

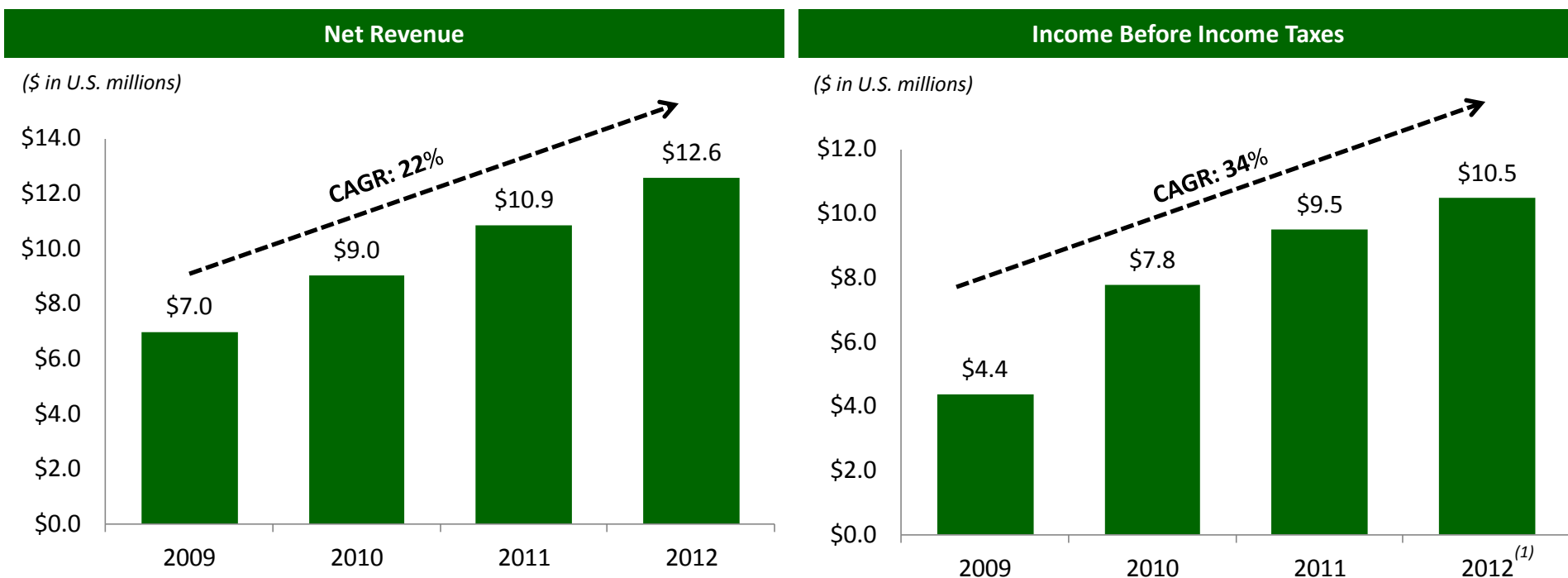


China Commercial Credit Inc.

September 2013

Fulfilling the Market Need in a Fast Growing Industry

- China Commercial Credit, Inc. (“CCC”) is a microcredit company providing direct loans and loan guarantee services to small-to-medium enterprises (“SMEs”), farmers and individuals operating in the District of Wujiang, Suzhou City, Jiangsu Province, Peoples Republic of China (“PRC”)
- CCC’s operating company has exhibited substantial annual growth since inception in 2008
 - Net income margins in excess of 60%, with significant operating leverage to service growth of loan portfolio



(1) Excludes approximately \$500,000 in IPO and audit related costs and expenses

China's Credit Mismatch Driving Industry Growth

- 🌱 Traditional Chinese banks supply of credit favors state-owned enterprises, local government vehicles and larger companies
 - 8 out of 10 jobs in China are in SME's
 - SME's account for nearly 60% of China's GDP and more than 50% of economic output
 - Account for only 18% of bank lending
- 🌱 CCC's customer base is a segment of the market which has been significantly underserved and has historically borrowed at high interest rates from "underground" lenders
- 🌱 2008 regulations enabled microcredit companies to bridge the gap between Chinese state-owned and commercial banks and "underground lenders", spurring explosive growth of microcredit lenders to match loan demand
 - Approximately 6,000 microcredit companies in China at end of 2012
 - ✓ Up over 40% from 2011
 - Aggregate outstanding loan portfolio of \$84 billion as of September 30, 2012
 - ✓ Up over 50% from 2011
 - Jiangsu Province has the greatest number of microcredit companies in nation

Fueled by Macroeconomic Tailwinds

- 🌱 China is the world's most populous country, comprising more than 1.3B citizens, or approximately 19% of the world's population ⁽¹⁾
 - Approximately 4x the total population of the United States, with roughly the same land mass
- 🌱 #2 largest GDP in the world, expected to surpass the U.S. by 2016
 - 2012GDP of ~\$8.3T
 - Expected to grow at a ~8% CAGR through 2016, ⁽²⁾⁽³⁾
 - World's largest exporter – exported ~\$2.1T of merchandise in 2012 ⁽⁴⁾
- 🌱 Operates in the District of Wujiang, Suzhou City, Jiangsu Province
 - One of the most economically successful and rapidly growing cities in China with 19% GDP growth
 - Located on the prosperous Eastern Coast of China and home to many of the world's leading producers of electronic equipment, chemicals and textiles

(1) Source: World Bank, Population Reference Bureau

(2) Source: China National Bureau of Statistics

(3) Source: International Monetary Fund

(4) Source: World Trade Organization

(5) Source: World Trade Organization

(6) Source: China State Administration of Foreign Exchange ("SAFE")



FIG
Diversified Financial Services

China Microfinance

A little goes a long way: initiating coverage

Ratings and valuation summary

Company	Ticker	Rating	Price 4-Mar (HKD)	Target price (HKD)	Yield	2013e PB	PE	Pot'l return*
Sun Hung Kai & Co	86 HK	OW	5.34	6.00	4.1	1.1	9.7	16%
Credit China	8207 HK	N(V)	0.92	1.00	2.4	1.6	8.6	11%

*Potential return equals the percentage difference between the current share price and the target price, including the forecast dividend yield

Source: Bloomberg, HSBC estimates. Prices as of 4 March 2013



- ▶ **China's financial reforms are opening the door to small loan companies**
- ▶ **Given the right strategy, microfinance can be sustainable and profitable**
- ▶ **Initiate OW on SHKC and N(V) on Credit China – unique and rapidly growing exposure in this sector**

Small is beautiful: It is a good time for the micro-lending business in China. The authorities want to ease the country's heavy reliance on bank lending which has favoured the big to the detriment of the small. This is creating enormous growth potential for microfinance that currently accounts for less than 0.5% of total credit. A unique opportunity is opening up for small lenders to cherry-pick high-quality borrowers who have nowhere else to turn, while charging them at rates of up to 40% pa.

Marcum LLP as CCC Auditors

- 🌿 One of the largest independent public accounting firms in the U.S.
- 🌿 Served Chinese clients for over 10 years
 - Four offices in China, with 70 SEC professionals serving 20 U.S. SEC clients
- 🌿 Complete and clean opinions from 2012 PCAOB inspections
- 🌿 No SEC issues from Chinese audit practice

Deep Lending and Public Company Experience

Huichun Qin	 Chairman of the Board, Chief Executive Officer
Long Yi	 Chief Financial Officer

Huichun Qin, Chairman of the Board and Chief Executive Officer

- Served previously as Deputy Director of Accounting and Finance and Vice President of the Wujiang Branch at the People's Bank of China ("PBOC") from 2002-2006 and 2006-2008, respectively
- While serving as Vice President of the Wujiang Branch, also served as a Deputy Director of the Wujiang State Administration of Foreign Exchange
- Bachelor's degree from Southwest Tech University in Miangyang, China

Long Yi, Chief Financial Officer

- Public company experience from role at Sutor Technology Group (NASDAQ: SUTR)
- CPA, State of Illinois
- Master's Degree in Accounting from University of Rotterdam, the Netherlands
- Graduate Diploma in Accounting from McGill University, Canada
- Bachelor's Degree in Accounting from Northeastern University, China

Direct, Secured Loan Services

- 🌱 Direct loans to SME's, farmers and individuals with proceeds generally used for operational purposes
 - \$88.5MM portfolio to 249 borrowers ⁽¹⁾
 - Loan sizes between \$16,000 and \$320,000, with average of approximately \$250,000 ⁽¹⁾
 - Terms ranging from 1 to 12 months maximum ⁽¹⁾
 - Average interest rate of 15.01%, payable monthly ⁽¹⁾

(1) As of three months ended March 31, 2013

Types of Secured Loans

- 🌱 Collateral-backed loans – 10.5% of portfolio
 - Pledge by borrower of land-use rights or building ownership
 - Appraisal used to determine value, then appropriate loan-to-value ratio of 50-70% applied

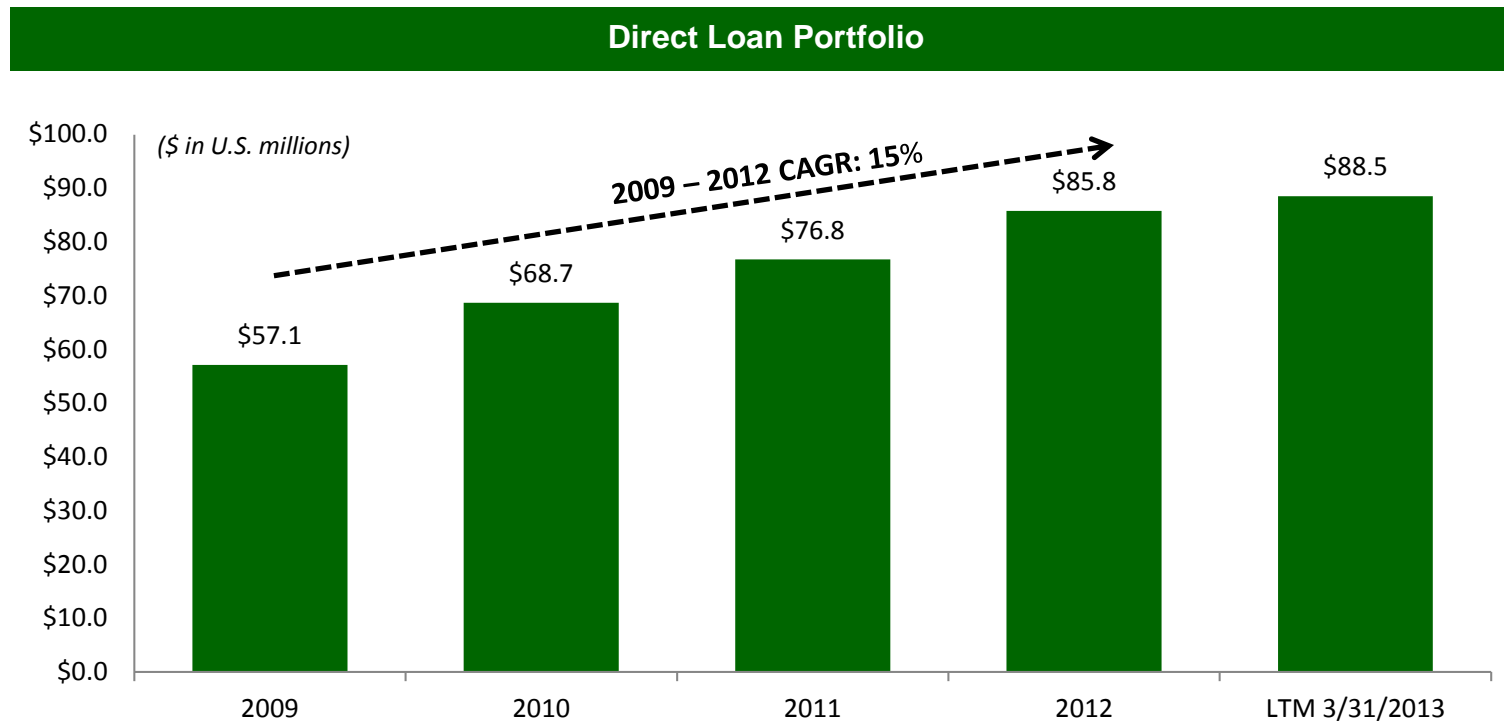
- 🌱 Guarantee-backed loans – 88.5% of portfolio
 - Guaranteed by third parties
 - Guarantor and borrower are jointly and severally liable

- 🌱 Pledge-backed Loans – 1.0% of portfolio
 - Pledge by borrower of negotiable instruments, of which the Company accepts possession



Direct Loans

- Offering proceeds to provide cash to increase registered capital and meet unmet high-quality loan demand



- Regulatory requirements limiting direct loans to 2x capital

Loan Guarantees

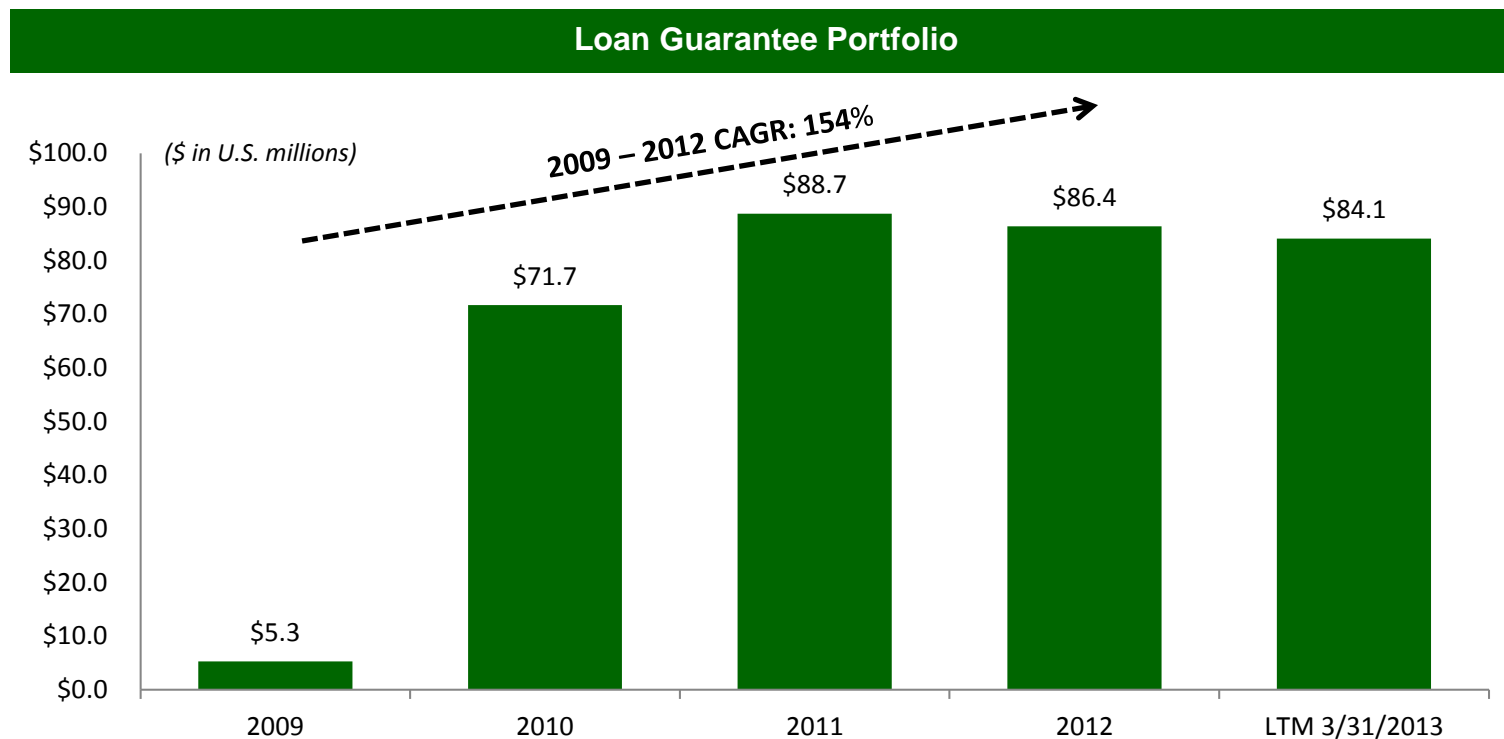
- 🌱 Provides guarantees to third-party lenders on behalf of the borrower
 - Cooperation agreements with six state-owned and commercial banks where the Company is accepted as guarantor
 - Guarantees for \$84.1 million of underlying loans to 115 borrowers ⁽¹⁾
 - Fee income of 1.5% - 1.8% per year of guarantee

- 🌱 Company's provision of guarantee subject to:
 - Collateral pledge of land-use rights or building ownership to third-party lender; and
 - Cash deposit of 10-20% of loan amount which gets deposited by CCC with third-party lender

(1) As of 3/31/13

Loan Guarantees (cont.)

- Initial public offering to increase regulatory capital to increase guarantee business



- Regulatory requirements limiting loan guarantees to 3x capital

Strong Growth with Managed Risk

- Management expertise has led to successful implementation of lending process with low loss experience
- Growth in reserves with no losses over last 3 years

	For Years Ended December 31,		
	Reserve		
	2010	2011	2012
Direct Loan	\$ 696,321	\$ 766,673	\$ 857,813
Guarantee Services	\$ 719,728	\$ 887,426	\$ 880,725

	Actual Losses		
	2010	2011	2012
Direct Loan	\$0	\$0	\$0
Guarantee Services	\$0	\$0	\$0

- Reserves based upon greater of 1% of portfolio or “5-Tier method” in accordance with applicable PRC regulations
- Significant Consequences for not repaying debt

Financial Summary – Selected Income Statement Data

Strong 2010 – 2012 annual top and bottom line growth

- Net Interest Income CAGR of 17.3%
- Net Income CAGR of 13.8%

Q1 2013 vs. Q1 2012

- Flat top line due to lower interest rates and limited capital to meet demand
- Lower Net Income due to provision for loan losses

(\$ in millions)	Year Ended,			Three Months Ended,	
	12/31/10	12/21/11	12/31/12	3/31/12	3/31/13
Total interest income	\$9.0	\$11.2	\$12.3	\$3.0	\$3.0
Total interest expense	(1.0)	(1.6)	(1.3)	(0.4)	(0.3)
Net interest income	\$8.0	\$9.6	\$11.0	\$2.6	\$2.7
Less: Provision for loan losses	(0.1)	(0.0)	(0.1)	(0.0)	(0.5)
Net interest income after provision	\$7.9	\$9.5	\$10.9	\$2.5	\$2.2
Plus: Commission and fees on guarantee services	1.1	1.3	1.7	0.4	0.5
Net Revenue	\$9.0	\$10.9	\$12.6	\$2.9	\$2.7
Plus: Total non-interest income	0.5	0.7	0.3	0.2	0.0
Less: Total non-interest expense	(1.8)	(2.1)	(2.4)	(0.6)	(0.8)
Income before income taxes	\$7.8	\$9.5	\$10.5⁽¹⁾	\$2.6	\$1.9
Less: Income tax expense	(1.0)	(1.2)	(1.7)	(0.6)	(0.3)
Net income	\$6.8	\$8.3	\$8.8	\$2.0	\$1.6

(1) Excludes approximately \$500,000 in IPO and audit related costs and expenses

3/31/2013 book value of approximately \$7.50 per share

