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China Goldjoy Group Limited
(中國金洋集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1282)

VOLUNTARY ANNOUNCEMENT

**SUBSCRIPTION AND PURCHASE OF SHARES OF CONVERTIBLE PREFERRED
STOCK OF BIO-KEY INTERNATIONAL, INC.
AND
SOFTWARE LICENSE PURCHASE AGREEMENT**

This announcement is made by the Company on a voluntary basis to inform the Shareholders and potential investors about the latest business development of the Group.

THE SECURITIES PURCHASE AGREEMENT

On 11 November 2015, Giant Leap, a wholly-owned indirect subsidiary of the Company, and BIO-key entered into the Securities Purchase Agreement, pursuant to which Giant Leap agreed to subscribe for and purchase, and BIO-key agreed to sell, issue and allot 30,000 Preferred Shares at the aggregate consideration of US\$3,000,000, being the price of US\$100.00 per Preferred Share, to be satisfied by way of cash.

THE SOFTWARE LICENSE PURCHASE AGREEMENT

On 11 November 2015, the Licensors and BIO-key HK entered into the Software License Purchase Agreement, pursuant to which the Licensors agreed to grant to BIO-key HK a perpetual, irrevocable, exclusive, worldwide, fully paid-up license (i) to the FingerQ Software and FingerQ Documentation; and (ii) under the FingerQ Patents, and to any other intellectual property rights that the Licensors may hold in connection with the FingerQ Software and FingerQ Documentation, including without limitation, the rights to reproduce, create derivative works and distribute copies of the FingerQ Software and FingerQ Documentation and create new FingerQ Related Products. BIO-key HK has the right to grant sublicenses to the FingerQ Software to an agreed number of end users pursuant to the Software License Purchase Agreement. The consideration for the grant of the licenses contemplated under the Software License Purchase Agreement by the Licensors to BIO-key HK is the License Fee of US\$12,000,000.

THE SECURITIES PURCHASE AGREEMENT

Date

11 November 2015

Parties

- (i) Giant Leap (as purchaser)
- (ii) BIO-key (as seller)

Subscription

Pursuant to the Securities Purchase Agreement, Giant Leap agreed to subscribe for and purchase, and BIO-key agreed to sell, issue and allot, 30,000 Preferred Shares at the aggregate consideration of US\$3,000,000 to be satisfied by way of cash.

Consideration for the subscription and purchase of the Preferred Shares

US\$3,000,000, being the price of US\$100.00 per Preferred Share multiplied by the number of Preferred Shares.

Ranking

The Preferred Shares shall rank parri-passu with the shares of Series A-1 Convertible Preferred Stock.

Dividends

Dividends on the Preferred Shares will accrue at a rate of 2.5% per annum and are payable quarterly.

Voting

- (i) As holder of the Preferred Shares, Giant Leap is entitled to cast such number of votes equal to the number of whole shares of Common Stock into which the shares of Series B-1 Preferred Stock held by Giant Leap are convertible at the meeting of the stockholders of BIO-key.
- (ii) The holders of the shares of Series B-1 Convertible Preferred Stock will be entitled to nominate one (1) director of BIO-key. Such nominee will be designated by the majority vote of the holders of the Series B-1 Convertible Preferred Stock and the vote or written consent of Giant Leap to the extent that it remains a holder of at least 25% of the issued and outstanding shares of Series B-1 Preferred Stock.

Conversion

The Preferred Shares are convertible into shares of Common Stock at any time at the option of Giant Leap subject to a blocker provision which prevents Giant Leap from beneficially owning in excess of 9.99% of the Common Stock. The Preferred Shares shall be convertible into such number of Common Stock determined by dividing the face amount of US\$100.00 per Preferred Share by the conversion price in effect at the time of conversion. The initial conversion price shall be US\$0.30 per Preferred Share, subject to adjustments for any stock splits, combinations, dividends, distributions or similar transactions of BIO-key.

REASONS AND BENEFITS OF THE SUBSCRIPTION

Pursuant to the circular of the Company dated 29 June 2015, it was disclosed that the Group will continue to invest in companies with advanced biometric security technology in light of the growing demand of secure internet communications in the mobile-driven era, and the Directors believed that a further investment in BIO-key would be a strategic opportunity for the Company to actively participate in the business operations of BIO-key. The investment in BIO-key pursuant to the Subscription will allow for further opportunities between the Group and BIO-key to collaborate in the further development of the FingerQ Technology, which aligns with the Group's business strategies to further expand its biometric service offerings and business.

The Directors consider that the terms of the Subscription were arrived at after arm's length negotiations based on normal commercial terms and are fair and reasonable, and the Subscription is in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

THE SOFTWARE LICENSE PURCHASE AGREEMENT

Date

11 November 2015

Parties

- (i) The Licensors (as licensors)
- (ii) BIO-key HK (as licensee)

License

Pursuant to the Software License Purchase Agreement, the Licensors agreed to grant to BIO-key HK a perpetual, irrevocable, exclusive, worldwide, fully paid-up license (i) to the FingerQ Software and FingerQ Documentation; and (ii) under the FingerQ Patents, and to any other intellectual property rights that the Licensors may hold in connection with the FingerQ Software and FingerQ Documentation, including without limitation, the rights to reproduce, create derivative works and distribute copies of the FingerQ Software and FingerQ Documentation and create new FingerQ Related Products. BIO-key HK has the right to grant sublicenses to the FingerQ Software to an agreed number of end users pursuant to the Software License Purchase Agreement.

License Fee

The consideration for the grant of the licenses contemplated under the Software Licence Purchase Agreement by the Licensors to BIO-key HK is the License Fee of US\$12,000,000.

Notwithstanding the license granted to BIO-key HK pursuant to the Software Licence Purchase Agreement, ownership of, and title to, the intellectual property rights in the FingerQ Technology and in the FingerQ Patents is and shall remain in the Licensors.

REASONS AND BENEFITS OF THE SOFTWARE LICENSE PURCHASE AGREEMENT

Pursuant to the circular of the Company dated 29 June 2015, it was disclosed that the Group will continue to place efforts in making its FingerQ platform more user-friendly by attracting application developers and strategic partners to integrate more features onto the FingerQ's secure platform, and that the Company has since 2014 been working with a few service providers for banking operations and online payment in respect of the development of the next generation of FingerQ as solutions in payment authentication through biometric fingerprint technologies. Since January 2014, the Group has been co-operating with BIO-key in the manufacturing of biometric hardware and the fingerprint dongle. The Directors believe that the entering into of the Software License Purchase Agreement and the transactions contemplated thereunder by the Licensors will be a strategic partnership between the Group and BIO-key in the further development of solutions in payment authentication through biometric fingerprint technologies that incorporate the FingerQ Technology, whether in mobile devices such as mobile phones, electronic tokens, USB devices, or otherwise. The Group identified BIO-key as its strategic partner given BIO-key's reputation, standing and expertise in the biometric finger identification solutions industry. The Group believes that BIO-key has the necessary resources and expertise to further exploit the FingerQ Technology by creating new and improved products, technology and solutions that incorporate the FingerQ Technology, including FingerQ Related Technology. The partnership between the Group and BIO-key pursuant to the Software License Purchase Agreement aligns with the Group's business strategies to further expand its biometric service offerings and business.

The Directors consider that the terms of the Software License Purchase Agreement were arrived at after arm's length negotiations based on normal commercial terms and are fair and reasonable, and the entering into of the Software License Purchase Agreement and the transactions contemplated thereunder is in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Group

The Group, which includes Giant Leap and the Licensors, are principally engaged in the development of a range of high-technology products, trading and providing services with respect to automation related equipment, and strategic investment and development in technologies mainly relating to biometric security, high-speed wireless data transmission and communications, and securities investment.

Since July 2013, the Group has expanded its biometric service offerings and launched the world's first biometric fingerprint privacy protection platform and devices — FingerQ and PrivacQ — to strengthen its position as the leading provider of patented biometric security solutions for both the consumer and enterprise markets.

BIO-key

BIO-key is a leading fingerprint biometric identification software and technology provider based in New Jersey, the United States of America. BIO-key develops and delivers advanced fingerprint biometric identification solutions to commercial and government enterprises, integrators, and application developers. BIO-key's award winning, high performance, scalable, cost-effective and easy-to-deploy biometric finger identification technology accurately identifies and authenticates users of wireless and enterprise applications. BIO-key's solutions are embedded in OEM products and applications and used in some of the world's largest identification deployments to improve security, guarantee identity, and reduce identity theft. BIO-key's technology is offered directly or by market leading partners around the world.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, BIO-key and its ultimate beneficial owners are independent of the Company and its connected persons.

DEFINITIONS

"BIO-key"	BIO-key International, Inc., a Delaware corporation
"BIO-key HK"	BIO-key Hong Kong Limited, a company established under the laws of the Hong Kong Special Administrative Region of the People's Republic of China, and a wholly-owned subsidiary of BIO-key
"Board"	the board of Directors
"Common Stock"	the common stock of BIO-key of US\$0.0001 par value per share

“Company”	China Goldjoy Group Limited, a company incorporated in the Cayman Island with limited liability, whose shares are listing on the Stock Exchange (stock code: 1282)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“FingerQ Documentation”	all design specifications, instruction manuals, developer’s notes, product manuals, advertising materials, and other documentation that relates to any of the FingerQ Technology
“FingerQ Patents”	every patent or patent application that any Licensor owns or otherwise has rights to in any country, and which claims technology used in or is otherwise relevant to the FingerQ Software or the FingerQ Related Products, along with any continuations, continuations-in-part, divisionals, reissues, reexaminations, foreign counterparts or other patents or applications claiming priority to, or sharing a common claim of priority with, any such patent or patent application
“FingerQ Related Products”	any software code, toolkit, electronic libraries or related technology that is developed by or under authorization of BIO-key HK using the FingerQ Technology, including but not limited to derivative works, translations, or items developed using software development kits
“FingerQ Software”	all source code, object code, electronic files, libraries, scripts, toolkits, data structures, programming instructions and other code for any FingerQ Technology
“FingerQ Technology”	the software code, toolkits, electronic libraries and related technology that is currently known as or offered under the “FingerQ” name, including but not limited to each version of the FingerQ SDK, Q-Chat, the Q-Platform, code embodied in a fingerprint lock, and related technology
“Giant Leap”	Giant Leap International Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned indirect subsidiary of the Company
“Group”	the Company and its subsidiaries
“License Fee”	the fee of US\$12,000,000 for the grant of the licenses contemplated under the Software License Purchase Agreement

“Licensors”	Shining Union Limited (耀光聯有限公司), WWTT Technology China Co., Ltd. (鶴山世達光電科技有限公司), and Golden Vast Macao Commercial Offshore Limited (金碩澳門離岸商業服務有限公司), each a subsidiary of the Company and a member of the Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Preferred Shares”	30,000 shares of Series B-1 Convertible Preferred Stock
“Securities Purchase Agreement”	the securities purchase agreement dated 11 November 2015 entered into between the Company and BIO-key in relation to the subscription and purchase by the Company of the Preferred Shares
“Series A-1 Convertible Preferred Stock”	the series of authorized stock of BIO-key known as the Series A-1 Convertible Preferred Stock of US\$0.0001 par value per share
“Series B-1 Convertible Preferred Stock”	the series of authorized stock of BIO-key known as the Series B-1 Convertible Preferred Stock of US\$0.0001 par value per share
“Shareholders”	the shareholders of the Company
“Software License Purchase Agreement”	the software license purchase agreement dated 11 November 2015 entered into between the Licensors and BIO-key HK in relation to the grant of the license in respect of the FingerQ Software, FingerQ Documentation and FingerQ Patents
“Subscription”	the subscription for, and purchase of, 30,000 Preferred Shares by the Company at the aggregate consideration of US\$3,000,000, being the price of US\$100.00 per Preferred Share, to be satisfied by way of cash pursuant to the Securities Purchase Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	means United States dollar, the lawful currency of the United States of America
“%”	per cent

By Order of the Board
China Goldjoy Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

Hong Kong, 11 November 2015

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yao Jianhui, Mr. Zhang Bowen and Mr. Huang Wei; one non-executive director, namely Mr. Li Minbin; and three independent non-executive directors, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Chan Wai.