Kaiyue International Inc.

Management's Discussion and Analysis of Financial Position and Results of Operations

(MD&A) for the Three Months Ended March 31, 2011

The following information, prepared as of July 4, 2011, is Management's Discussion and Analysis ("MD&A") of the financial condition and financial performance of Kaiyue International Inc. (the "Company" or "Kaiyue") and should be read in conjunction with the unaudited interim condensed financial statements for the three months ended March 31, 2011 and the audited financial statements for the year/ period ended December 31, 2010 and 2009 respectively.

Additional information about the Company is contained in its final prospectus which is available on SEDAR at www.sedar.com

All amounts are in Canadian dollars and prepared in accordance with International Financial Reporting Standards.

Forward-looking Statements

The statements made in this MD&A that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical facts, which address the Company's expectations, should be considered forward looking statements. Such statements made by the Company are based on current expectations, factors and assumptions and reflect our expectations as at July 4, 2011. Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. The Company assumes no obligations to update or revise any forward-looking statements, whether as a result of new information, future events or any other reason.

For a discussion of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties".

Overview of the Company

Kaiyue was incorporated on November 23, 2009 under the Business Corporation Act of Alberta and intends to carry on business as a Capital Pool Company ("CPC") in accordance with Policy 2.4 of the TSX Venture Exchange. As a CPC, the Company has no commercial operations and no assets other than cash. The Company's cash will be used to identify and evaluate businesses or assets with a view to completing a "Qualifying Transaction" (as defined in the Policy). Any proposed Qualifying Transaction must be accepted by the Exchange as well as the shareholders of the Company.

The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholders' approval and acceptance by the Exchange. As at May 24, 2011, the Company has no business operations. In order to consummate its

Qualifying Transaction, the Company has entered into an agreement effective December 3, 2010 with China Easy-Pay Technology Inc. ("China Easy-Pay") and its sole shareholder, Soar High Group Limited ("Soar High"), to purchase all of the issued and outstanding shares of China Easy-Pay (the "Acquisition"). The Acquisition, if completed, will constitute the Company's Qualifying Transaction under Policy 2.4-Capital Pool Company of the Exchange. China Easy-Pay and Soar High are at arm's length to the Company, as such, the Company anticipates that the Acquisition will not be subject to approval of the Company's shareholders. The Company has targeted to complete this Qualifying Transaction by the end of August 2011.

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.

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

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, 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 is close with the issuance of 2,000,000 common shares at $0.10 per shares. The gross and net proceeds received from the Offering are $200,000 and $173,527 respectively.

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

As of March 31, 2011 as well as the date of this MD&A, there are 4,180,000 common shares issued and outstanding.

Results of Operations

For the quarter ended March 31, 2011, the Company incurred a net operating loss of $51,793. This loss is mainly made up of professional fees related to the filing of the Company.

Summary of Quarterly Results

The below table summarizes the results of the Company by quarter

	Quarter Ended March 31, 2011	Quarter Ended December 31, 2010	Quarter Ended September 30, 2010	Quarter Ended June 30, 2010	Quarter Ended March 31, 2010	From date of incorporation on November 23, 2009 to December 31, 2009
Revenue ($)	-	-	-	-	-	-
General and administrative expense ($)	51,793	97,017	710	8,653	15,001	17,193
Other income ($)	-	223	123	120	124	-
Loss for the period ($)	51,793	96,794	587	8,533	14,877	17,193
Loss per Share - Basic & Diluted ($)	0.01	0.02	0.00	0.00	0.01	0.20
Weighted average number of common shares outstanding - Basic & Diluted	4,180,000	4,180,000	3,397,391	2,180,000	2,153,333	87,179

Selected Annual Information

	For the Year Ended December 31, 2010	From date of incorporation on November 23, 2009 to December 31, 2009
Loss for the year/period ($)	120,791	17,193
Loss per Share - Basic & Diluted ($)	0.04	0.20

Liquidity and Capital Resources

As at March 31, 2011, the Company had cash of $187,163. Management believes that it has sufficient financial resources to meet all current and expected expenditure required.

Capital Stock

As at March 31, 2011, the Company had 4,180,000 common shares issued and outstanding.

200,000 common shares pursuant to the exercise of the Directors' and Officers' Options under the Company's option plan, exercisable at $0.10 per share, were granted at the closing of the Offering on August 6, 2010 and outstanding as of March 31, 2011. These options will expire on August 6, 2015.

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 outstanding as of March 31, 2011 and December 31, 2010, 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.

Transactions with Related Parties

As at March 31, 2011, there was no transaction during the period and there is no balance due to or from related parties.

Financial Instruments

The Company's approach in managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at March 31, 2011, the company had cash of $187,163 to settle current liabilities of $15,413. The Company is not exposed to significant credit, liquidity or market risk.

The carrying value of cash and accounts payable and accrued liabilities reflected in the condensed statement of financial position approximate fair value due to the limited term of these instruments.

Risks and Uncertainties

As at March 31, 2011, the risks and uncertainties outlined in our final prospectus and filed on SEDAR on May 25, 2010 remain unchanged.

Internal Controls

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with international financial reporting standards. Given the small size of the Company there is a weakness in internal controls relating to segregation of duties; however management is satisfied that having regard to the future of the business there are adequate compensating controls. No material changes were made in the Company's internal control over financial reporting during the period ended March 31, 2011.

International Financial Reporting Standards

The 2011 first quarter interim condensed financial statements are the Company's first financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Previously, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). The disclosures required by the provisions of IFRS 1, "First-time Adoption of International Financial Reporting Standards" ("IFRS 1"), explaining how the transition to IFRS has affected the reported financial performance, cash flows and financial position of the Company, are summarized below and provided in the notes to the Company's March 31, 2011 unaudited interim financial statements.

The Company's unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

As stated in unaudited interim condensed financial statements, these are the Company's first unaudited interim condensed financial statements prepared in compliance with IAS 34 in conformity with IFRS. The accounting policies adopted under IFRS were applied in the preparation of the opening IFRS unaudited interim statement of financial position. The Company's IFRS transition date is January 1, 2010. As a result of the adoption of IFRS, there was no impact on the Company's statement of financial position at December 31, 2009, as reported under Canadian GAAP, thereby resulting in a similar opening statement of financial position at January 1, 2010, in accordance with IFRS.

IFRS 1 requires an entity to reconcile equity, comprehensive loss and cash flow for comparative periods. The Company's adoption of IFRS did not have a monetary impact on equity, loss and comprehensive loss and operating, investing or financing cash flows in the prior periods. As a result there were no adjustments to the Company's statement of financial position, comprehensive loss, cash flows and changes in shareholders' equity.

As anticipated by management, the adoption of IFRS has resulted in certain presentation, disclosure and description changes to the unaudited interim condensed financial statements. IFRS 1 does not permit changes to estimates that have been made previously. Consistent with that restriction, estimates used in the preparation of the Company's opening unaudited interim condensed statement of financial position in compliance with IAS 34 were consistent with those that were made under Canadian GAAP.

New Accounting Pronouncements

The Company has not early applied the following new and revised standards, amendments that have been issued by the IASB but are not yet effective.

IFRS 7 (Amendment)	Financial Instruments: Disclosure for amendments enhancing disclosures about transfers of financial assets [(1)]
IFRS 9	Financial Instruments (Issued November 2009) [(3)]
IFRS 10	Consolidated Financial Statements[(3)]
IFRS 11	Joint Arrangements[(3)]
IFRS 12	Disclosure of Interests in Other Entities[(3)]
IFRS 13	Fair Value Measurement[(3)]
IAS 12 (Amendment)	Income Taxes: Limited scope amendment (recovery of underlying assets) [(2)]
IAS 27 (Amendment)	Separate Financial Statements[(3)]
IAS 28 (Amendment)	Investments in Associates and Joint Ventures[(3)]

[(1)] effective for annual periods beginning on or after July 1, 2011
[(2)] effective for annual periods beginning on or after January 1, 2012
[(3)] effective for annual periods beginning on or after January 1, 2013

The Company is currently assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

Other Information

Additional information related to the Company, including its final prospectus is available for viewing on SEDAR at www.sedar.com