

**CINS Holding Corp.**

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**CINS HOLDING CORP. ANNOUNCES  
SIGNING OF LETTER OF INTENT WITH  
CHENGCHENG E-COMMERCE CO., LTD.**

*/Not for dissemination in the United States or through U.S. newswires/*

**Hong Kong, October 18, 2014** – CINS Holding Corp. (CSE: CHD) (the “**Corporation**”) is pleased to announce that it has entered into a Letter of Intent (“**LOI**”) effective October 18, 2014 with Chengcheng E-Commerce Co., Ltd. (“**Chengcheng**”).

Pursuant to the LOI, Chengcheng is to take all necessary actions and steps on a best effort basis to complete the restructuring and/or reorganization on or before February 28, 2015 to effect a wholly-owned foreign enterprise structure so that substantially all economic benefits of Chengcheng will be transferred to a holding company to be established in Hong Kong (“**HK Holdco**”).

Pursuant to the LOI, CINS will acquire from the shareholders of HK Holdco (the “**Vendors**”) all of the then-issued and outstanding common shares of HK Holdco (the “**HK Holdco Common Shares**”) as well as all securities that give rise to the issuance of other equity rights of ownership to HK Holdco in consideration for CINS issuing to the Vendors 36,363,636 purchase securities, consisting of common shares and special warrants if applicable, of CINS at a deemed price of \$1.50 per purchase security (“**Transaction**”), subject to the approval by Canadian Securities Exchange (the “**Exchange**”), such that the shareholders of CINS and the Vendors will, immediately thereafter but before any private placement or other issuances of securities), hold in the aggregate approximately 71.2% and 28.8%, respectively, of the share capital of the Company after the Transaction, on a fully diluted basis. Thirty percent (30%) of the purchase securities will be paid to the Vendors by the end of 2014. Seventy percent (70%) of the purchase securities will be paid to the Vendors in the year of 2015.

CINS and Chengcheng agree to diligently and in good faith negotiate a definitive agreement (the “**Definitive Agreement**”) to effect the Transaction in compliance with the rules and policies of the Exchange and all other applicable corporate and securities legislation.

The Definitive Agreement will incorporate the principal terms and conditions of the Transaction contemplated herein and contain customary provisions typical for transactions of this type, and, when executed by all parties, shall supersede the terms of this LOI.

If the Transaction is not consummated within 90 days after signing or such other date as agreed to by the parties, this LOI shall be automatically terminated with no further action required by any party.

All required financial statements of Chengcheng will be included in the Business Acquisition Report, filing statement, or management information circular of CINS prepared in compliance with Exchange policies, subject to obtaining any requisite waivers from the Exchange or other regulatory authorities.

It is the intention of the parties to establish and maintain a board of directors that has a mix of appropriate skill sets and is compliant with all regulatory and corporate governance requirements (including, without limitation, in respect of independence). Upon completion of the Transaction the board of Directors of the Company after the Transaction will be reconstituted to consist of six members. In addition to the current directors of CINS, Chengcheng will nominate one additional director for the Company after the Transaction.

After the Transaction, the Board of Chengcheng will consist of five members, CINS will nominate three directors and the Vendors will nominate two directors for Chengcheng.

The Board of the Company after the Transaction and the Board of Chengcheng will hold at least one meeting once every quarter after the quarter end.

### **Conditions Precedent**

The closing of the Transaction will be subject to at least the following mutual conditions precedent:

1. execution of the Definitive Agreement;
2. receipt of all regulatory, corporate and third party approvals, including the approval of the Exchange and shareholder approvals, as required, and compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction;
3. mutual conditions precedent customary for such Transaction;
4. the Company after the Transaction continuing to meet the listing requirements of the Exchange; and

In addition to the above listed mutual conditions precedent, the completion of the Transaction is also subject to the following conditions precedent for the benefit of Chengcheng:

1. the approval of the Transaction by the requisite majority of the votes cast by the shareholders of Chengcheng at a properly constituted meeting of the shareholders of Chengcheng;
2. the maintenance of CINS's listing on the Exchange;
3. the representations and warranties of CINS as set out in the Definitive Agreement being true and correct at the time of closing of the Transaction with the same force and effect as if made at and as of such time;
4. the absence of any material adverse effect on the financial and operational condition or the assets of CINS;
5. the delivery of standard completion documentation by CINS including, but not limited to officers' certificates and certificates of good standing or compliance;
6. Chengcheng having completed its due diligence review of CINS with the results of such due diligence being satisfactory to Chengcheng in its sole discretion.

In addition to the above listed conditions precedent, the completion of the Transaction is also subject to the following conditions precedent for the benefit of CINS:

1. the representations and warranties of Chengcheng as set out in the Definitive Agreement being true and correct at the time of closing of the Transaction with the same force and effect as if made at and as of such time;
2. the absence of any material adverse effect on the financial and operational condition or the assets of Chengcheng; and
3. the delivery of standard completion documentation by Chengcheng including, but not limited to: officers' certificates and certificates of good standing or compliance; and
4. six directors of the Company after the Transaction shall be nominated by CINS; and
5. CINS having completed its due diligence review of Chengcheng with the results of such due diligence being satisfactory to CINS in its sole discretion

The condition precedents in favour of CINS may be waived in whole or in part by CINS and the condition precedents in favour of Chengcheng may be waived in whole or in part by Chengcheng.

The closing date of the proposed Transaction is the day which is the 10<sup>th</sup> business day following the satisfaction or waiver of the condition precedents or such other date as mutually agreed to by the Parties, but in any event no later than April 30, 2015, or the date agreed by both parties thereafter.

### **About Chengcheng**

Chengcheng, a private company incorporated under the laws of People's Republic of China ("China"), has been in the business of operating internet-based online e-commerce since incorporation in 2013 with its registered and head office at No. 1 Youyi Hotel, Liantang, Shanwei City, Guangdong Province, China.

**About CINS Holding Corp.**

CINS Holding Corp. is an emerging technology company focusing on online game software research and development. The Company carries out its business through its wholly owned subsidiaries Dongguan CINS Technology Co., Ltd. and Zhenjiang Sheng Si Network Technology Co., Ltd. in China in order to explore the immense potential of the online game market and other internet-based business opportunities in China.

**On behalf of the Board of Directors**

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*WARNING: This news release contains forward-looking statements based on assumptions and judgments of management regarding future events or results that may prove to be inaccurate as a result of risk factors beyond its control, and actual results may differ materially from the expected results. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risk that the Company may not proceed or alter its growth strategy, the Chinese government may change its policies with regard to foreign investment, the Company's future growth prospects may not be as expected, the feasibility study may not warrant the undertaking of this propose project, the Company may not be able to obtain any required financing to start or complete this project on acceptable terms or at all.*