



**CHINA KUNDA TECHNOLOGY HOLDINGS LIMITED**

(Company Registration Number: 200712727W)

(Incorporated in the Republic of Singapore on 13 July 2007)

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**MEMORANDUM OF UNDERSTANDING IN RELATION TO A STRATEGIC BUSINESS COOPERATION WITH YANG JINCHENG**

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**1. Introduction**

The Board of Directors of China Kunda Technology Holdings Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce that the Company has entered into a non-binding Memorandum of Understanding (“**MOU**”) with Yang Jincheng (“**YJC**”) for strategic business cooperation and investment opportunity on 11 May 2015.

**2. Information on YJC**

YJC is an entrepreneur with certain expertise and experience in internet application development and internet related business. He is 36 years old and had co-founded three internet application/software businesses over a 10 year period. He is the nephew of the Company’s Executive Director and Chief Operating Officer, Mr. Yang Jinbiao.

**3. Details of MOU**

- (a) Following the entry into the MOU, the Company and YJC will work towards formulating the details of cooperation, including the structure and methods of such cooperation.
- (b) The Company and YJC agree that their cooperation should be carried out on the following basis:
  - (i) The Company will hold more than 50% of the equity interest and ownership rights in all cooperation projects with YJC.
  - (ii) The Company will be the exclusive partner of YJC for its internet related business. These include but is not limited to the provision of internet and mobile value-added services, online advertising services and ecommerce transaction services. Therefore, YJC may not engage in any similar business either directly or through a third party.

**4. Rationale of Entry into MOU**

The Company was placed on the Watch-List pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Watch-List**”) on 4 September 2013. The Company is required to meet the requirement of Rule 1314 of the Listing Manual within 24 months from 4 September 2013, failing which, the SGX-ST may either remove the Company from the Official List or suspend trading of the listed securities of the Company with a view to removing the Company from the Official List of the SGX-ST. With a view to exit from the Watch- List, the Group has been actively assessing new business opportunities and potential acquisitions of new businesses with good long term prospects that will improve the overall financial position of the Group. The entry of MOU will provide the Company with an opportunity to participate in a business with long term growth prospects.

**5. Non-Binding**

The Board wishes to emphasize that the MOU only sets out the cooperation intention of the Company and YJC, which does not constitute substantive rights and obligations of the parties thereto.

**6. Interests of Directors and Substantial Shareholders**

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the MOU, save through their respective shareholdings in the Company (if any).

**7. Further Announcements**

The Company will make further announcements and keep shareholders updated on any material developments.

By Order of the Board

Cai Kaoqun  
Executive Chairman and CEO  
11 May 2015