Kaiyue International Inc.

Financial Statements
For the year ended December 31, 2010 and 2009

AUDITOR'S REPORT

TO THE SHAREHOLDERS OF KAIYUE INTERNATIONAL INC.

We have audited the accompanying financial statements of Kaiyue International Inc. (the "Company"), which comprise the balance sheet as at December 31, 2010 and the statements of loss and comprehensive loss, shareholders' equity and cash flows for the year ended December 31, 2010, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDITOR'S REPORT

TO THE SHAREHOLDERS OF KAIYUE INTERNATIONAL INC. - continued

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2010 and the results of its operations and its cash flows for the year ended December 31, 2010, in accordance with Canadian generally accepted accounting principles.

Other matter

The balance sheet as at December 31, 2009 and the statement of loss and comprehensive loss, statement of shareholders' equity and statement of cash flows for the period from November 23, 2009 to December 31, 2009 were audited by another auditor who issued an unmodified opinion on January 6, 2010.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
April 30, 2011

Kaiyue International Inc.

Table of Contents
For the year ended December 31, 2010

Kaiyue International Inc.

Balance Sheet
As at December 31, 2010 and 2009
(Expressed in Canadian dollars)

	December 31, 2010 $	December 31, 2009 $
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2(c))	176,841	103,982
Deferred transaction costs	-	21,000
Total assets	176,841	124,982
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payables and accrued liabilities	53,298	38,175
Total current liabilities	53,298	38,175
Shareholders' equity:		
Share capital (Note 6)	261,527	85,000
Shares to be issued (Note 6)	-	19,000
Deficit	(137,984)	(17,193)
Total shareholders' equity	123,543	86,807
Total liabilities and shareholders' equity	176,841	124,982

Basis of presentation (Note 2(a))

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors on April 30, 2011

Hilda Sung
Director

Bradley Cran
Director

Statement of Loss and Comprehensive Loss
For the year/period ended December 31, 2010 and 2009
(Expressed in Canadian dollars)

	Year ended December 31, 2010 $	Period from November 23, 2009 to December 31, 2009 $
General and administrative expenses		
Bank charges	(698)	(18)
Incorporation costs and filing fees	(15,750)	(10,113)
Professional fees	(104,933)	(7,062)
	(121,381)	(17,193)
Other income		
Interest income	590	-
Net loss and comprehensive loss for the year/period	(120,791)	(17,193)
Deficit, beginning of year/period	(17,193)	-
Deficit, end of year/period	(137,984)	(17,193)
Basic and diluted loss per common share	$0.04	$0.20
Weighted average number of common shares outstanding: Basic and diluted	2,984,384	87,179

The accompanying notes are an integral part of these financial statements.

Kaiyue International Inc.

Statement of Shareholders' Equity
For the year/period ended December 31, 2010 and 2009
(Expressed in Canadian dollars)

	Share capital $	Shares to be issued $	Deficit $	Total shareholders' equity $
Proceeds from issuance of shares at November 23, 2009, date of incorporation	85,000	-	-	85,000
Proceeds received for the shares issued during the period	-	19,000	-	19,000
Net loss and comprehensive loss for the period	-	-	(17,193)	(17,193)
Balance at December 31, 2009	85,000	19,000	(17,193)	86,807
Proceeds received for the shares issued during the year (Note 6)	176,527	(19,000)	-	157,527
Net loss and comprehensive loss for the year	-	-	(120,791)	(120,791)
Balance at December 31, 2010	261,527	-	(137,984)	123,543

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
For the year/period ended December 31, 2010 and 2009
(Expressed in Canadian dollars)

	Year ended December 31, 2010 $	Period from November 23, 2009 to December 31, 2009 $
Cash flows from (used in):		
Operating activities:		
Net loss	(120,791)	(17,193)
Changes in non-cash operating working capital:		
Accounts payables and accrued liabilities	15,123	38,175
	(105,668)	20,982
Financing activities:		
Proceeds from issuance of shares (Note 6)	178,527	85,000
Proceeds received for the shares to be issued (Note 6)	-	19,000
Deferred transaction costs	-	(21,000)
	178,527	83,000
Net change in cash and cash equivalents	72,859	103,982
Cash and cash equivalents, beginning of year/period	103,982	-
Cash and cash and cash equivalents, end of year/period	176,841	103,982
Supplemental information:		
Interest received	590	-
Tax paid	-	-
Cash and cash equivalents are comprised of the following:		
Cash	-	-
Cash equivalents	176,841	103,982

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Kaiyue International Inc. ("Kaiyue" or the "Company") was incorporated under the Business Corporation Act of Alberta on November 23, 2009.

The Company intends to carry on business as a Capital Pool Company ("CPC") as defined in the Policy 2.4 "Capital Pool Companies" of the TSX Venture Exchange (the "Exchange"). The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange. Where an acquisition or participation (the "Qualifying Transaction") is warranted, additional funding will be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Company's shares from trading should it not meet these requirements. In order to complete a "Qualifying Transaction", the Company has entered into an agreement effective December 3, 2010 with China Easy-Pay Technology Inc. and its sole shareholder, Soar High Group Limited, to purchase all of the issued shares of China Easy-Pay Technology Inc.

On May 25, 2010, the Company filed a prospectus for the issuance of 2,000,000 common shares at $0.10 per share for gross proceeds of $200,000.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to lesser of 30% of the gross proceeds or $210,000 which may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

The Company engaged M Partners (the "Agent") as its agent to complete an initial public offering to raise minimum proceeds of $200,000 pursuant to the terms set out in the provisions of the CPC Policy (the "Offering"). In consideration for services to be performed by the Agent in connection with the Offering, the Company has agreed to pay the Agent a cash commission equal to 4% of the gross proceeds raised pursuant to the Offering and a corporate finance fee of $5,000 plus applicable taxes. In addition, at the closing of the Offering, the Agent will receive an option (the "Agent's Option") exercisable at any time up to 24 months following the respective date of closing on purchase up to that number of treasury shares equal to 4% of the number of common shares sold pursuant to the Offering. The terms of the Agent's Options shall be in compliance with the CPC Policy.

On August 6, 2010, the Offering was closed with the issuance of 2,000,000 common shares at $0.10 per share. The gross and net proceeds received from the Offering are $200,000 and $173,527, respectively.

On August 12, 2010, the Company was listed on the TSX Venture Exchange under the symbol "KYU.P".

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements of the Company have been prepared by management, in accordance with Canadian generally accepted accounting principles ("GAAP").

The significant accounting policies are summarized as follows:

(b) Use of estimates:

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions, mainly concerning values that affect the financial statements and the accompanying notes. Actual results could differ from these estimates.

(c) Cash and cash equivalents:

Cash and cash equivalents include bank balances deposited with maturity dates of three months or less.

(d) Income taxes:

The Company follows the asset and liability method of accounting for income taxes. Under this method, income tax assets and liabilities are recognized for the future income tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to apply when asset realized or liability settled. The effect of a change in tax rates on income tax assets and liabilities is reflected in operations in the year in which the substantive enactment or enactment occurs. The amount of tax asset recognized is limited to the amount that is more than likely than not to be realized.

(e) Financial instruments:

Financial assets and financial liabilities are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES - continued

(e) Financial instruments: - continued

All financial assets and liabilities are classified as either held for trading, available-for-sale, held-to-maturity, loans and receivables or other liabilities. Financial assets and liabilities are carried at fair value, except for those classified as held-to-maturity, loans and receivables or other liabilities, which are at amortized cost.

Cash and cash equivalents are classified as held-for-trading and measured at fair value, which in general is approximated by carrying value due to the short-term nature. All accounts payable are classified as other liabilities and measured at amortized cost using the effective interest method.

Fair value hierarchy

The Company follows a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. There are three levels of inputs that may be used to measure fair value.

Level 1 applies to assets and liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for asset or liability either directly or indirectly such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities and that cannot be corroborated by market data.

(f) Deferred transaction costs

Costs directly incurred in connection with the Company's proposed public share offering are recorded as deferred transaction costs until the offering is completed, if the completion is considered likely; otherwise they are expensed as incurred. Deferred transaction costs will be charged against share capital upon completion of the public share offering, or against operations if the offering is not completed.

2. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES - continued

(g) Loss per share

Basic loss per share is computed by dividing the loss available to common shareholders for the period by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method to calculate the diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

(h) Comprehensive loss

Comprehensive loss includes both net loss and other comprehensive income (loss) ("OCI/(L)"). OCI is the change in shareholders' equity from non-owner sources which is not included in the calculation of net loss until realized. Cumulative changes in OCI are included in Accumulated Other Comprehensive Income ("AOCI"), which is presented as a separate category of shareholders' equity on the balance sheet. The Company had no OCI balance as at December 31, 2010 and 2009 and no transactions for the years then ended.

3. FUTURE ACCOUNTING CHANGES

(a) Business Combinations

In January 2009, the CICA issued CICA Handbook Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, which superseded Section 1581, Business Combinations, and Section 1600, Consolidated Financial Statements.

CICA Handbook Section 1582, Business Combinations, replaces the former Section 1581, establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard ("IFRS") 3, Business Combinations (January 2008). This Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

CICA Handbook Section 1601, Consolidated Financial Statements, together with the new Section 1602, Non-Controlling Interests, replaces the former Section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standard 27, Consolidated and Separate Financial Statements, (January 2008). Both sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Earlier adoption is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is evaluating the impact of the adoption of these sections and will determine later whether early adoption is appropriate for the Company.

3. FUTURE ACCOUNTING CHANGES - continued

(b) Multiple Deliverable Revenue Arrangements

In December 2009, the CICA issued EIC 175 - "Multiple Deliverable Revenue Arrangements" replacing EIC 142 - "Revenue Arrangements with Multiple Deliverables". This abstract was amended to: (1) provide updated guidance on whether multiple deliverables exist, how the deliverables in an arrangement should be separated, and the consideration allocated; (2) require, in situations where a vendor does not have vendor-specific objective evidence or third-party evidence of selling price, that the entity allocate revenue in an arrangement using estimated selling prices of deliverables; (3) eliminate the use of the residual method and require an entity to allocate revenue using the relative selling price method; and (4) require expanded qualitative and quantitative disclosures regarding significant judgments made in applying this guidance. The accounting changes summarized in EIC 175 are effective for fiscal years beginning on or after January 1, 2011, with early adoption permitted. Adoption may either be on a prospective basis or by retrospective application. If the Abstract is adopted early, in a reporting period that is not the first reporting period in the entity's fiscal year, it must be applied retroactively from the beginning of the company's fiscal period of adoption. The Company expects to adopt EIC 175 effective April 1, 2011.

(c) Convergence with International Financial Reporting Standards

In February 2008, the Accounting Standards Board confirmed the changeover date for the convergence of GAAP with IFRS in 2011 for publicly accountable entities. The adoption of IFRS is effective for companies with fiscal year beginning on or after January 1, 2011. The Company continues to monitor the impact of the convergence of GAAP with IFRS. Adoption of IFRS in place of GAAP will require the Company to make certain accounting policy choices and could materially impact the reported financial position and results of operations. While the Company has begun assessing the adoption of IFRS for 2011, the expected financial reporting impact of the transition to IFRS cannot be reasonably determined until the Company completes its Qualifying Transaction.

4. CAPITAL MANAGEMENT

The primary objective of managing the Company's capital is to ensure there is sufficient available capital to support the Company's ongoing operation and ensure the Company remains in a sound financial position.

(Expressed in Canadian dollars)

4. CAPITAL MANAGEMENT - continued

The Company considers its capital structure to consist of share capital and deficit.

	December 31, 2010 $	December 31, 2009 $
Share capital	261,527	85,000
Shares to be issued	-	19,000
Deficit	(137,984)	(17,193)
Total capital	123,543	86,807

The directors of the Company review the capital structure from time to time. As part of this review, the directors considered the cost of capital and the risks associate with the capital structure. The Company will balance its overall capital structure through the payment of dividends, raising new capital or debt. The Company is not subject to any externally imposed capital requirements.

5. FINANCIAL INSTRUMENTS

Fair value

GAAP requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts for accounts payables on the balance sheet approximate fair value because of the short-term nature of these instruments. Cash and cash equivalents are measured at fair value.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit Risk

The credit risk on cash and cash equivalents is limited because the counterparties are banks with good credit ratings assigned by international credit rating agencies.

(Expressed in Canadian dollars)

5. **FINANCIAL INSTRUMENTS** - continued

Financial risk factors - continued

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages all liquidity risk through maintaining sufficient working capital through daily monitoring of controls, cash balances and operating results. The financial liabilities consisting of accounts payables are expected to be settled within three months. As at December 31, 2010, the Company had cash of $176,841 to settle current liabilities of $53,298.

(c) Interest Rate Risk

The Company has no interest-bearing debt and is not exposed to any significant interest rate risk.

6. **SHARE CAPITAL**

Authorized

An unlimited number of common shares.

Issued and outstanding:

	Number of common shares	Amount $
Issued for cash during the period and balance as of December 31, 2009	1,700,000	85,000
Issuance of common shares on January 6, 2010	480,000	24,000
Issuance of common shares on August 6, 2010	2,000,000	200,000
Share issuance costs on August 6, 2010	-	(47,473)
Balance as of December 31, 2010	4,180,000	261,527

On January 6, 2010, the Company issued 480,000 common shares to other five shareholders at a price of $0.05 per share. $19,000 of the total proceeds was received in December 2009 and was recorded as shares to be issued at December 31, 2009.

On August 6, 2010, the Offering was closed with the issuance of 2,000,000 common shares at $0.10 per share. The gross and net proceeds received from the Offering are $200,000 and $173,527, respectively. At December 31, 2009, $21,000 was incurred directly with this public issue of 2,000,000 common shares and has been charged against the share capital upon the completion of the public share offering in 2010.

6. SHARE CAPITAL

Escrow shares

Subject to an Escrow Agreement pursuant to the requirements of the TSX Venture Exchange, all of the shares issued on and prior to January 6, 2010 will be held in escrow. Under the terms of the Escrow Agreement (assuming at least 75% of the securities issued pursuant to the Qualifying Transaction are "value securities"), these shares will be released as to 10% thereof on the completion of the Company's Qualifying Transaction, as defined in the policies of the Exchange, and as to 15% thereof on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the initial release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction must also be deposited in escrow until the Final Exchange Bulletin is issued.

All common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be escrowed.

Stock options

The Company has adopted an incentive stock option plan which provides that the directors of the Company may from time to time, in their discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, nontransferable options to purchase common shares, provided that the number of common shares reserved for issue will not exceed 10% of the number of the outstanding common shares.

Such options will be exercisable for a period of up to five years after the date of grant thereof. The number of common shares reserved for issue to any individual director or officer will not exceed five percent of the number of then outstanding common shares and the number of common shares reserved for issue to all technical consultants will not exceed two per cent of the number of then outstanding common shares. Options may be exercised the greater of 12 months after completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any common shares acquired pursuant to the exercise of options prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

(Expressed in Canadian dollars)

6. SHARE CAPITAL - continued

Stock options - continued

(a) Directors' and officers' options

200,000 common shares pursuant to the exercise of the directors' and officers' options, exercisable at $0.10 per share, were granted at the closing of the Offering on August 6, 2010 and outstanding as of December 31, 2010. These options will expire on August 6, 2015, 5 years from the date of grant.

Stock option transactions and the number of stock options outstanding as at December 31, 2010 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Opening balance, January 1, 2010	-	-
Granted on August 6, 2010	200,000	$0.10
Exercisable, December 31, 2010	200,000	$0.10

For the period ended December 31, 2009, the Company did not have any stock options outstanding.

The management considers that the fair value of stock options granted was insignificant at the date of granting and therefore, no stock-based compensation expense is recognized during the year ended December 31, 2010. Stock-based compensation calculations have no effect on the Company's cash position.

(b) Underwriters' options

In addition, the Company granted to the underwriters of the offering options to purchase up to 80,000 common shares at a price of $0.10 per common share and which may be exercised for a period of 24 months after the day of listing on August 12, 2010, hence expiring on August 12, 2012.

Stock option transactions and the number of stock options outstanding as at December 31, 2010 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Opening balance, January 1, 2010	-	-
Granted on August 12, 2010	80,000	$0.10
Exercisable, December 31, 2010	80,000	$0.10

(Expressed in Canadian dollars)

6. **SHARE CAPITAL** - continued

Stock options - continued

(b) Underwriters' options - continued

For the period ended December 31, 2009, the Company did not have any underwriters' stock options outstanding.

The management considers that the fair value of stock options granted was insignificant at the date of granting and therefore, no stock-based compensation expense is recognized during the year ended December 31, 2010.

7. SEGMENT INFORMATION

The Company has no operations and all assets are located in Canada.

8. INCOME TAX

(a) Provision for Income Tax

A reconciliation of income tax to the amount computed by applying the current tax rate to loss for the period in the statement of loss is as follows:

	Year ended December 31, 2010 $	Period from November 23, 2009 to December 31, 2009 $
Canadian Federal and Provincial statutory rate	29%	29%
Net loss for the year/period	(120,791)	(17,193)
Income tax recovery based on the combined Canadian Federal and Provincial statutory rate	(35,029)	(4,986)
Temporary difference related to share issue costs	-	(102)
Unrecognized benefit of non-capital loss	35,029	5,088
Income tax recovery	-	-

(Expressed in Canadian dollars)

8. INCOME TAX - continued

(b) Future Income Taxes

The tax effects of temporary difference that give rise to significant components of future income tax assets are as follows:

	December 31, 2010 $	**December 31, 2009** $
Operating losses available for future years	40,117	5,088
Share issue cost	5,989	5,989
Valuation allowance	(46,106)	(11,077)
Net future income tax asset	-	-

At December 31, 2010, the Company had a non-capital loss for income tax purposes of $138,334 (2009: $17,543) which can be carried forward to be applied against future taxable income. The losses to the extent unutilized against future taxable income, can be carried forward indefinitely. The potential benefit of this loss has not been recognized in these financial statements as its realization is not more than likely to occur.

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