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## HISTORY AND DEVELOPMENT

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Our history can be traced back to April 1975, when Wai Wah Pawnshop was established by Mr. Chan Chart Man and Ms. Mui as partnership to provide pawn loan services in Hong Kong. Our second Pawnshop, Hing Wah Pawnshop, was subsequently established by Mr. Chan Chart Man as sole proprietorship in 1986. In 1997, Ms. Mui retired from the partnership and Wai Wah Pawnshop became a sole proprietorship with Mr. Chan Chart Man as its sole proprietor. Since then, each of these two Pawnshops was operated as a sole proprietorship with Mr. Chan Chart Man as its sole proprietor until the implementation of the Reorganisation.

In March 2000, the Chan Family expanded the pawn loan business and incorporated Oi Wah HK, which was first incorporated under the name of Oi Wah Estate and Investment Limited, and changed its name to Oi Wah Pawnshop Holding Limited on 26 August 2008, and was subsequently changed to its current name of Oi Wah Pawnshop Credit Limited on 8 September 2011.

Since the incorporation of Oi Wah HK, our Pawnshops have been managed and operated by our executive Director, Mr. Edward Chan, being the chairman of HKKPA (港九押業商會) and the honorary chairman of the Macau General Chamber of Pawnbrokers (澳門當押業總商會), under the brand name of “Oi Wah” and ten further Pawnshops were established in different areas of Hong Kong from 2000 to 2004. We have further expanded into mortgage loan business in 2009 and a Mortgage Centre was established at our Wanchai head office to provide private and personalised one-on-one mortgage loans services to our customers. In 2011, a Customer Service Centre was set up in the premises of Tak Wah Pawnshop located in Central to provide our customers with private and personalised pawn loan services and customer service support. We have private conference rooms in the Customer Service Centre so as to serve customers who prefer discreet and would not ordinarily attend pawnshops. Although the pawn loan services provided are the same, our Customer Service Centre is capable of providing a higher degree of privacy to our customers than our other Pawnshops.

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The following table sets out the names of shareholders and their respective shareholdings in Oi Wah HK, which had remained unchanged since its incorporation and up to the implementation of the Reorganisation:

Name	Shareholdings in Oi Wah HK (%)
Ms. Chan Ying Yu	25
Mr. Chan Chart Man	20
Mr. Edward Chan	15
Ms. Chan Nga Yu	10
Ms. Chan Kit Yu	10
Ms. Chan Mei Fong	10
Ms. Mui	10
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Total:	<u>100</u>

As at the Latest Practicable Date, our Group owned and operated 12 Pawnshops in Hong Kong, each of which is a member of HKKPA.

The following table sets forth the significant milestones in our history:

- 1975 ● The establishment of Wai Wah Pawnshop
- 1986 ● The establishment of Hing Wah Pawnshop
- 2000 ● The incorporation of Oi Wah HK and the establishment of Ho Wah Pawnshop, Sung Wah Pawnshop, Chun Wah Pawnshop and Po Wah Pawnshop
- 2001 ● The establishment of Tak Wah Pawnshop
- 2002 ● The establishment of Hung Wah Pawnshop
- 2003 ● The establishment of Kwong Wah Pawnshop
- 2004 ● The establishment of Heng Wah Pawnshop, Cheung Wah Pawnshop and Kei Wah Pawnshop
- 2009 ● The expansion of our business to mortgage loan services and the establishment of our Mortgage Centre at our Wanchai head office
- 2011 ● The establishment of our Customer Service Centre at the premises of our Tak Wah Pawnshop in Central

### REORGANISATION

In preparation for the Listing, our Group underwent the Reorganisation whereby our Company became the holding company of our Group and the steps are as follow:

**(i) Incorporation of Hing Wah HK and Wai Wah HK**

On 12 April 2012, Hing Wah HK and Wai Wah HK were incorporated in Hong Kong. Each of Hing Wah HK and Wai Wah HK has an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. One fully-paid share of each of Hing Wah HK and Wai Wah HK was allotted and issued to Mr. Chan Chart Man at par.

**(ii) Incorporation of the Oi Wah Holding**

On 31 May 2012, Oi Wah Holding was incorporated in the BVI and was authorised to issue 50,000 shares with no par value. Mr. Chan Chart Man, Mr. Edward Chan, Ms. Chan Ying Yu, Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Chan Mei Fong and Ms. Mui were issued and allotted with 20 shares, 15 shares, 25 shares, 10 shares, 10 shares, 10 shares and 10 shares, respectively.

**(iii) Incorporation of our Company and Kwan Lik**

On 31 May 2012, Kwan Lik was incorporated in the BVI which is authorised to issue 50,000 shares with no par value. Initially, 40 shares, 20 shares, 20 shares, 5 shares, 5 shares, 5 shares and 5 shares, representing 40%, 20%, 20%, 5%, 5%, 5% and 5% of the issued shares of Kwan Lik, were allotted and issued as fully-paid shares to Mr. Chan Chart Man, Mr. Edward Chan, Ms. Chan Ying Yu, Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Chan Mei Fong and Ms. Mui, respectively.

On 5 June 2012, our Company was incorporated as an exempted company in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each, of which one Share was allotted and issued to the first subscriber, Reid Services Limited, as fully-paid Share, which was transferred to Kwan Lik on the same day.

**(iv) Transfers of businesses**

Pursuant to two agreements for sale and purchase of business both dated 19 April 2012 as supplemented by two supplemental agreements both dated 8 June 2012, Mr. Chan Chart Man transferred all the assets, liabilities, undertakings and licence of each of Hing Wah Pawnshop and Wai Wah Pawnshop to Hing Wah HK and Wai Wah HK, respectively, each at a consideration of HK\$1.00.

**(v) Acquisition of Hing Wah HK and Wai Wah HK**

Pursuant to two sale and purchase agreements, dated 31 January 2013 and 4 February 2013, Oi Wah Holding acquired from Mr. Chan Chart Man the entire issued share capital of each of Hing Wah HK and Wai Wah HK, respectively, in consideration of which Oi Wah Holding issued and allotted, at the direction of the Chan Family, which they have all consented pursuant to the two sale and purchase agreements, an aggregate of 80 shares, 60 shares, 100 shares, 40 shares, 40 shares, 40 shares and 40 shares, as fully-paid shares, to Mr. Chan Chart Man, Mr. Edward Chan, Ms. Chan Ying Yu, Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Chan Mei Fong and Ms. Mui, respectively.

**(vi) Acquisition of Oi Wah HK and shareholder's loans**

Pursuant to a sale and purchase agreement dated 5 February 2013, Oi Wah Holding acquired the entire issued share capital of Oi Wah HK from its shareholders, in consideration of which Oi Wah Holding issued and allotted 100 shares, 75 shares, 125 shares, 50 shares, 50 shares, 50 shares and 50 shares, as fully paid shares, to Mr. Chan Chart Man, Mr. Edward Chan, Ms. Chan Ying Yu, Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Chan Mei Fong and Ms. Mui, respectively, in proportion to their then existing shareholdings of Oi Wah HK.

Pursuant to the same agreement, Oi Wah Holding also acquired the shareholder's loans in the sums of HK\$42,363,406 and HK\$2,600,000 from Mr. Chan Chart Man and Mr. Edward Chan, respectively, in consideration of which 600 shares, 250 shares and 150 shares were issued and allotted to Mr. Chan Chart Man, Mr. Edward Chan and Ms. Chan Ying Yu, respectively, as fully-paid shares at the direction of Mr. Chan Chart Man and Mr. Edward Chan as a family arrangement (such 1,000 shares would have been issued and allotted to Mr. Chan Chart Man and Mr. Edward Chan as to 942 shares and 58 shares if based on the ratio of the shareholder's loans).

**(vii) Acquisition of Oi Wah Holding**

Pursuant to the sale and purchase agreement dated 18 February 2013, our Company acquired all issued shares of Oi Wah Holding from its then shareholders, in consideration of which our Company, at the direction of the then shareholders of Oi Wah Holding, allotted and issued 9,999,999 Shares, as fully-paid Shares, to Kwan Lik.

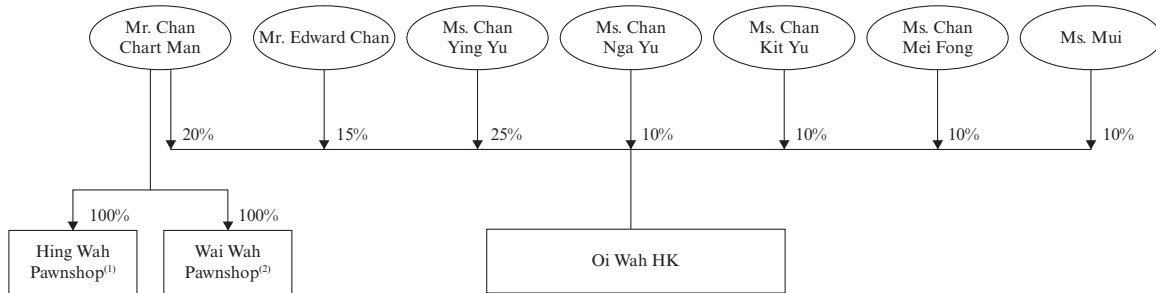
Details of the Reorganisation are also set out in the section headed "A. Further information about our Company — 4. Corporate reorganisation" in Appendix IV to this prospectus. Save for the Reorganisation, no further changes in shareholding of our Company and its subsidiaries will take place after the Reorganisation and at the time of Listing.

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The following diagram sets forth our corporate and shareholding structure immediately prior to the implementation of the Reorganisation:



*Notes:*

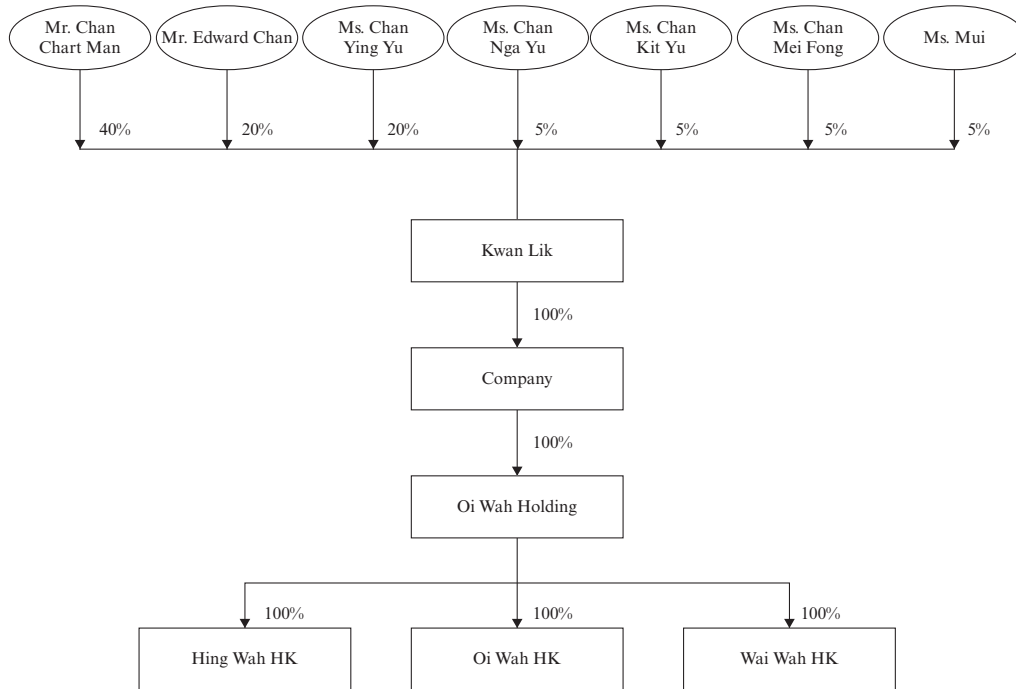
1. Hing Wah Pawnshop was established by Mr. Chan Chart Man as sole proprietorship in 1986. Pursuant to the agreement for sale and purchase of business dated 19 April 2012 as supplemented by the supplemental agreement dated 8 June 2012, all the assets, liabilities, undertakings and licence of Hing Wah Pawnshop were transferred to Hing Wah HK.
2. Wai Wah Pawnshop was established by Mr. Chan Chart Man and Ms. Mui as partnership in 1975 and became a sole proprietorship with Mr. Chan Chart Man as its sole proprietor in 1997. Pursuant to the agreement for sale and purchase of business dated 19 April 2012 as supplemented by the supplemental agreement dated 8 June 2012, all the assets, liabilities, undertakings and licence of Wai Wah Pawnshop were transferred to Wai Wah HK.

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The following diagram sets forth our corporate and shareholding structure immediately before the completion of the Share Offer and Capitalisation Issue:



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The following diagram sets forth our corporate and shareholding structure immediately after the Completion of the Share Offer and the Capitalisation Issue:

