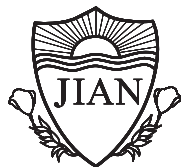


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Jian ePayment Systems Limited

華普智通系統有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8165)

UPDATE ON THE LISTING STATUS AND THE GEM LISTING COMMITTEE'S DECISION

This announcement is made by Jian ePayment Systems Limited (the “**Company**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 15 September 2017 and 25 September 2017 (the “**Announcements**”). Unless otherwise specified, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

DECISION OF THE GEM LISTING COMMITTEE

On 30 January 2018, the GEM Listing Committee considered the application of the Company for a review of the Decision as set out in the Letter (the “**Review Application**”) at the review hearing (“**Review Hearing**”). On 9 February 2018, the Company received a letter from the GEM Listing Committee setting out its decision on the Review Application (the “**Decision Letter**”).

The GEM Listing Committee considered all the submissions (both written and oral) made by the Company and the Stock Exchange. According to the Decision Letter, the GEM Listing Committee decided to uphold the Decision to suspend trading in the Company’s shares under Rule 9.04 of the GEM Listing Rules and proceed with cancellation of the Company’s listing under Rule 9.14 of the GEM Listing Rules.

* *For identification purpose only*

As stated in the Decision Letter, the Company is required to submit a resumption proposal to demonstrate that it has a sufficient level of operations or assets required by Rule 17.26 of the GEM Listing Rules at least 10 business days before the expiry of the six months from the date of the Decision Letter. If the Company fails to submit a viable proposal by the expiry of the six-month period, the Stock Exchange will proceed with cancellation of the Company's listing. The Decision Letter serves as a notice to the Company under Rule 9.15 of the GEM Listing Rules.

According to the Decision Letter, the GEM Listing Committee arrived at its decision for the following reasons:

Scale of operations

Existing business

1. The Company's business operations have been maintained at a very low level for years. They only generated minimal revenue of RMB2.6 million and RMB2.7 million in 2016 and for the six months ended 30th June 2017, respectively, which was insufficient to cover the Group's costs and expenses, resulting in net losses and negative operating cash flows. This situation did not appear to be a temporary decline or downturn, given the continued low level of revenue, net losses and negative operating cash flows in the last five years. Based on the Company's presentation at the Review Hearing, the GEM Listing Committee noted a further decline in revenue generated by the Company's business operations for 2017. These financial results raised a serious question about the viability and sustainability of the Company's businesses.
2. The operation of the car-parking electronic payment system in the PRC (the "**ePayment Business**") is the Group's original principal business. The Company only generated revenue of RMB0.1 million in 2016 and no revenue in the first half of 2017 from the ePayment Business. The Company planned to provide management services for car parks located in the major cities in the PRC, and expected to generate revenue of RMB1.9 million in 2017 and RMB3.7 million in the first half of 2018. The Company failed to meet the projected revenue in 2017. Only one 3-year contract with a total fee of RMB388,000 was signed in June 2017. The potential contracts in respect of car-park management did not progress. In any case, the projected revenues suggested that the scale of operations remained small.

New businesses

3. In 2016, the Company commenced two new businesses, namely the production and sale of electrical vehicle charging facilities for new energy vehicles (the "**Electrical Charging Business**") and the licensing and selling of patents, provision of consultancy service on intellectual property management and other intellectual property related business (the "**IP Services Business**").
4. Based on the Company's presentation at the Review Hearing, the Electrical Charging Business was not successful. There was no information on its impact on the Company's financials.

5. The IP Services Business had a relatively short track record and was still at a preliminary development stage. The committee noted from the Company's oral submission at the Review Hearing that the estimated revenue for 2017 generated from the IP Services Business did not meet the Company's projection. Despite the Company's projected revenue of RMB15.7 million for the first half of 2018, such projection was not substantiated, and it was uncertain whether it would be achievable.
6. Overall, the Company had not demonstrated that it would be able to substantially increase its business operations to generate sufficient revenue and profits for the Group, and support the viability and sustainability of the businesses.

Project forecast

7. Based on the profit estimate/forecast submitted by the Company to the Stock Exchange, the projected revenue is RMB14 million for 2017 and RMB19.4 million (with a net profit of RMB8 million) for the six months ending 30th June 2018. As noted from the Company's estimated figures for 2017 presented at the Review Hearing, the Company's businesses continued to be loss-making (notwithstanding that the loss was reduced). Further, the estimated figures for 2017 did not meet the Company's projection. In respect of the projection for 2018, the Company had not provided concrete information to support the basis on which such projection (including projected revenue, gross profit and net profit) could be achieved.

Assets

8. As at 30 June 2017, the Group had total assets of RMB24.2 million, which mainly comprised (i) investment properties of RMB8.6 million (being vacant and held as an investment asset); (ii) trade and other receivables of RMB2.5 million; and (iii) cash and bank balances of RMB5.7 million. These assets did not generate sufficient revenue and profits to ensure the Company had a viable and sustainable business. The Company had not provided sufficient information to demonstrate that its assets would enable it to substantially improve its operations and financial performance. The Company failed to demonstrate that it had assets of sufficient value to warrant the continued listing of its shares.
9. In light of the above, the GEM Listing Committee considered that the Company failed to maintain a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated under Rule 17.26 of the GEM Listing Rules to warrant the continued listing of its shares.

Under Rule 4.06 of the GEM Listing Rules, the Company has the right to have the decision of the GEM Listing Committee referred to the GEM Listing (Review) Committee for review. The Company is still in the process of reviewing the Decision Letter and will discuss the same with the Company's legal and financial advisers, and would actively consider lodging a review request for the ruling be referred to the GEM Listing (Review) Committee for review.

The Directors would remind the Shareholders and potential investors that (i) the Company may or may not proceed with the review by the GEM Listing (Review) Committee; and (ii) the outcome of such review is uncertain, if undertaken.

In the meantime, Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Jian ePayment Systems Limited
Huang Zhang Hui
Chairman

Hong Kong, 9 February 2018

As at the date of this announcement, the Board comprises one executive Director: Mr. Wang Jiang Wei; two non-executive Directors: Mr. Hu Hai Yuan and Mr. Huang Zhang Hui; and three independent non-executive Directors: Mr. Guo Shi Zhan, Mr. Luo Zemin and Dr. Xia Ting Kang.

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 posting thereon and on the website of the Company at <http://www.jianepayment.com>.