
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Easy Repay Finance & Investment Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

EASY REPAY FINANCE & INVESTMENT LIMITED **易還財務投資有限公司**

(Continued into Bermuda with limited liability)
(Stock code: 8079)

BETA DYNAMIC LIMITED

*(Incorporated in the British Virgin Islands
with limited liability)*

SPECIAL DEAL RELATING TO THE PROPOSED SETTLEMENT AND NOTICE OF THE SGM

Financial adviser to the Company



Independent financial adviser to the IBC



Capitalized terms used in this cover page shall have the same meanings as those defined in this circular.

A notice convening the SGM to be held at 701–702, One Lyndhurst Tower, No. 1 Lyndhurst Terrace, Central, Hong Kong at 11:00 a.m. on 19 June 2020 is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the SGM is enclosed with this circular.

Whether or not you are able to attend the SGM, you are advised to read this circular and complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

This circular together with a form of proxy will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days from the date of its posting and on the Company's website at www.ecrepay.com.

1 June 2020

CHARACTERISTICS OF GEM

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 Stock 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

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD AND THE OFFEROR	6
LETTER FROM THE IBC	12
LETTER FROM THE IFA	13
APPENDIX I – GENERAL INFORMATION	I-1
NOTICE OF THE SGM	SGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meaning:

“Able Rich”	Able Rich Consultants Limited, a company incorporated under the laws of Hong Kong with limited liability, and is wholly owned by Rich Treasure
“Able Rich Shares”	the entire issued share capital of Able Rich
“acting in concert”	has the same meaning ascribed to it in the Takeovers Code
“Alleged Share Charges”	charges executed over the Rich Treasure Shares, the Able Rich Shares and the Subject Shares
“associate”	has the same meaning ascribed to it in the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	day(s) on which the Stock Exchange is open for the transaction of business
“BVI”	British Virgin Islands
“CC Loan Agreement”	an agreement dated 19 October 2017 entered into between China Creative as the borrower and Ms. Tam as the lender in respect of a 13-month loan facility of HK\$5,000,000
“China Creative”	China Creative Digital Entertainment Limited (stock code: 8078), a company incorporated under the laws of Bermuda and its shares are listed on GEM
“Closing Date”	2 June 2020, being the extended closing date of the Offers as set out in the Extension Announcement
“Company”	Easy Repay Finance & Investment Limited (stock code: 8079), a company continued into Bermuda with limited liability and the issued Shares of which are listed on GEM
“Controlling Block”	82,288,613 Shares (representing approximately 34.24% of the total Shares in issue) which were held by Able Rich as at the date of the Popland Loan Agreement
“Directors”	directors of the Company
“Executive”	Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

DEFINITIONS

“Extension Announcement”	the announcement issued by the Offeror on 18 May 2020 in relation to, among others, the extension of the Offer Period to 4:00 p.m. on 2 June 2020
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IBC”	an independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Siu Chi Yiu Kenny, Mr. Lee King Fui and Mr. Ho Siu King, Stanley, that has been formed to advise the Independent Shareholders in relation to the Special Deal
“IFA” or “Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser appointed by the Company with the approval of the IBC for the purpose of advising the IBC in respect of the Special Deal
“Independent Shareholders”	the Shareholders who are not involved in or interested in the Proposed Settlement
“Joint Announcement”	the announcement jointly issued by the Offeror and the Company dated 29 May 2020 in relation to the Special Deal
“Latest Practicable Date”	29 May 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Mr. Cheung” or “Lender”	Mr. Cheung Siu Fai, the sole shareholder and director of the Offeror
“Mr. Shiu”	Mr. Shiu Yeuk Yuen, being the Chairman of the Board and executive Director and the sole shareholder of Rich Treasure, which wholly owns Able Rich
“Ms. Bai”	Ms. Bai Yu, the registered holder of 26,093,500 Shares, representing approximately 10.86% of the issued share capital of the Company as at the Latest Practicable Date

DEFINITIONS

“Ms. Tam”	Ms. Tam Yuk Ching, Jenny
“New Smart”	New Smart International Creation Limited, which is wholly owned by China Creative
“Offers”	together, the Share Offer and the Option Offer
“Offer Announcement”	the announcement dated 13 March 2020 made by the Offeror in relation to the Offers
“Offer Document”	the document dated 3 April 2020 issued by the Offeror to the Shareholders and the Optionholder in accordance with the Takeovers Code containing, among others, details of the Offers
“Offer Period”	has the meaning given to it under the Takeovers Code, being the period commencing from 13 March 2020, being the date of the Offer Announcement, and ending on the Closing Date
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror
“Offeror”	Beta Dynamic Limited, a company incorporated under the laws of the BVI, which is wholly owned by Mr. Cheung
“Option(s)”	outstanding share option(s) granted by the Company under the share option scheme adopted by the Company at the special general meeting of the Company dated 4 January 2011
“Optionholder”	holder of the Options
“Option Offer”	the voluntary conditional cash offer by Kingsway Financial Services Group Limited on behalf of the Offeror for cancellation of all the Options
“Popland” or “Borrower”	Popland Investments Limited, a company incorporated in the BVI with limited liability, and is wholly owned by Shiu Junior
“Popland Loan”	a 12-month loan facility of HK\$327,000,000 granted by Mr. Cheung to Popland pursuant to the Popland Loan Agreement
“Popland Loan Agreement”	an agreement dated 18 October 2017 entered into between Popland as the borrower and Mr. Cheung as the lender in respect of the Popland Loan
“Proposed Settlement”	the settlement proposals set out in the Supplemental Deed on the amount due and unpaid from the Borrower to the Lender under the Popland Loan Agreement

DEFINITIONS

“Purported Receivers”	Yeo Boon Ann and Chan Leung Lee of BDO Limited, the joint and several receivers appointed by Mr. Cheung over the Able Rich Shares and the Controlling Block relying upon the Alleged Share Charges
“Response Announcement”	the announcement dated 20 March 2020 issued by the Company in response to the Offers
“Response Document”	the response document dated 17 April 2020 issued by the Company in response to the Offers in accordance with the Takeovers Code
“Rich Treasure”	Rich Treasure Group Limited, a company incorporated under the laws of the BVI with limited liability and is wholly owned by Mr. Shiu
“Rich Treasure Shares”	the entire issued share capital of Rich Treasure
“Second Mortgage”	second mortgage charge over a property and car parking spaces to be executed by Mr. Shiu in favor of the Lender
“Settlement Sum”	the sum of HK\$233,747,447, comprising outstanding principal amount of the Popland Loan of HK\$210,869,546 and the accrued and unpaid interest of HK\$22,877,901
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, to approve the Special Deal
“Share Offer”	the voluntary conditional cash offer by Kingsway Financial Services Group Limited on behalf of the Offeror to acquire the Offer Shares
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shiu Junior”	Mr. Shiu Stephen Junior, son of Mr. Shiu
“Special Deal”	the Proposed Settlement which constitutes a special deal under Rule 25 of the Takeovers Code

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Shares”	the Controlling Block and the Substantial Block
“Substantial Block”	26,093,500 Shares (representing approximately 10.86% of the total Shares in issue) which were held as to 21,509,075 Shares (representing approximately 8.95% of the total Shares in issue) by China Creative and 4,584,425 Shares (representing approximately 1.91% of the total Shares in issue) by New Smart as at the date of the CC Loan Agreement
“Supplemental Deed”	a supplemental deed date 29 May 2020 (as amended by the Waiver Letter) entered into among the Borrower, the Lender, Shiu Junior, Mr. Shiu, Able Rich and Rich Treasure which is supplemental to the Popland Loan Agreement and in respect of the Proposed Settlement
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Waiver Letter”	a letter dated 29 May 2020 from the Lender to consent to the date of despatch of this circular, the date of the SGM as contained in this Circular and the last day the Supplemental Deed may become effective

LETTER FROM THE BOARD AND THE OFFEROR

EASY REPAY FINANCE & INVESTMENT LIMITED **易還財務投資有限公司**

(Continued into Bermuda with limited liability)

(Stock code: 8079)

BETA DYNAMIC LIMITED

*(Incorporated in the British Virgin Islands
with limited liability)*

1 June 2020

To the Shareholders and, for information only, the Optionholder

Dear Sir or Madam,

SPECIAL DEAL RELATING TO THE PROPOSED SETTLEMENT

INTRODUCTION

Reference is made to (i) the Offer Announcement; (ii) the Response Announcement; (iii) the Offer Document; (iv) the Response Document; (v) the Extension Announcement; and (vi) the Joint Announcement. As the Proposed Settlement (details of which are set out below) represents an arrangement between Mr. Cheung (being the sole director and shareholder of the Offeror) and, among others, Able Rich (being a Shareholder), the Proposed Settlement constitutes a special deal under Rule 25 of the Takeovers Code. The Company understands from Mr. Shiu that the Offeror has applied to the Executive for consent to the Special Deal and such consent, if granted, will be subject to (i) an independent financial adviser to the Company publicly stating that in its opinion the terms of the Proposed Settlement are fair and reasonable; and (ii) the Proposed Settlement being approved at the SGM by the Independent Shareholders.

The purpose of this circular is to provide the Shareholders with, among other things, (i) information on the Proposed Settlement; (ii) recommendation of the IBC to the Independent Shareholders in respect of the Special Deal; (iii) advice of the IFA to the IBC in respect of the Special Deal; (iv) information as required under Rule 8.5 of the Takeovers Code; and (v) the notice convening the SGM.

THE PROPOSED SETTLEMENT

The Company was informed by Mr. Shiu that, on 29 May 2020 (after trading hours), Popland as the borrower, Mr. Cheung as the lender, Shiu Junior, Mr. Shiu, Able Rich and Rich Treasure entered into the Supplemental Deed which provides for, among other things, the proposed settlement on the amounts due and unpaid from Popland to Mr. Cheung under the Popland Loan Agreement. The Popland Loan matured on 18 October 2018. Under the Popland Loan Agreement, interest accrues at the rate of 15% per annum payable quarterly or at the rate of 24% per annum upon the occurrence of an event of default as specified in the Popland Loan Agreement. As at 1 May 2020, the total outstanding principal amount of the Popland Loan and interest thereon due and remaining unpaid to the Lender was HK\$233,747,447 (i.e. the Settlement Sum), comprising HK\$210,869,546 of principal and HK\$22,877,901 of accrued and unpaid interest, including interest calculated at the default rate from 18 October 2018.

LETTER FROM THE BOARD AND THE OFFEROR

The principal terms of the Supplemental Deed are set out below:

Date	29 May 2020
Parties	(i) Popland (as the borrower)
	(ii) Mr. Cheung (as the lender)
	(iii) Shiu Junior (the sole shareholder of the Borrower)
	(iv) Mr. Shiu (a security provider and the sole shareholder of Rich Treasure)
	(v) Rich Treasure (a security provider and the sole shareholder of Able Rich); and
	(vi) Able Rich (a security provider and the beneficial owner of the Controlling Block)

**Rescheduled
payments and
security**

The Borrower has agreed to pay on or before the dates specified below the Settlement Sum in five instalments, on which interest shall accrue from 1 May 2020 at the rates as set out in the Popland Loan Agreement up to and including the date of repayment of principal and be payable quarterly and on the date of repayment of principal. The payment obligations under the Popland Loan Agreement as amended by the Supplemental Deed and all related finance documents are secured by the security described in the table below:

No.	Payment date (on or before)	Principal amount (the “Payment Instalment”)	Security
1	11 May 2020 ¹	HK\$31,000,000	The Alleged Share Charges; a second mortgage by Mr.
2	8 June 2020	HK\$31,000,000	Shiu over a property located in Hong Kong; a
3	30 September 2020	HK\$60,000,000	personal guarantee from Mr. Shiu and Shiu Junior

LETTER FROM THE BOARD AND THE OFFEROR

No.	Payment date (on or before)	Principal amount (the “Payment Instalment”)	Security
4	30 April 2021	HK\$63,000,000	As above, provided that after settlement of Payment Instalments 1 to 3 and interest accrued thereon, the personal guarantee provided by Mr. Shiu will be released and in addition, the Alleged Share Charges and the additional second mortgage provided by Mr. Shiu will also be released upon provision of alternative security acceptable to the Lender.
5	11 May 2030	HK\$48,747,447	Personal guarantee from Shiu Junior only

Note:

1. As at the Latest Practicable Date, the principal amount of Payment Instalment 1 has been received by the Lender.

The Lender may declare that all or any amounts outstanding and unpaid be immediately due and payable upon the occurrence of acceleration events specified in the Supplemental Deed. These events include (i) non-payment by the Borrower; (ii) non-compliance with or breach of any terms of the Supplemental Deed or the related finance documents by any obligor; (iii) the total shareholding held by Able Rich in the Company falling below 34.236% at any time; (iv) cross default, insolvency events or material adverse effect relating to any obligor; (v) any change of ownership of the Borrower, Rich Treasure or Able Rich; (vi) suspension of trading in the Shares for 25 or more consecutive trading days, or suspension of trading in the Shares for three or more consecutive trading days and the Borrower fails to provide information in relation to such suspension for the Lender to make an informed assessment; (vii) delisting of the Shares.

LETTER FROM THE BOARD AND THE OFFEROR

Conditions precedent

The Proposed Settlement will take effect only after:

- (i) the settlement of the Payment Instalments 1 and 2 and interest accrued thereon;
- (ii) the due execution of documents for the Proposed Settlement and perfection of security;
- (iii) the Company holding a special general meeting on or before 29 May 2020 as required by Bermuda laws in response to the most recent requisition by Ms. Bai, details of which are set out in the circular of the Company dated 11 May 2020;
- (iv) the grant of consent by the Executive on the application by the Offeror under Rule 25 of the Takeovers Code and the despatch of a circular with respect to the Proposed Settlement to Shareholders on or before 1 June 2020 (as agreed by the Lender in the Waiver Letter) and the approval of disinterested Shareholders of the Proposed Settlement under Rule 25 of the Takeovers Code;
- (v) discontinuance of all existing legal proceedings involving the parties to the Supplemental Deed; and
- (vi) the provision of corporate documents, identification documents and evidence of filing of disclosure of interests forms as required under Part XV of the SFO and appointment of process agent by the obligors, payment of HK\$1,000,000 to the Lender as partial payment for the costs and expenses (including legal fees) incurred by the Lender in connection with the Supplemental Deed and the related documents, issue of legal opinions and satisfactory results of various searches in Hong Kong, evidence of the state of occupancy of the property subject to the said second mortgage provided by Mr. Shiu.

After the Proposed Settlement becoming effective, the Purported Receivers appointed over the Able Rich Shares and the Controlling Block will be discharged.

Termination

If the Proposed Settlement does not take effect on or before 19 June 2020 (as agreed by the Lender in the Waiver Letter, or such other date as may be agreed by the Lender), the Supplemental Deed will terminate and cease to have any effect, save for certain provisions otherwise specified.

LETTER FROM THE BOARD AND THE OFFEROR

THE IBC AND THE IFA

The IBC comprising all the independent non-executive Directors, namely Mr. Siu Chi Yiu Kenny, Mr. Lee King Fui and Mr. Ho Siu King, Stanley, has been formed pursuant to the requirements of the Takeovers Code to advise the Independent Shareholders on the Special Deal.

Rainbow Capital (HK) Limited has been appointed as the independent financial adviser with the approval of the IBC to advise the IBC on matters in relation to the Special Deal.

SGM

The SGM will be held on Friday, 19 June 2020 at 11:00 a.m. at 701–702, One Lyndhurst Tower, No. 1 Lyndhurst Terrace, Central, Hong Kong to consider and, if thought fit, to approve the proposed resolution relating to the Special Deal and the vote will be conducted by way of a poll pursuant to Rule 2.9 of the Takeovers Code and Rule 17.47(4) of the GEM Listing Rules. A notice of the SGM is set out on pages SGM-1 to SGM-2 of this circular. A proxy form for appointing proxy is despatched with this circular and published on the GEM website (www.hkgem.com) and the Company's website (www.ecrepay.com). Whether or not you intend to attend the SGM, you are requested to complete the proxy form and return it to the Company's branch share registrar, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for the holding of the SGM or the adjourned meeting. Completion and return of a proxy form will not preclude you from attending and voting at the SGM and any adjourned SGM if you so wish.

As at the Latest Practicable Date, the Offeror and its associates and parties acting in concert with it (i.e. Ms. Bai) hold 26,093,500 Shares (representing approximately 10.86% of the total Shares in issue), the Purported Receivers hold 82,288,613 Shares (representing approximately 34.24% of the total Shares in issue) and Mr. Shiu and parties acting in concert with him (including his spouse) hold 1,620,007 Shares (representing approximately 0.67% of the total Shares in issue). All of the aforementioned Shareholders will abstain from voting on the proposed resolution(s) in respect of the Special Deal at the SGM.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 16 June 2020 to Friday, 19 June 2020 (both dates inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 15 June 2020.

LETTER FROM THE BOARD AND THE OFFEROR

RECOMMENDATION

Your attention is drawn to (i) the letter from the IBC as set out on page 12 of this circular which contains its recommendation to the Independent Shareholders on the Special Deal; and (ii) the letter of advice from Rainbow Capital as set out on pages 13 to 21 of this circular which contains, amongst other matters, its advice to the IBC in relation to the Special Deal and the principal factors and reasons considered by it in concluding its advice.

Having considered the factors mentioned above, the Directors (excluding the IBC) are of the view that the Special Deal is on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and are in the interest of the Shareholders and the Company as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Special Deal.

The IBC, having considered the terms of the Proposed Settlement and the advice from the IFA, considers that the terms of the Special Deal are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the IBC recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Special Deal.

OTHER INFORMATION

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

By order of the Board
Easy Repay Finance & Investment Limited
Shiu Yeuk Yuen
Chairman

By order of the board of
Beta Dynamic Limited
Cheung Siu Fai
Sole Director

LETTER FROM THE IBC

EASY REPAY FINANCE & INVESTMENT LIMITED

易還財務投資有限公司

(Continued in Bermuda with limited liability)

(Stock code: 8079)

1 June 2020

To the Independent Shareholders

Dear Sir or Madam,

SPECIAL DEAL RELATING TO THE PROPOSED SETTLEMENT

We refer to the circular dated 1 June 2020 jointly issued by the Offeror and the Company in relation to the Special Deal, in which this letter forms part. Terms used in this letter shall have the meanings as those defined in the circular unless the context requires otherwise.

We have been appointed to form the IBC to consider the terms of the Proposed Settlement and to give recommendation to the Independent Shareholders as to whether, in our opinions, the terms of the Proposed Settlement are fair and reasonable so far as they are concerned. The IFA has been appointed as the independent financial adviser to advise us in this respect. Details of its advice and the principal factors and reasons taken into consideration in arriving at its advice are set out in the letter from the IFA on pages 13 to 21 of the circular.

We also wish to draw your attention to the letter from the Board and the Offeror and the additional information set out in the appendix to the circular.

Having considered the terms of the Proposed Settlement and the advice from the IFA, we consider that the terms of the Special Deal are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Special Deal.

Notwithstanding our recommendation, the Independent Shareholders should consider carefully the terms of the Proposed Settlement and the letter from the IFA in this circular.

Yours faithfully,

For and on behalf of the

Independent Board Committee of

Easy Repay Finance & Investment Limited

Mr. Siu Chi Yiu, Kenny
Independent
non-executive Director

Mr. Lee King Fui
Independent
non-executive Director

Mr. Ho Siu King, Stanley
Independent
non-executive Director

LETTER FROM THE IFA

The following is the full text of a letter of advice from Rainbow Capital, the independent financial adviser to the IBC in respect of the Special Deal, which has been prepared for the purpose of incorporation in this Circular.

Rainbow Capital (HK) Limited

1 June 2020

To: The IBC of Easy Repay Finance & Investment Limited

Dear Sirs,

SPECIAL DEAL RELATING TO THE PROPOSED SETTLEMENT

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the IBC in respect of the entering into of the settlement deed dated 29 May 2020 in respect of the proposed settlement of a loan facility granted by Mr. Cheung (the sole director and shareholder of the Offeror) as the lender to Popland (which is wholly owned by Shiu Junior) as the borrower pursuant to the Popland Loan Agreement (i.e. the Proposed Settlement). Details of the Proposed Settlement is set out in the Letter from the Board (the “**Letter from the Board**”) of the circular of the Company dated 1 June 2020 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

Since the Proposed Settlement is an arrangement between Mr. Cheung, and, among other parties, Able Rich (an existing Shareholder), and is not capable of being extended to all other Shareholders, the Proposed Settlement constitutes a special deal under Rule 25 of the Takeovers Code which is subject to consent of the Executive and approval by the Independent Shareholders at the SGM.

The IBC, comprising all of the independent non-executive Directors, namely Mr. Siu Chi Yiu, Kenny, Mr. Lee King Fui and Mr. Ho Siu King, Stanley, has been formed to advise the Independent Shareholders in connection with the Special Deal. The IBC has approved the appointment of Rainbow Capital as the independent financial adviser to the IBC in the same regard.

We are not associated or connected with the Company, the Lender or the Borrower, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them and, accordingly, are considered eligible to give independent advice on the Special Deal. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, the Lender or the Borrower, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them.

LETTER FROM THE IFA

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained, referred to in this Circular; (ii) the information supplied by the Directors and the management of the Group; (iii) the opinions expressed by and the representations of the Directors and the management of the Group; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained, referred to in this Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made, referred to in this Circular are true at the time they were made and continue to be true as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out, referred to in this Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of such information and representations provided to us by the Directors and the management of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in this Circular and that all information or representations provided to us by the Directors and the management of the Group are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the Latest Practicable Date and the Shareholders will be notified of any material changes (if any) as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in this Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or any of their respective subsidiaries and associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation with regard to the Special Deal, we have taken into account the following principal factors and reasons:

1. Background of entering into of the Settlement Deed

Reference is made to the Offer Document, the Response Document, the Extension Announcement and the Joint Announcement.

On 18 October 2017, the Lender and the Borrower entered into the Popland Loan Agreement in respect of a 12-month loan facility with an amount up to HK\$327 million. Pursuant to the Popland Loan Agreement, the Alleged Share Charges (which comprised respective charges over the Rich Treasure Shares, the Able Rich Shares and the Controlling Block (82,288,613 Shares, representing approximately 34.24% of the total number of issued Shares held by Able Rich as at the date of Popland Loan Agreement)) were applied as security to the principal amount of the Popland Loan. The interest rate under the Popland Loan Agreement is stipulated as accruing at the rate of 15% per annum payable quarterly, or at the rate of 24% per annum in the event of default.

LETTER FROM THE IFA

As disclosed in the Offer Document and the Response Document, the beneficial ownerships of the Controlling Block are currently subject to serious disputes and legal proceedings. On 29 May 2020, the Lender, the Borrower, Shiu Junior and Mr. Shiu (the “**Shiu Parties**”), Able Rich and Rich Treasure entered into the Supplemental Deed in relation to, among other things, the settlement proposals on the amounts due from and unpaid by Popland to Mr. Cheung under the Popland Loan Agreement (i.e. the Proposed Settlement). Upon the Proposed Settlement becoming effective, the current legal proceedings as disclosed in the Offer Document and the Response Document between Mr. Cheung and the Shiu Parties will be discontinued.

2. Details of the Proposed Settlement

Set out below are details of the Proposed Settlement reproduced from the Circular:

“The Company was informed by Mr. Shiu that, on 29 May 2020 (after trading hours), Popland as the borrower, Mr. Cheung as the lender, Shiu Junior, Mr. Shiu, Able Rich and Rich Treasure entered into the Supplemental Deed which provides for, among other things, the proposed settlement on the amounts due and unpaid from Popland to Mr. Cheung under the Popland Loan Agreement. The Popland Loan matured on 18 October 2018. Under the Popland Loan Agreement, interest accrues at the rate of 15% per annum payable quarterly or at the rate of 24% per annum upon the occurrence of an event of default as specified in the Popland Loan Agreement. As at 1 May 2020, the total outstanding principal amount of the Popland Loan and interest thereon due and remaining unpaid to the Lender was HK\$233,747,447 (i.e. the Settlement Sum), comprising HK\$210,869,546 of principal and HK\$22,877,901 of accrued and unpaid interest, including interest calculated at the default rate from 18 October 2018.

The principal terms of the Supplemental Deed are set out below:

Date	29 May 2020
Parties	(i) Popland (as the borrower)
	(ii) Mr. Cheung (as the lender)
	(iii) Shiu Junior (the sole shareholder of the Borrower)
	(iv) Mr. Shiu (a security provider and the sole shareholder of Rich Treasure)
	(v) Rich Treasure (a security provider and the sole shareholder of Able Rich); and
	(vi) Able Rich (a security provider and the beneficial owner of the Controlling Block)

LETTER FROM THE IFA

**Rescheduled
payments and
security**

The Borrower has agreed to pay on or before the dates specified below the Settlement Sum in five instalments, on which interest shall accrue from 1 May 2020 at the rates as set out in the Popland Loan Agreement up to and including the date of repayment of principal and be payable quarterly and on the date of repayment of principal. The payment obligations under the Popland Loan Agreement as amended by the Supplemental Deed and all related finance documents are secured by the security described in the table below:

No.	Payment date (on or before)	Principal amount (the "Payment Instalment")	Security
1	11 May 2020 ¹	HK\$31,000,000	The Alleged Share Charges; a second mortgage by Mr. Shiu over a property located in Hong Kong; a personal guarantee from Mr. Shiu and Shiu Junior.
2	8 June 2020	HK\$31,000,000	
3	30 September 2020	HK\$60,000,000	
4	30 April 2021	HK\$63,000,000	As above, provided that: after settlement of Payment Instalments 1 to 3 and interest accrued thereon, the personal guarantee provided by Mr. Shiu will be released and in addition, the Alleged Share Charges and the additional second mortgage provided by Mr. Shiu will be released upon provision of alternative security acceptable to the Lender.
5	11 May 2030	HK\$48,747,447	Personal guarantee from Shiu Junior only.

Note:

- As at the Latest Practicable Date, the principal amount of Payment Instalment 1 has been received by the Lender.

LETTER FROM THE IFA

The Lender may declare that all or any amounts outstanding and unpaid be immediately due and payable upon the occurrence of acceleration events specified in the Supplemental Deed. These events include (i) non-payment by the Borrower; (ii) non-compliance with or breach of any terms of the Supplemental Deed or the related finance documents by any obligor; (iii) the total shareholding held by Able Rich in the Company falling below 34.236% at any time; (iv) cross default, insolvency events or material adverse effect relating to any obligor; (v) any change of ownership of the Borrower, Rich Treasure or Able Rich; (vi) suspension of trading in the Shares for 25 or more consecutive trading days, or suspension of trading in the Shares for three or more consecutive trading days and the Borrower fails to provide information in relation to such suspension for the Lender to make informed assessment; (vii) delisting of the Shares.

**Conditions
precedent**

The Proposed Settlement will take effect only after:

- (i) the settlement of the Payment Instalments 1 and 2 and interest accrued thereon;
- (ii) the due execution of documents for the Proposed Settlement and perfection of security;
- (iii) the Company holding a special general meeting on or before 29 May 2020 as required by Bermuda laws in response to the most recent requisition by Ms. Bai, details of which are set out in the circular of the Company dated 11 May 2020;
- (iv) the grant of consent by the Executive on the application by the Offeror under Rule 25 of the Takeovers Code and the despatch of a circular with respect to the Proposed Settlement to Shareholders on or before 1 June 2020 (as agreed by the Lender in the Waiver Letter) and the approval of disinterested Shareholders of the Proposed Settlement under Rule 25 of the Takeovers Code;
- (v) discontinuance of all existing legal proceedings involving the parties to the Supplemental Deed; and
- (vi) the provision of corporate documents, identification documents and evidence of filing of disclosure of interests forms as required under Part XV of the SFO and appointment of process agent by the obligors, payment of HK\$1,000,000 to the Lender as partial settlement for the costs and expenses (including legal fees) incurred by the Lender in connection with the Supplemental Deed and the related documents, issue of legal opinions and satisfactory results of various searches in Hong Kong, evidence of the state of occupancy of the property subject to the said second mortgage to be provided by Mr. Shiu.

LETTER FROM THE IFA

After the Proposed Settlement becoming effective, the Purported Receivers appointed over the Able Rich Shares and the Controlling Block will be discharged.

Termination If the Proposed Settlement does not take effect on or before 19 June 2020 (as agreed by the Lender in the Waiver Letter, or such other date as may be agreed by the Lender), the Supplemental Deed will terminate and cease to have any effect, save for certain provisions otherwise specified.”

Overall comment on the Settlement Deed

The Settlement Deed, which was entered into between the Lender and the Borrower and is primarily a settlement between the Lender and the Borrower/Shiu Junior to reschedule the repayment for an extension of maturity date of the Popland Loan pledging with additional security, while applying the same interest rates under the Popland Loan Agreement on the Settlement Sum. As compared to the Popland Loan Agreement which included the Alleged Share Charges as the security of the loan, the Settlement Deed comprises additional security being the second mortgage by Mr. Shiu over a property located in Hong Kong (the “**Second Mortgage**”) and personal guarantee from Mr. Shiu (the “**Personal Guarantee**”, together with the Second Mortgage, the “**Additional Security**”), all of which are not related to any of the Group’s assets.

After the Proposed Settlement become effective, among other things, (i) relevant parties would file consent orders to discontinue the relevant legal proceedings in respect of the beneficial ownership of the Controlling Block including the actions numbered HCA280/2020 and HCMP 138/2020 as detailed in the Offer Document and the Response Document and the application to set aside the statutory demand for the Popland Loan numbered HCSD 12/2020; (ii) the Lender would terminate the appointment of the Purported Receivers over the Alleged Share Charge and the Controlling Block would be transferred from the securities account of the Purported Receivers to the custodian account maintained in the name of Able Rich with China Securities; (iii) the Personal Guarantee will be released upon payment of Payment Instalments 1 to 3; and (iv) the Alleged Share Charges and the Second Mortgage may be released upon provision of alternative security acceptable to the Lender upon settlement of Payment Instalments 1 to 3 by 30 September 2020, which shall be released or discharged upon full payment of Payment Instalments 1 to 4.

Able Rich, Rich Treasure and Mr. Shiu, being the parties in the Settlement Deed, are acting in the capacity of security providers only and none of them are involved in the settlement of the Popland Loan. Accordingly, the Proposed Settlement is essentially an arrangement which by nature could not be extended to other Shareholders given that the entering into of the Settlement Deed is only between the Lender and the Borrower/Shiu Junior. In this regard, we are of the view that the Offeror is not capable of extending the Settlement Deed to the Shareholders whom are not the borrowers or security providers of the outstanding amount due under the Settlement Deed or are there any benefits at all or can be quantified and reflected in the Offer Price.

As the terms of the Popland Loan Agreement were mutually agreed by the Lender and the Borrower and the security providers and the Group/the Board therefore does not have any involvement in the negotiation of the terms of the Proposed Settlement, our assessment as to the merits of the Special Deal mainly focuses on the general outcome of the Proposed Settlement on the Company and the Shareholders as a whole, which is detailed in the following section.

LETTER FROM THE IFA

3. Reason and benefits of entering into of the Settlement Deed

(i) No material adverse impact on the Group

The Proposed Settlement does not involve any payment by the Group nor transfer of the Group's assets to the Lender. In essence, the Proposed Settlement primarily involves a rescheduling of payment obligations to be extended to a duration of around ten years with a larger sum of money overdue (while applying the same interest rates stipulated in the Popland Loan Agreement) and the Additional Security (including the Second Mortgage and the Personal Guarantee both provided by Mr. Shiu).

As the Additional Security is provided at the shareholders level and does not form part of, or is it related to, any part of the Group's assets, we consider that the Proposed Settlement would not have any financial impact on the Group, let alone a material adverse one.

Further, as the share charge over the Controlling Block, which consists of approximately 34.24% equity interests of the Company, will be released or discharged after Payment Instalments 1 to 4 were settled by the Borrower, and the beneficial ownership of the Controlling Block is expected to be restored to the original position thereafter, i.e. under Mr. Shiu, the Proposed Settlement is not expected to materially affect the control and thus the management and operation of the Group.

(ii) Discontinuation of the legal disputes and proceedings

Following the Proposed Settlement becoming effective, the litigation proceedings between the Lender and the Shiu Parties in relation to the validity of the Alleged Share Charges would be discontinued and could not proceed further, thereby the legal proceedings against the Company arising from the disputes on the beneficial ownership of the Controlling Block as disclosed in the Offer Document and the Response Document between Mr. Cheung and the Shiu Parties would be discontinued too, saving the Company from any inconceivable costs and expenses which may further be incurred as a result of legal disputes and other contingent liabilities.

Accordingly, we consider the entering into of the Settlement Deed is beneficial to the Shareholders, given that the Proposed Settlement serves to discontinue the legal disputes and proceedings without the Group to incur any cost and expenses.

(iii) Release of the Alleged Share Charges

Following the Proposed Settlement becoming effective, the Lender will terminate the appointment of the Purported Receivers and the Alleged Share Charges will be released to the custodian to be appointed, whereupon the voting rights in respect of the Alleged Share Charges will revert to Able Rich. In other words, the beneficial ownership of the Controlling Block will be virtually restored to the original position i.e. under Mr. Shiu. In other words, the Alleged Share Charges, which is the subject of the legal disputes and proceedings, will be released as a result of the Proposed Settlement. As a result, the Offeror's right to enforce the Alleged Share Charges are substantially restricted except an event of defaults occur in the future on one hand, and the identity of the holder of the Controlling Block will be more certain which might ease the administrative burden on the Company on the other hand.

LETTER FROM THE IFA

In our view, the ongoing legal disputes between the Borrower and the Lender over the validity of the Alleged Share Charges and the beneficial ownership of the Controlling Block are the key driver of the making of the Offers. While we consider the terms of the Offers to be not fair and reasonable and the Shareholders and the Optionholder should reject the Offers as disclosed in our independent opinion letter in the Response Document, we consider that the Shareholders and the Optionholder in fact should not be in the first place put into a position to consider the Offers, which were triggered as a result of the disputes between the Lender and the Borrower that the Shareholders and the Optionholder should not be involved. We are also of the view that the Proposed Settlement will effectively limit further involvement of the Shareholders on the borrowing arrangement between the Lender and the Borrower which is not related to the Group.

(iv) Refocusing on the operation of the Group

As mentioned in the sub-sections above, following the entering into of the Settlement Deed, the ongoing legal disputes and proceedings will be discontinued and the Alleged Share Charges will be released or discharged after Payment Instalments 1 to 4 were settled by the Borrower pursuant to the Settlement Deed. In this regard, the Proposed Settlement essentially eliminates the uncertainty the Shareholders may face in the near future, given that the existing legal proceedings no longer continue for a protracted period which may potentially result in the change in the beneficial ownership of the Controlling Block and the strategic direction of the Group.

The Company has been pursuing a business strategy to streamline the wholesale business while stay focus on the money lending and the wholesale and retail business. The Proposed Settlement is therefore expected to enable the controlling Shareholder to stay focus in the operation of the Group without diverging its time and resources to the legal disputes and proceedings, which, in our view, is in the interests of the Company and the Shareholders.

OPINION AND RECOMMENDATION

In arriving at our opinion and recommendation in respect of the Special Deal, we have considered the principal factors and reasons as discussed above and in particular the following (which should be read in conjunction with and interpreted in the full context of this letter):

- The Settlement Deed is essentially an arrangement which by nature could not be extended to other Shareholders given that the dispute and the resulting settlement is only between Mr. Cheung (as the Lender) and Popland (as the Borrower which is wholly-owned by Junior Shiu), nor is there any benefit that can be quantified and reflected in the Offer Price;
- The Additional Security (being the Second Mortgage and the Personal Guarantee) provided by Mr. Shiu does not form part of and is not related to the assets of the Group, and the extension of maturity date of the Popland Loan in return for a larger sum overdue (while applying the same interest rate as stipulated in the Popland Loan Agreement);
- The Proposed Settlement is not expected to bring any adverse impact to the Group, as particularly explained in the sub-section above headed “3(i) No material adverse impact to the Group”;

LETTER FROM THE IFA

- The entering into of the Settlement Deed effectively discontinues all legal disputes and proceedings in relation to the Alleged Share Charges and the beneficial ownership of the Controlling Block, and also discontinues the relevant fund raising injunction application brought by the Lender, which is expected to reduce the uncertainties and costs and expenses to be incurred on the Company;
- The Proposed Settlement will effectively further limit the involvement of the Shareholders on the borrowing arrangement that is primarily a matter between the Lender and the Borrower which is not related to the Group; and
- Following the Proposed Settlement becoming effective, the controlling Shareholder can affirm its control of the Company and stay focus in the operation of the Group without diverging its time and resources to the legal disputes and proceedings, which, in our view, is in the interests of the Company and the Shareholders.

Based on the above, we consider that the terms of the Special Deal are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the IBC to recommend, and we ourselves recommend, that the Independent Shareholders to vote in favor of the ordinary resolution to be proposed at the SGM to approve the Special Deal.

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited
Danny Leung
Managing Director

Mr. Danny Leung is a licensed person and a responsible officer of Rainbow Capital (HK) Limited registered with the Securities and Futures Commission to carry out type 6 (advising on corporate finance) regulated activity under the SFO. He has over ten years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this circular (other than information relating to the Offeror and parties acting in concert with it and the Proposed Settlement) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this circular (other than opinions expressed by the sole director of the Offeror and parties acting in concert with the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this circular, the omission of which would make any statement in this circular misleading.

Mr. Cheung, being the sole director of Beta Dynamic Limited, accepts full responsibility for the accuracy of the information relating to the Offeror and parties acting in concert with it and the Proposed Settlement contained in this circular and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed by the sole director of the Offeror and parties acting in concert with the Offeror in this circular have been arrived at upon due and careful consideration and there are no other facts not contained in this circular, the omission of which would make any statement in this circular misleading.

2. NO MATERIAL CHANGE IN INFORMATION PREVIOUSLY PUBLISHED DURING THE OFFER PERIOD

As at the Latest Practicable Date, there have been no material changes in the information previously published by the Offeror or by or on behalf of the Company during the Offer Period save for the Proposed Settlement. In particular, there have been no changes in respect of the following matters with respect to the Group as specified in Rule 8.5 of the Takeovers Code:

- (a) changes or additions to material contracts;
- (b) shareholdings and dealings;
- (c) directors' emoluments;
- (d) special arrangements;
- (e) ultimate owner of securities acquired under the Offers;
- (f) arrangements in relation to dealings; and
- (g) changes to directors' service contracts.

3. SHARE CAPITAL

As at the Latest Practicable Date, there have been no changes in the information set out under the paragraph headed "Share Capital" in Appendix II to the Response Document. Please refer to the Response Document for details.

4. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, there have been no changes in the information set out under the paragraph headed “Directors’ Interests in Securities” in Appendix II to the Response Document. Please refer to the Response Document for details.

5. EXPERT AND CONSENT

The name and qualification of the expert who has given opinion, letter or advice to the Company which are contained in this circular is set out below:

Name	Qualification
Rainbow Capital (HK) Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

The IFA has given and has not withdrawn its written consent to the issue of this circular with the inclusion of the text of its letter and/or report and/or the reference to its name in the form and context in which they appear herein.

As at the Latest Practicable Date, the IFA did not have any shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the IFA did not have any direct or indirect interest in any assets which have been, since 31 March 2019 (the date to which the latest published audited consolidated financial statements of the Group 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.

6. GENERAL INFORMATION OF THE COMPANY

- (a) As at the Latest Practicable Date, the Board comprises Mr. Shiu Yeuk Yuen and Ms. Siu Yeuk Hung, Clara as executive Directors; and Mr. Lee King Fui, Mr. Siu Chi Yiu, Kenny and Mr. Ho Siu King, Stanley as independent non-executive Directors.
- (b) The registered address of the Company is at Victoria Place, 5th Floor 31 Victoria Street Hamilton HM10 Bermuda.
- (c) The head office and principal place of business of the Company in Hong Kong is at Unit A, 8/F, D2 Place Two 15 Cheung Shun Street Cheung Sha Wan Kowloon Hong Kong.
- (d) The registered office of Rainbow Capital (HK) Limited, the IFA, is at Room 5B, 12/F, Tung Ning Building, No. 2 Hillier Street, Sheung Wan, Hong Kong.

7. GENERAL INFORMATION OF THE OFFEROR

- (a) As at the Latest Practicable Date, Mr. Cheung Siu Fai is the sole director of the Offeror.
- (b) The registered office of the Offeror is CCS Trustee Limited, Mandar House, 3rd Floor, Johnson's Ghut, Tortola, British Virgin Islands. The Offeror does not have a place of business in Hong Kong.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (i) on the website of the Company (www.ecrepay.com) and the website of the SFC (www.sfc.hk); and (ii) at the principal office and place of business of the Company in Hong Kong at Unit A, 8/F, D2 Place Two, 15 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong during 9:00 a.m. to 5:00 p.m. on any Business Day from 1 June 2020, being the date of this circular, up to and including the date of the SGM:

- (a) the letter from the Board and the Offeror, the text of which is set out on pages 6 to 11 of this circular;
- (b) the letter of recommendation from the IBC, the text of which is set out on page 12 of this circular;
- (c) the letter of advice from the IFA, the text of which is set out on pages 13 to 21 of this circular;
- (d) the letter of consent referred to in the paragraph headed "Expert and Consent" in this appendix;
- (e) this circular; and
- (f) the Supplemental Deed (including the Waiver Letter).

NOTICE OF THE SGM

EASY REPAY FINANCE & INVESTMENT LIMITED 易還財務投資有限公司

(Continued into Bermuda with limited liability)

(Stock code: 8079)

NOTICE OF SGM

NOTICE IS HEREBY GIVEN that a special general meeting (“**SGM**”) of Easy Repay Finance & Investment Limited (the “**Company**”) will be held at 701–702, One Lyndhurst Tower, No. 1 Lyndhurst Terrace, Central, Hong Kong at 11:00 a.m. on 19 June 2020 for the purposes of considering and, if thought fit, passing the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT**, subject to the consent of the Executive (or any delegate of the Executive) pursuant to Rule 25 of the Takeovers Code with respect to the Special Deal and any conditions that may be imposed thereon:

- (a) the supplemental deed dated 29 May 2020 (as amended by a waiver letter dated 29 May 2020 in relation to, among other thing, the date of the despatch of a shareholder circular and the holding of the SGM, the “**Supplemental Deed**”) entered into among Popland Investments Limited (“**Popland**”) as the borrower, Mr. Cheung Siu Fai (“**Mr. Cheung**”) as the lender, Mr. Shiu Stephen Junior, Mr. Shiu Yeuk Yuen, Able Rich Consultants Limited and Rich Treasure Group Limited which is supplemental to the Popland Loan Agreement and provides for, among other things, the settlement proposals on the amounts due and unpaid from Popland to Mr. Cheung under the Popland Loan Agreement (copy of the Supplemental Deed is marked “A” and signed by the chairman of the SGM for identification purpose and has been tabled at the SGM), and the transactions contemplated thereunder including the Special Deal, be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the Director(s) be and is/are hereby authorised to do all such acts and things, to sign and execute all such further documents or agreements or deeds on behalf of the Company (including the affixation of the common seal of the Company where execution under seal is required) and to do such acts and things, to sign and execute all such further documents and to take such steps as he/she/they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the implementation of and giving effect to any matter relating to the Special Deal and the transactions contemplated thereunder.”

On behalf of the Board
Easy Repay Finance & Investment Limited
Shiu Yeuk Yuen
Chairman

Hong Kong, 1 June 2020

NOTICE OF THE SGM

Principal Place of Business:

Unit A, 8th Floor, D2 Place Two
15 Cheung Shun Street
Cheung Sha Wan, Kowloon
Hong Kong

Notes:

1. A form of proxy for use at the SGM is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the SGM convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM convened or at any adjourned meeting (as the case may be) and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the SGM, whether in person or by proxy, priority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.
7. The directors of the Company as at the date of this notice are Mr. Shiu Yeuk Yuen and Ms. Siu Yeuk Hung, Clara, being executive Directors and Mr. Lee King Fui, Mr. Siu Chi Yiu, Kenny and Mr. Ho Siu King, Stanley, being independent non-executive Directors.
8. The register of members of the Company will be closed from 16 June 2020 to 19 June 2020, both dates inclusive, during which period no transfer of shares will be registered, in order to determine the entitlement to attend and vote at the SGM. In order to be entitled to attend and vote at the SGM, unregistered holders of shares should ensure that all transfers of shares accompanied by the relevant Share certificates and properly completed transfer forms must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 15 June 2020.