the day before expiry of the Repurchase Period) *(See Note 1 above)*
> **times** (x) (Indicated Repurchased Ping An A Shares – actual amount of Ping An A Shares sold by JI to Yuxing International during the Repurchase Period)
> **times** (x) 2 *(See Note 2 above)*

The Purchaser and JI will be jointly and severally liable for JI's default.

The aggregate number of Indicated Repurchased Ping An A Shares for all Proposed Repurchases during the Repurchase Period shall be no more than 41 million but no less than 27 million. Yuxing International shall notify JI the quantity of Indicated Repurchased Ping An A Shares in writing two trading days in advance of each Proposed Repurchase.

Other obligations

The parties to the Agreement do not consider that the obligations to pay the Default Payment immediately arises when Yuxing International or its designated entities and JI cannot agree on the Actual Repurchase Consideration or other terms of block trades throughout the Repurchase Period. Rather relevant facts and circumstances will be assessed to determine if any party is in breach of the terms of the Agreement and hence liable to pay the Default Payment. Nonetheless, the Company is of the view that the key terms of the Proposed Repurchase(s), including but not limited to the consideration, the maximum and minimum numbers of Ping An A Shares to be repurchased and method of repurchase(s) have been determined as at the date of the Agreement and therefore as mentioned above the possibility that the Yuxing International (or any of its designated entity) is required to pay the Default Payment is remote.

The parties to the Agreement acknowledge that Yuxing International is entitled to designate other third parties and associates to exercise its rights and assume its obligations under the Agreement. It is also agreed that Yuxing International and ZSSB are jointly and severally entitled to the rights conferred on them under the Agreement and its ancillary agreements and each of them is entitled to request the Purchaser, JI and Golden Yuxing to discharge all their obligations in accordance with the terms of the Agreement and its ancillary agreements, including but not limited to the payment of all considerations for share transfers, settlement of the Debts Payable and sale of Ping An A Shares under the Proposed Repurchase(s).

During the period from the Cut-off Date to the end of the Repurchase Period, without the permission from Yuxing International, the Purchaser is not allowed to dispose of, transfer, pledge or create any encumbrances on no more than 41 million Ping An A Shares subject to the Proposed Disposal to be repurchased by Yuxing International under the Proposed Repurchase(s).

Further, during the period from the date of the Agreement to the completion of registration of equity transfer of all relevant Ping An A Shares repurchased by Yuxing International pursuant to the Proposed Repurchase(s), if the book closure date in relation to any dividend declared by Ping An A Shares takes place before Cut-off Date, the Vendors will be entitled to receive all the dividends associated with their economic interests in the 51 million Ping An A Shares and JI shall remit such dividends to the Vendors or their designated entities within five Business Days upon receipt by it.

Under the Agreement, in the event that any party to the Agreement fails to make any payments including the Deposit in accordance with the terms of the Agreement, the defaulting party is liable to pay an overdue penalty with an applicable daily interest rate of 0.03% to the other side.

Conditions for the Agreement to become effective

The Agreement shall become effective upon satisfaction of, among other things, the following conditions:

(i) the approval of the Proposed Disposal, the Proposed Repurchase(s) and the transactions contemplated under the Agreement by the Shareholders at the SGM pursuant to the GEM Listing Rules;

(ii) the board approval of Golden Yuxing in respect of the Proposed Disposal; and

(iii) the approval by the relevant commerce bureaus on the Proposed Disposal.

In the event that the abovementioned conditions for the Agreement to become effective have not been fulfilled by 1st June 2014, and this is caused by any reason (including but not limited to the delay in the grant of approvals by relevant government authorities in relation to the Proposed Disposal) other than the default of either party to the Agreement:

(i) the Agreement shall be rescinded and terminated;

(ii) no party shall have any liability towards any other party(ies) to the Agreement;

(iii) ZSSB shall refund the Deposit to the Purchaser in full; and

(iv) Golden Yuxing shall repay the Purchaser any amount it has paid to SZSB without interest in respect of the Amount Payable to SZSB.

The Cut-off Date, the Final Payment Date and the Transition Period

The Cut-off Date

The parties to the Agreement agreed to use their best endeavours to ensure that the Cut-off Date takes place on or before 31st December 2013 but in any event no later than 30th June 2014. The date of completion of the transfer of the entire equity interests in Golden Yuxing shall be the Cut-off Date. For the purpose of registration of such equity transfer, the parties agreed to prepare an asset valuation report of Golden Yuxing with a reference date on 30th September 2013.

The Other Remaining Debts shall be confirmed by the Vendors and the Purchaser within five Business Days after the Cut-off Date. The parties to the Agreement agreed that the Other Remaining Debts will be settled by Golden Yuxing and will be deducted from the second tranche of the ZSSB Disposal Consideration.

The Final Payment Date

According to relevant PRC laws and regulations, the Yuxing International Disposal Consideration, a foreign incorporated enterprise, shall be paid after the Cut-off Date. Therefore, the Final Payment Date shall take place after the Cut-off Date but within five Business Days from the date of the foreign exchange payment approval by the relevant government authority in respect of the Proposal Disposal.

The Transition Period

(i) Phase 1

The parties to the Agreement agreed that during the period from the date of the Agreement to the day before the Cut-off Date, the Vendors will be responsible for managing Golden Yuxing. The Purchaser undertakes that the debts owed to the Vendors by their debtors before the Cut-off Date (if any) belong to the Vendors and Golden Yuxing and the Purchaser shall pay back the proceeds from repayments of such debts to the Vendors or their designated entities in five Business Days after the receipt of such proceeds.

(ii) Phase 2

During the period from the Cut-off Date to the Final Payment Date, the Purchaser will be responsible for managing Golden Yuxing and any of the existing and former management or personnel of Golden Yuxing shall assist the Purchaser in the daily operation of Golden Yuxing. Any claims or debts incurred on and after the Cut-off Date shall be undertaken by Golden Yuxing.

Pledge of additional 6 million Ping An A Shares by JI

After the completion of the Proposed Disposal, the Company will no longer hold any equity interest in Golden Yuxing and the Group will have no obligation for the payment of the outstanding Settlement Fee (which has been deducted from the Total Disposal Consideration) for which Golden Yuxing is liable. Pursuant to the Agreement, the Purchaser is required to provide financial assistance to Golden Yuxing to fulfill its obligations under the Final Settlement Agreement.

The Debts Payable comprise (i) the Loan which will be used primarily for the payment of the first tranche of the Settlement Fee and (ii) Golden Yuxing's payment obligations of the second and third tranche of the Settlement Fee, which are subject to, respectively, the Ping An Freezing Order in respect of 10 million Ping An A Shares and the Loan Security in respect of 8.8 million Ping An A Shares. Based on the Disposal Price per Ping An A Share, the aggregate value of these 18.8 million Ping An A Shares amounts to approximately RMB701.1 million and therefore exceeds the expected total amount of RMB488 million of the Debts Payable as at the date of the Agreement. As such, the Company, upon seeking the advice of the PRC legal advisor, considers that the Ping An Freezing Order and the Loan Security are adequate safeguards against the non-payment of the Debts Payable by Golden Yuxing after the Cut-off Date.

However, since the obligations of the Company under the Guarantee will continue after the Proposed Disposal, pursuant to the terms of the Agreement, JI agreed to pledge 6 million Ping An A Shares held by it to ZSSB to ensure that the Purchaser will provide financial assistance to Golden Yuxing to fulfil its obligations under the Final Settlement Agreement, especially to pay the two outstanding tranches of the Settlement Fee amounting to RMB300 million. The Board is therefore of the view that the 6 million Ping An A Shares to be pledged by JI under the Agreement will be sufficient to cover the Company's obligations under the Guarantee.

The registration procedures of the pledge of the 6 million Ping An A Share shall be completed by JI within five Business Days after the Cut-off Date.

As disclosed in the announcement dated 27th September 2013 of the Company, the first tranche of RMB150 million of the Settlement Fee shall be paid by Golden Yuxing within six months from the Release Date. Therefore, Golden Yuxing and JI entered into the agreement dated 27th September 2013 relating to the Loan for settling the first tranche of Settlement Fee and related expenses. Golden Yuxing has agreed for JI to enter into a fundraising transaction with an independent financier to raise funds for the Loan on the Loan Security. As at the date of the Agreement, JI has received the funds from the financier and it is in the process of advancing the Loan to Golden Yuxing.

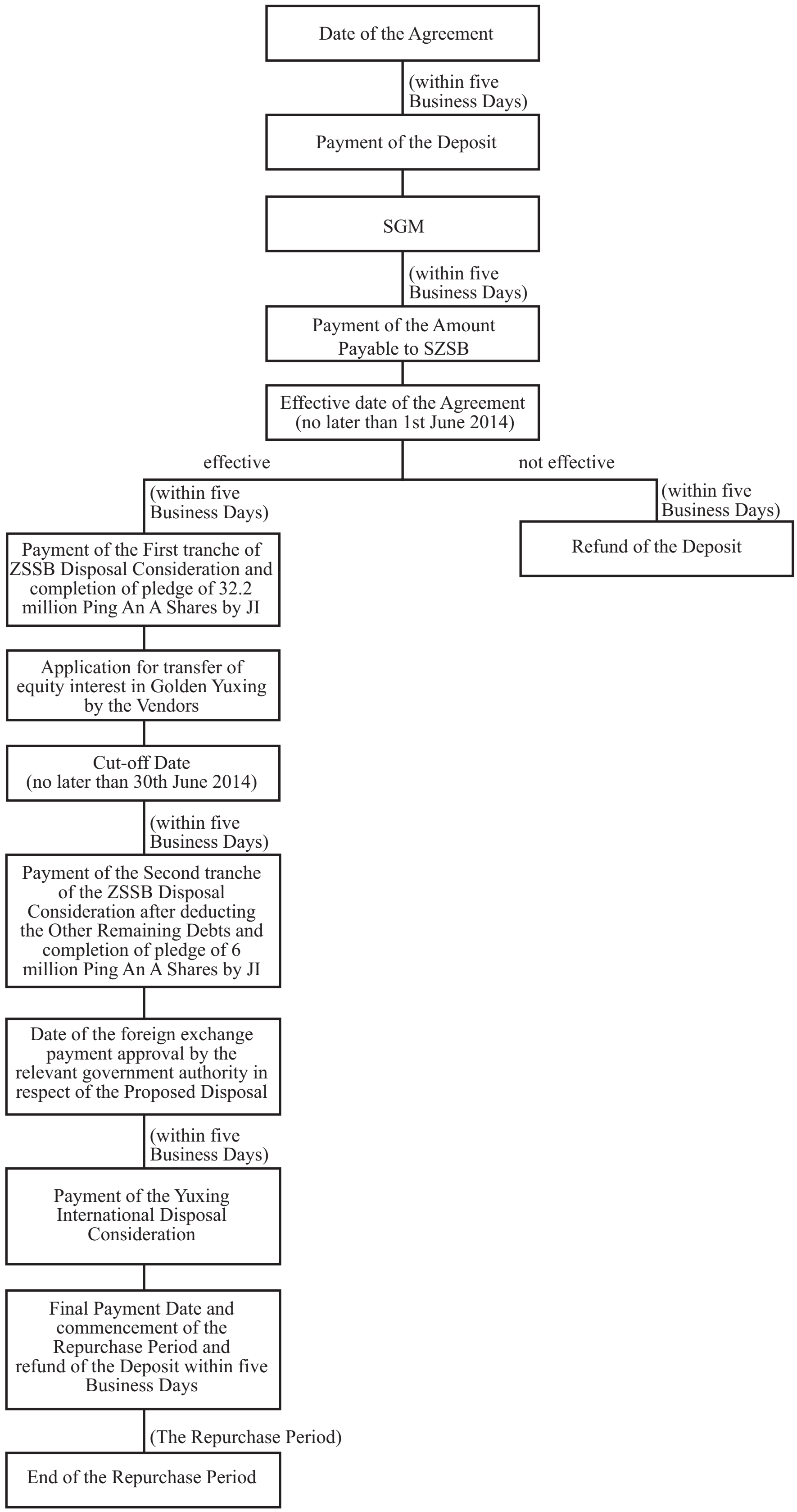
The major terms of the Loan including term, interest, use and security are disclosed in the announcement dated 27th September 2013 of the Company.

CONSENT OF THE OTHER JI SHAREHOLDER

Pursuant to the Bilateral Agreement, as permitted by applicable PRC law, each of the JI Shareholders has the right to transfer its indirect equity holding in Ping An A Shares at its sole discretion (including but not limited to, the methods of transfer, the number of Ping An A Shares to be transferred, and the transfer price). In addition, each of the JI Shareholders has waived its pre-emptive rights to acquire the Ping An A Shares indirectly held by the other JI Shareholder, and agreed to assist the other JI Shareholder to complete the acquisition or transfer of its own equity holding in Ping An A Shares. The PRC legal advisor of the Company is therefore of the view that the Proposed Disposal does not require consent of the Other JI Shareholder. The

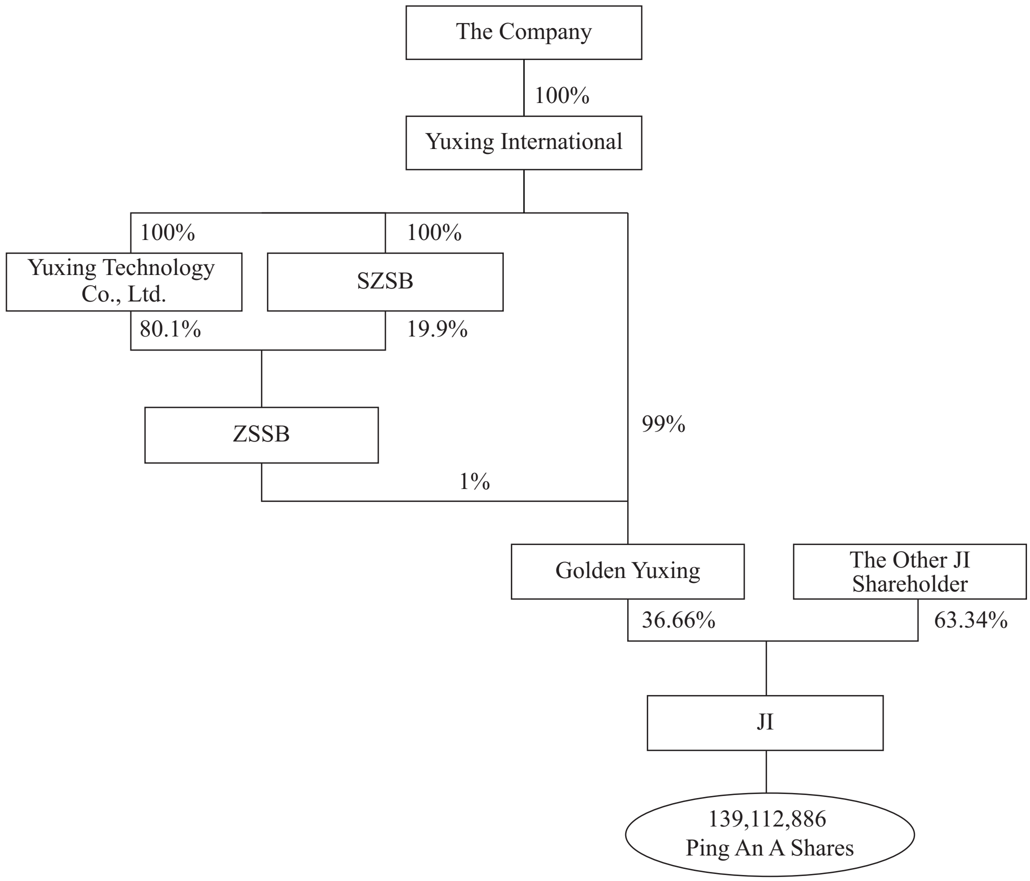
Proposed Repurchase(s) however is not a type of corporate action contemplated under the Bilateral Agreement and the cooperation of the Other JI Shareholder is required in order to ensure that it is implemented in accordance with the articles and internal procedures of JI. In this connection, the Other JI Shareholder has provided a written consent in respect of the Transactions to the parties to the Agreement at the time of entering into the Agreement.

INDICATIVE TIMELINE OF THE TRANSACTIONS

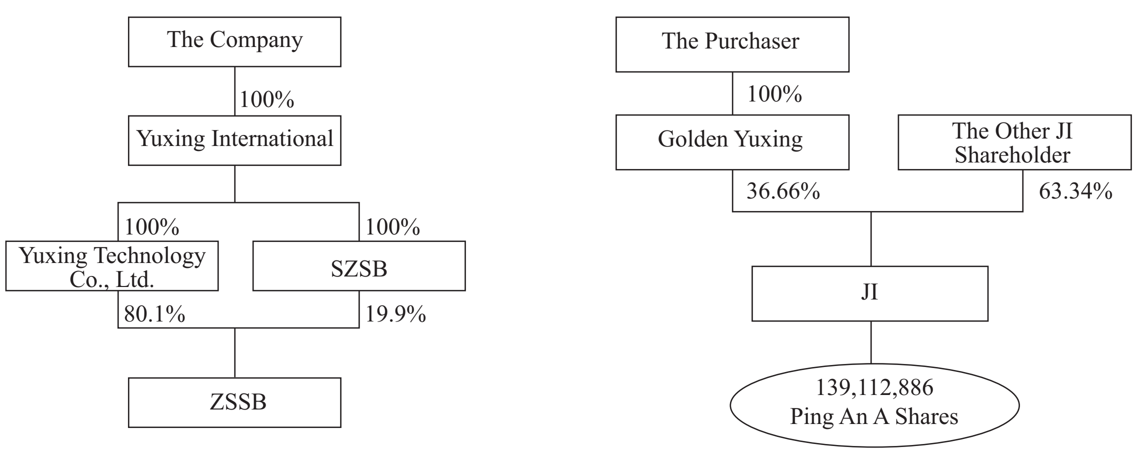


SHAREHOLDING STRUCTURE OF THE GROUP BEFORE AND AFTER THE TRANSACTIONS

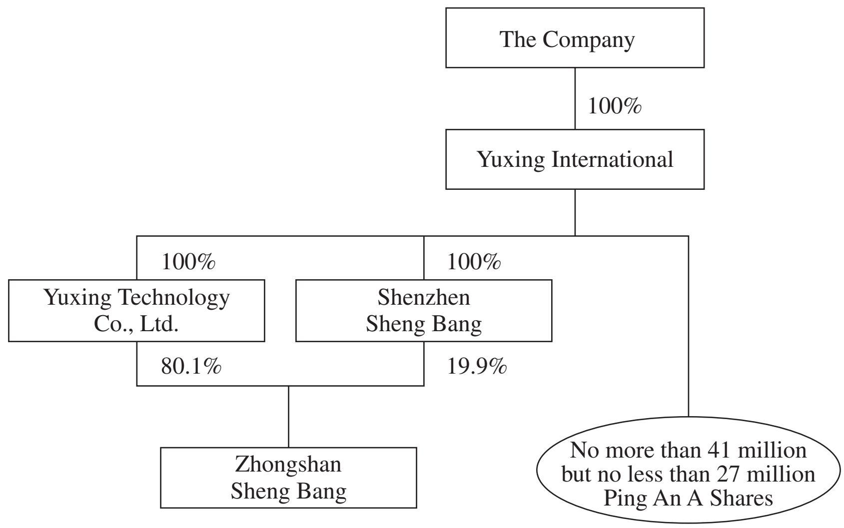
(i) Shareholding structure at the date of this announcement



(ii) Shareholding structure after the Proposed Disposal but before the Proposed Repurchase



(iii) Shareholding structure after the Transactions



THE DISPOSAL MANDATE

As a result of the Transactions, Golden Yuxing will cease to be a subsidiary of the Group and the major terms of the Disposal Mandate including the manner in which the Disposal Mandate can be exercised become invalid. Therefore, the Disposal Mandate will no longer be effective.

INFORMATION ON THE COMPANY

The Company is an investment holding company with subsidiaries that are principally engaged in the research and development, design, manufacturing, marketing and sale of information home appliances (mainly set-top boxes) and complementary products for distribution and sales in both the PRC and global market.

INFORMATION ON GOLDEN YUXING

Before April 2013, Golden Yuxing was engaged in the Group's set-top boxes business other than the holding of its 36.66% equity interest in JI and its major sources of revenue was the research and development, design, marketing, distribution and sales of information home appliances in particular set-top boxes. All dividends received from Golden Yuxing's indirect economic interests in the 51 million Ping An A Shares have been reflected in "share of results of a jointly controlled entity" in the books of Golden Yuxing.

Set out below is the audited financial information of Golden Yuxing for the two years ended 31st December 2011 and 2012 and unaudited financial information of Golden Yuxing for the six months ended 30th June 2013:

	Year ended 31st December		Six months ended 30th June
	2011	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	393,180	512,982	98,706
Net profit/(loss) before taxation	36,938	(505,241)	11,233
Net profit/(loss) after taxation	36,938	(505,241)	11,233

The unaudited net asset value of Golden Yuxing as at 30th June 2013 amounted to approximately HK$1,483.0 million.

The financial information of JI has been included in the financial information of Golden Yuxing. In addition to the Group's share of the results of JI of approximately HK$23.7 million (equivalent to approximately RMB19.3 million) and a provision of approximately HK$518.4 million in respect of the Settlement Fee accounted for in Golden Yuxing's books, amongst other things, a profit of approximately HK$7.3 million attributable to Golden Yuxing's set-top boxes business was recorded in the year ended 31st December 2012. These had resulted in Golden Yuxing's net loss before and after tax of approximately HK$505.2 million for the year ended 31st December 2012.

The Company has restructured the business of Golden Yuxing since April 2013. As a result, the Group's set-top boxes business activities, including but not limited to business contracts and licences, previously carried out by Golden Yuxing have been transferred to another company in the Group's information home appliances unit and Golden Yuxing's remaining business activities since then has been the holding of its 36.66% equity interest in JI only.

Set out below is the unaudited financial information of the set-top boxes business of Golden Yuxing for the two years ended 31st December 2011 and 2012 and for the six months ended 30th June 2013 as extracted from its respective segment reports:

	Year ended 31st December		Six months ended 30th June
	2011	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	393,180	512,982	98,706
Net profit before taxation	9,203	7,271	2,409
Net profit after taxation	9,203	7,271	2,409

The net assets value of the set-top boxes business of Golden Yuxing increased from approximately HK$27.5 million as at 31st December 2011 to approximately HK$34.8 million as at 31st December 2012 due to a gain of approximately HK$7.3 million recorded by Golden Yuxing on its set-top boxes business in the year ended 31st December 2012.

The net assets value of the set-top boxes business of Golden Yuxing decreased from approximately HK$34.8 million as at 31st December 2012 to approximately HK$8.0 million as at 30th June 2013 which was mainly due to a gain of approximately HK$2.4 million recorded by Golden Yuxing on its set-top boxes business for the six months ended 30 June 2013 and the transfer of the assets of its set-top boxes business amounting to HK$29.2 million to the other company in the Group's information home appliances unit since April 2013 referred to above.

It is expected that there will be no material change in the major business activities and segments of the Group after completion of the Proposed Disposal. In particular, the Group will continue to develop its core business in the information home appliances sector and through the Proposed Repurchase(s) to control no more than 41 million Ping An A Shares. As such, it is not expected that the Proposed Disposal followed by the Proposed Repurchase will have a material impact on the turnover of the Group. However, in conjunction with the payment of the Settlement Fee, assuming that other things remain unchanged, the Group's economic interest in the Ping An A Shares will be reduced from 51 million to no more than 41 million and thus its total assets and profitability (by virtue of the reduction in corresponding dividend income from the Ping An A Shares) would be reduced proportionally. Relevant pro forma information regarding the Proposed Disposal and the Proposed Repurchase for the remaining Group and consequently the enlarged Group, respectively, will be included in the circular relating to the Transactions.

INFORMATION ON PING AN

Ping An, a joint stock limited company incorporated in the PRC with limited liability, is one of the leading integrated financial services groups in the PRC. The Ping An A Shares are listed on Shanghai Stock Exchange (Stock code: 601318) and the "H" shares of Ping An are listed on the Stock Exchange (Stock code: 2318). Save for the Company's indirect holding of the 51 million Ping An A Shares, Ping An is an Independent Third Party.

Set out below is the audited financial information of Ping An for the two years ended 31st December 2011 and 2012 and unaudited financial information of Ping An for the six months ended 30th June 2013 as extracted from its published financial reports, which are available on the website of the Stock Exchange:

	Year ended 31st December		**Six months ended 30th June**
	2011	**2012**	**2013**
	RMB million	*RMB million*	*RMB million*
Revenue	272,244	339,193	215,857
Net profit before taxation	30,026	32,338	27,351
Net profit after taxation	22,582	26,750	21,771

The unaudited net asset value of Ping An as at 30th June 2013 amounted to approximately RMB227,103 million.

FINANCIAL IMPACT OF THE TRANSACTIONS ON THE GROUP

Upon completion of the Proposed Disposal, the Company will no longer have any equity in Golden Yuxing and JI. Golden Yuxing will cease to be a subsidiary of the Company and JI will cease to be a jointly controlled entity of the Company. The results of Golden Yuxing will cease to be consolidated into the accounts of the Group and JI will cease to be equity accounted for by the Company. The Company expects to record a gain on the Proposed Disposal of approximately HK$2,142.9 million before tax and the estimated option value of the Differential Payment, which gain is calculated with reference to the Total Disposal Consideration, as adjusted by, amongst other things, intercompany balances, unallocated imputed interest of the Settlement Fee, bank balances, other receivables and other payables of Golden Yuxing as at 30th June 2013 and legal and professional expenses relating to the Transactions, minus the unaudited net asset value of Golden Yuxing as at 30th June 2013 and release of the cumulative reserves of Golden Yuxing in accordance with the generally accepted accounting principles in Hong Kong ("HK GAAP"). The option value of the Differential Payment will be assessed and treated as financial instrument in the consolidated financial statements of the Group for the year ended 31st December 2013 in accordance with HK GAAP.

The proceeds from the Proposed Disposal after the deduction of, amongst other things, the Settlement Fee from the Total Disposal Consideration will be used to repurchase no more than 41 million Ping An A Shares and for general working capital purpose.

Upon completion of the Proposed Repurchase(s), the Company will through Yuxing International or its designated entities directly hold no more than 41 million Ping An A Shares. The Group expects to receive direct economic interests from the investment in Ping An A Shares including but not limited to the dividends and the investment in Ping An A Shares will be classified as available-for-sale financial assets.

REASONS FOR THE TRANSACTIONS

Over the years, the Group has been entitled to the economic benefits of 51 million Ping An A Shares through its 36.66% equity interests in JI. Pursuant to the Bilateral Agreement, each of the JI Shareholders is entitled to its respective interest from its indirect equity holding in Ping An A Shares (including but not limited to, gains on equity transfers, dividends, bonus shares, and other rights). However, according to the Bilateral Agreement, any material transactions including the Proposed Disposal must be approved by both Golden Yuxing and the Other JI Shareholder. The existing shareholding structure of JI which is accounted for as jointly controlled entity of the Group has therefore impeded the flexibility of the Group in effectively managing its economic interests in the Ping An A Shares including the divestment of the Ping An A Shares in a timely manner.

In considering the various means to pay for the Settlement Fee and the more appropriate shareholding structure in holding the Ping An A Shares going forward, after seeking professional tax advice from a reputable international accounting firm, the Company is of the view that the current arrangement represented by the Proposed Disposal followed by the Proposed Repurchase, as opposed to selling no less than 10 million Ping An A Shares directly to the Purchaser, is the more tax efficient way to dispose of such shares as the Group may otherwise be liable to pay, amongst other things, additional PRC corporate income tax, business taxes and surcharges and stamp duties.

The Board considers that the Proposed Disposal followed by the Proposed Repurchase(s) will allow the Group to streamline and optimise the equity structure of the Ping An A Shares currently held by the Company through Golden Yuxing and consequently secure direct control of not more than 41 million Ping An A Shares. This will in turn facilitate the implementation of any future investment decisions to, amongst other things, dispose of the Ping An A Shares.

As disclosed in the circular of the Company dated 28th February 2013 and the announcement of the Company dated 7th May 2013, Golden Yuxing is required to pay the first, second and third tranche of RMB150 million each of the Settlement Fee within six months, twelve months and eighteen months respectively from the Release Date. The Company considers that if the Group disposes of its 36.66% equity interest in JI instead of its entire equity interest in Golden Yuxing to the Purchaser, the Other JI Shareholder is required to negotiate and execute another bilateral agreement with the new shareholder of JI. Taking into account the additional time and relevant local regulatory procedures and upon seeking professional legal and tax advice, the Company considered that the Proposed Disposal is the more appropriate means to raise capital to finance the Settlement Fee.

The Disposal Mandate previously obtained by the Company from its Shareholders on 18th March 2013 cannot be utilised to settle part of the Settlement Fee in light of the recent volatility of the stock market and accordingly the closing price of the Ping An A Shares, which ranged from the lowest of RMB32.08 to the highest of RMB41.68 during the period from the commencement of the Disposal Mandate on the Release Date to the date of the Agreement, consistently falling below the minimum selling price per Ping An A Share of no less than RMB42 under the terms of the Disposal Mandate. In the circumstances, the Proposed Disposal is expected to enable the Group to address the imminent issue of repaying the Settlement Fee in time in accordance with the aforementioned payment schedule.

The minimum price of RMB42 under the terms of the Disposal Mandate was determined on the basis of the then prevailing market conditions. The Disposal Price, on the other hand, was determined on arm's length negotiation between the Vendors and the Purchaser with reference to the latest share performance of Ping An Shares immediately prior to the date of the Agreement which has in turn been affected by changes in market conditions since the approval of the Disposal Mandate by the Shareholders, the immediate need of the Group to repay the Settlement Fee in a timely manner and other factors considered by the Group including the methods of disposal and their tax implications and regulatory approval requirements and procedures. In addition, in ensuring that the Group is able to maintain sufficient economic interest in Ping An after the Proposed Disposal by "locking in" a reasonable price for the subsequent Proposed Repurchase(s) of no less than 27 million Ping An A Shares and in order to reduce the risk of material price fluctuations of the Ping An A Shares during the Repurchase Period, the parties to the Agreement agreed that the Repurchase Price should be the same as the Disposal Price. The Directors are of the view that the Disposal Price per Ping An A Share is in the interest of the Company and its Shareholders.

In addition, as at 30th June 2013, the Group had unaudited cash and cash equivalents of approximately HK$138.9 million. As disclosed in the interim report for the six months ended 30th June 2013, the Group's turnover and gross profit declined significantly as compared to the prior period. As such, it is the Group's intention to explore more business opportunities particularly in the sector of Internet Protocol Television set-top boxes by offering its customers products with advanced technologies and more price competitiveness, thereby bringing better investment returns to its Shareholders in the future. In this connection, the Board is of the view that the proceeds to be generated from the Proposed Disposal will provide the Group with the necessary capital in furtherance of the business development of the Group.

Since the listing of the Ping An A Shares on the Shanghai Stock Exchange in 2007, the Group has been able to receive stable dividend income and benefit from capital appreciation from its indirect holding of the economic interests in the 51 million Ping An A Shares. The Board is fully confident in the growth potential of the Ping An A Shares and the substantial economic benefits that they are expected to continue to bring to the Group and its Shareholders. The Board is therefore of the view that the Proposed Repurchase(s) is beneficial to the long term development of the Group and the terms of the Agreement are fair and reasonable and the entering into of the Agreement is in the interest of the Company and Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under the GEM Listing Rules in respect of the Proposed Disposal are more than 75%, the Proposed Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. In addition, the Proposed Repurchase(s) will constitute a very substantial acquisition of the Company as the relevant percentage ratios are more than 100% and is therefore subject to reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. To the best knowledge, information and belief of the Directors having made all reasonable enquires, no Shareholder has a material interest in the transactions contemplated under the Agreement. No Shareholder will be required to abstain from voting on the resolution(s) to be proposed at the SGM to approve the Transactions and the transactions contemplated under the Agreement.

A circular containing, among other things, further particulars of the Proposal Disposal and the Proposed Repurchase(s), other information as required under the GEM Listing Rules and the notice of SGM to consider and, if thought fit to approve the resolution(s) relating to the Transactions, will be despatched to the Shareholders on or before 31st October 2013.

As there are certain conditions for the Agreement to become effective and the payment of the Total Disposal Consideration by the Purchaser, the issue of this announcement should not be regarded in any way as implying that the Agreement will become effective. Therefore, the Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Actual Repurchase Consideration"	the actual consideration for the Proposed Repurchase(s) paid by Yuxing International or its designated entities to the Purchaser;
"Agreement"	關於北京金裕興電子技術有限公司的股權及資產重組協議 (Agreement on the Reorganisation the Equity and Assets of Beijing Golden Yuxing Electronics and Technology Company Limited) dated 11th October 2013 in relation to the Transactions;
"Amount Payable to SZSB"	an outstanding intercompany balance of RMB32 million due from Golden Yuxing to SZSB;
"associates"	has the meaning given to it under the GEM Listing Rules;

"Bilateral Agreement"	the bilateral agreement entered into between the JI Shareholders on 8th June 2012 for the purpose of governing their respective interest in Ping An A Shares through their equity interests in JI;
"Board"	the board of Directors;
"Business Day"	any statutory business day of the PRC; or when referring to the business day of the banking systems of the PRC, any day when banks are open for business in the PRC;
"Company"	Yuxing InfoTech Investment Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM;
"connected person"	has the meaning given to it under the GEM Listing Rules;
"Cut-off Date"	the date when the registration procedures at the relevant industrial and commerce bureaus complete (which shall be the date specified on the new business licence of Golden Yuxing to be issued);
"Debts Payable"	debts payable of RMB488 million of Golden Yuxing comprising the Amount Payable to SZSB and a total of RMB456 million including the Settlement Fee and related expenses as at the date of the Agreement;
"Default Payment"	a default payment payable by either Yuxing International or JI to the other party (or its designated entities) under the Agreement if, respectively, Yuxing International (or its designated entities) fails to repurchase or JI fails to sell the corresponding number of Ping An A Shares within the Repurchase Period (including but not limited to such Ping An A Shares which are subject to pledge, freezing orders imposed by courts or other restrictions);
"Deposit"	a deposit of RMB30 million payable by the Purchaser to ZSSB within five Business Days from the date of the Agreement as part of the terms of the Total Disposal Consideration;
"Differential Payment"	the payment to be made by the Purchaser, Yuxing International or their respective designated entities to the other side if the Actual Repurchase Consideration is different from the Initial Repurchase Consideration for the Proposed Repurchase(s);
"Director(s)"	the director(s) of the Company;
"Disposal Mandate"	the disposal mandated granted to the Board by the Shareholders at the special general meeting dated 18th March 2013 of the Company which authorises and empowers the Board to sell up to 10,714,285 Ping An A Shares with aggregate net proceeds (excluding taxes and expenses) of not exceeding RMB450 million and minimum selling price per Ping An A Share of not less than RMB42 for a period of 18 months from the Release Date;

"Disposal Price per Ping An A Share" or "Repurchase Price per Ping An A Share"	RMB37.29 per Ping An A Share, calculated with reference to the aggregate trading value of Ping An A Shares for the 20 consecutive trading days prior to the date of the Agreement divided by the aggregate trading volume of Ping An A Shares for the 20 consecutive trading days prior to the date of the Agreement;
"Final Payment Date"	the date when the Total Disposal Consideration is fully paid by the Purchaser to the Vendors;
"Final Settlement Agreement"	the settlement agreement (和解協議書) entered into among Golden Yuxing, JLB Group and other parties on 4th February 2013 in relation to the settlement of certain legal proceedings and extinguishment of all the claims between the parties to the settlement agreement, details of which can be referred to the circular dated 28th February 2013 of the Company;
"GEM"	the Growth Enterprise Market of the Stock Exchange;
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM;
"Golden Yuxing"	北京金裕興電子技術有限公司(Beijing Golden Yuxing Electronics and Technology Company Limited), a company incorporated in the PRC and wholly owned by the Company;
"Group"	the Company and its subsidiaries;
"Guarantee"	the guarantee dated 4th February 2013 issued by the Company to Golden Yuxing in favour of the JLB Group pursuant to the terms of the Final Settlement Agreement;
"HHXL Investment" or "Purchaser"	華浩信聯(北京)投資有限公司(Hua Hao Xin Lian (Beijing) Investment Co., Ltd.*), a company incorporated in the PRC with limited liability;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Third Party(ies)"	third party(ies) independent of the Company and connected persons (with the meaning ascribed under the GEM Listing Rules) of the Company;
"Indicated Repurchased Ping An A Shares"	the number of Ping An A Shares to be repurchased under the Proposed Repurchase(s) as indicated by Yuxing International to JI from time to time;
"Initial Repurchase Consideration"	the aggregate consideration of no more than RMB1,528.9 million (equivalent to approximately HK$1,929.2 million) for the Proposed Repurchase(s) calculated with reference to the formula set out in the sub-section headed "Principal terms of the Agreement – The Proposed Repurchase(s) – Initial Repurchase Consideration" in this announcement;

"JI"	工布江達江南實業發展有限公司(Gongbujiangda Jiangnan Industrial Development Co., Ltd.*), formerly known as 深圳市江南實業發展有限公司(Shenzhen Jiangnan Industrial Development Co., Ltd.*), whose principal asset is 139,112,886 Ping An A Shares;
"JI Shareholder(s)"	Golden Yuxing and the Other JI Shareholder;
"JLB Group"	廣東健力寶集團有限公司(Guangdong Jianlibao Group Company Limited*), a company incorporated in the PRC;
"Loan"	a one year term loan in the principal amount of RMB156 million (equivalent to approximately HK$196.71 million) made available to Golden Yuxing by JI pursuant to a loan agreement dated 27th September 2013 entered into between Golden Yuxing and JI for the purpose of payment of the first tranche of RMB150 million (equivalent to approximately HK$189.14 million) of the Settlement Fee and related expenses;
"Loan Security"	the security of 8.8 million Ping An A Shares (including any dividends and other interests arising in relation to the relevant shares) which are not subject to the Ping An Freezing Order provided by JI to an independent financier in respect of a fundraising transaction with the independent financier to raise funds for the Loan as referred to in the announcement dated 27th September 2013 of the Company;
"Other JI Shareholder"	林芝正大環球投資有限公司(Linzhi Zhengda Global Investment Co., Ltd.*), holder of 63.34% equity interest in JI respectively;
"Other Remaining Debts"	the other remaining debts (not including the Debts Payable) of Golden Yuxing comprising all the liabilities in Golden Yuxing's accounts as of the Cut-off Date which shall not exceed RMB3 million;
"Ping An"	中國平安保險(集團)股份有限公司(Ping An Insurance (Group) Company of China, Ltd.), a joint stock limited company incorporated in the PRC with limited liability;
"Ping An A Shares"	"A" shares of Ping An which are listed on Shanghai Stock Exchange (Stock code: 601318);
"Ping An Capital Adjustments"	increase or decrease in the share capital of Ping An including capitalisation of capital reserves and surplus reserves, distribution of stock dividends and reduction of share capital etc. during the period from the date of the Agreement to the date of completion of registration of transfer of the Ping An A Shares for each relevant Proposed Repurchase;

"Ping An Freezing Order"	the freezing order on 7.188% equity interest in JI (and hence the Group's associated indirect economic benefits of 10 million Ping An A Shares) held by Golden Yuxing imposed by the Guangdong Higher Court (the future dividend entitlements of such 7.188% equity interest will not be frozen) as a security for Golden Yuxing to pay the Settlement Fee, subject to the provision of the Guarantee by the Company in favour of JLB Group to make good any shortfall in the Settlement Fee payable Golden Yuxing, in accordance with the terms of the Final Settlement Agreement;
"PRC"	The People's Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan Province);
"Proposed Disposal"	the disposal of the 100% equity interests in Golden Yuxing by the Vendors to the Purchaser;
"Proposed Repurchase(s)"	the repurchase(s) of no more than 41 million Ping An A Shares but no less than 27 million Ping An A Shares from JI by Yuxing International or its designated entities under the terms of the Agreement;
"Release Date"	25th April 2013, being the next day after the date of acknowledgement by the relevant local Administration for Industry and Commerce of the notice issued by the Guangdong Higher Court in relation to the release of Golden Yuxing's 29.472% equity interest in JI (and hence the associated economic benefits of 41 million Ping An A Shares);
"Repurchase Period"	90 days after the Final Payment Date as extended by the number of trading days for which the trading of the Ping An A Shares is suspended;
"RMB"	Renminbi, the lawful currency of the PRC;
"Settlement Fee"	the settlement fee of RMB450 million payable by Golden Yuxing to JLB Group pursuant to the Final Settlement Agreement;
"Shareholders"	holders of the Shares;
"Shares"	shares of HK$0.025 each in the share capital of the Company;
"SGM"	the special general meeting of the Company to be held to approve, amongst other things, the Transactions and other transactions contemplated under the Agreement;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"SZSB"	盛邦強點電子(深圳)有限公司(Sheng Bang Qiang Dian Electronics (Shenzhen) Company Limited), a company incorporated in the PRC and wholly owned by the Company;
"Total Disposal Consideration"	the sum of the ZSSB Disposal Consideration and the Yuxing International Disposal Consideration (subject to tax adjustments);

"Transactions"	the Proposed Disposal and the Proposed Repurchase(s);
"Vendors"	Yuxing International and ZSSB;
"Yuxing International"	Yuxing Group (International) Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by the Company;
"Yuxing International Disposal Consideration"	RMB1,383.8 million payable by the Purchaser to Yuxing International in respect of the transfer of 99% equity interest in Golden Yuxing from Yuxing International to the Purchaser under the Proposed Disposal;
"ZSSB"	盛邦強點電子(中山)有限公司(Sheng Bang Qiang Dian Electronics (Zhongshan) Company Limited), a company incorporated in the PRC and wholly owned by the Company;
"ZSSB Disposal Consideration"	RMB30 million (subject to deducting the Other Remaining Debts), comprising two tranches, payable by the Purchaser to ZSSB in respect of the transfer of 1% equity interest in Golden Yuxing from ZSSB to the Purchaser under the Proposed Disposal; and
"%"	per cent.

Unless otherwise specified in this announcement, the English names of the PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

For the purpose of this announcement, translations of RMB into HK$ are made for illustration purpose only at the exchange rate of RMB0.7925 to HK$1.

* *For identification only*

By Order of the Board
Yuxing InfoTech Investment Holdings Limited
CHEN Fu Rong
Deputy Chairman

Hong Kong, 11th October 2013

As at the date hereof, the executive Directors are Mr. Zhu Wei Sha, Mr. Chen Fu Rong, Mr. Shi Guang Rong, Mr. Zhu Jiang and Mr. Wang An Zhong; and the independent non-executive Directors are Mr. Wu Jia Jun, Mr. Zhong Peng Rong and Ms. Shen Yan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

*This announcement will remain on the "**Latest Company Announcements**" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.yuxing.com.cn.*