

**A. FURTHER INFORMATION ABOUT OUR GROUP****1. Incorporation of Our Company**

We were incorporated in the Cayman Islands under the Cayman Companies Law as an exempted company with limited liability on 11 November 2011. We have established a principal place of business in Hong Kong and have been registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on 1 June, 2012. Our current address is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Miss Lo Yee Har Susan and Miss Leung Ching Ching have been appointed as the authorised representatives of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong at our place of business.

As we were incorporated in the Cayman Islands, our Memorandum and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of the relevant provisions of our Memorandum and Articles of Association and certain aspects of the Companies Law are set out in the section headed "Summary of the Constitution of Our Company and Cayman Companies Law".

**2. Changes in the Share Capital of Our Company**

As of the date of incorporation of our Company, our Company had an authorised share capital of US\$50,000, divided into 50,000 shares of US\$1.00 each.

The following changes in the share capital of our Company have taken place since the date of incorporation of our Company up to the date of this prospectus:

- (i) on 11 November 2011, one share of a nominal or par value of US\$1.00 each was allotted and issued, credited as fully paid, to Offshore Incorporations (Cayman) Limited as initial subscriber, which was transferred to BVI Co 7 on the same date;
- (ii) on 11 November 2011, 1,300 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 1;
- (iii) on 11 November 2011, 1,100 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 2;
- (iv) on 11 November 2011, 1,000 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 3;
- (v) on 11 November 2011, 400 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 4;
- (vi) on 11 November 2011, 600 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 5;
- (vii) on 11 November 2011, 600 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 6;
- (viii) on 11 November 2011, 3,999 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued, credited as fully paid, to BVI Co 7;

- (ix) on 11 November 2011, 1,000 shares of a nominal or par value of US\$1.00 each, credited as fully paid, were allotted and issued to BVI Co 8; and
- (x) on 2 May 2012, resolutions were passed to increase the authorised share capital of the Company by HK\$100,000,000 by the creation of 10,000,000,000 Shares of a nominal or par value of HK\$0.01 each. Our Company allotted and issued an aggregate of 7,800,000 new Shares. Such new Shares fully paid to BVI Co 1, BVI Co 2, BVI Co 3, BVI Co 4, BVI Co 5, BVI Co 6, BVI Co 7 and BVI Co 8 in proportion to their then shareholdings in our Company, being 1,014,000 Shares to BVI Co 1, 858,000 Shares to BVI Co 2, 780,000 Shares to BVI Co 3, 312,000 Shares to BVI Co 4, 468,000 Shares to BVI Co 5, 468,000 Shares to BVI Co 6, 3,120,000 Shares to BVI Co 7 and 780,000 Shares to BVI Co 8. At the same time, our Company repurchased all the 10,000 issued shares of a nominal or par value of US\$1.00 each at a price of US\$1.00 per such issued share. Following such repurchase, our Company cancelled the 50,000 authorised but unissued shares of a nominal or par value of US\$1.00 each in the capital of our Company.

Immediately following the completion of the Global Offering and the Capitalisation Issue but not taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option, the issued share capital of our Company will be HK\$10,252,360 divided into 1,025,236,000 Shares, all fully paid or credited.

Save for the aforesaid and mentioned in the paragraph headed "3. Resolutions in Writing of the Shareholders of Our Company Passed on 6 October 2013" below, there has been no alteration in the share capital of our Company since its incorporation.

The following is a description of the authorised and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid prior to and immediately following the completion of the Capitalisation Issue and the Global Offering:

<i>Authorised share capital:</i>	<b>HK\$</b>
10,000,000,000 Shares	100,000,000
 <i>Issued and to be issued, fully paid or credited as fully paid:</i>	
7,800,000 Shares in issue as of the date of this prospectus	78,000
642,200,000 Shares to be issued pursuant to the Capitalisation Issue	6,422,000
<u>375,236,000</u> Shares to be issued pursuant to the Global Offering	<u>3,752,360</u>
 <u>1,025,236,000</u> Total	 <u>10,252,360</u>

*ASSUMPTIONS*

The above table assumes that the Global Offering becomes unconditional and the Shares are issued pursuant to the Global Offering. The above does not take into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be issued or repurchased by our Company pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described below.

As at the Latest Practicable Date, our Company had an authorised share capital of HK\$100,000,000, divided into 10,000,000,000 Shares, and an issued share capital of HK\$78,000, divided into 7,800,000 Shares, all fully paid or credited as fully paid.

Immediately prior to Listing, an amount of HK\$6,422,000 standing to the credit of the share premium account of our Company will be capitalised and applied to pay up in full the nominal or par value of a total of 642,200,000 Shares for allotment and issuance of 83,486,000 Shares to BVI Co 1, 70,642,000 Shares to BVI Co 2, 64,220,000 Shares to BVI Co 3, 25,688,000 Shares to BVI Co 4, 38,532,000 Shares to BVI Co 5, 38,532,000 Shares to BVI Co 6 and 321,100,000 Shares to BVI Co 7 and BVI Co 8.

Immediately following the completion of the Capitalisation Issue and the Global Offering, the issued share capital of our Company will be HK\$10,252,360, divided into 1,025,236,000 Shares, all fully paid or credited as fully paid and 8,974,764,000 Shares will remain unissued.

Save as disclosed above and in this prospectus, there has been no alteration in the share capital of our Company since our incorporation.

**3. Resolutions in Writing of the Shareholders of Our Company Passed on 6 October 2013**

Pursuant to the written resolutions passed by the Shareholders on 6 October 2013:

- (a) our Company approved and adopted the Memorandum with immediate effect and the Articles of Association conditional upon Listing;
- (b) conditional on (1) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus, (2) the Offer Price being fixed on the Price Determination Date and (3) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:
  - (i) the Global Offering was approved and the Directors were authorised to effect the same and allot and issue the Offer Shares pursuant to the Global Offering on and subject to the terms and conditions stated in this prospectus;
  - (ii) the granting of the Over-allotment Option was approved;
  - (iii) the proposed Listing was approved and the Directors were authorised to implement the Listing;

- (iv) conditional on the share premium account of our Company being credited as a result of the Global Offering, our Directors were authorised to capitalise an amount of HK\$6,422,000 standing to the credit of the share premium account of our Company and that sum be applied in paying up in full at par 642,200,000 Shares, such Shares to be allotted and issued to our Shareholders appearing on the register of members of our Company at the close of business on the date of the Prospectus, pro-rata (or as nearly as possible to avoid fractional Shares) to their then shareholdings in our Company, and so that such Shares to be allotted and issued shall rank *pari passu* in all respects with the then existing issued Shares (save for the right to participate in the Capitalisation Issue as described in this paragraph) and the Directors were authorised to take all actions as they consider necessary or desirable to give effect to the Capitalisation Issue;
- (v) a general unconditional mandate was granted to the Directors to exercise all powers of our Company to allot, issue and deal with Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers, provided that the aggregate nominal value of Shares allotted or agreed to be allotted by the Directors other than pursuant to (a) a rights issue, (b) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association or (c) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of (1) 20% of the total nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering and the Capitalisation Issue (but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option) and (2) the total nominal value of the share capital of our Company repurchased by our Company (if any) under the general mandate to repurchase Shares referred to in sub-paragraph (v) below, such mandate to remain in effect during the period from the passing of the resolution until the earliest of the conclusion of our next annual general meeting, the end of the period within which we are required by any applicable law or the Articles of Association to hold our next annual general meeting and the date on which the resolution is varied or revoked by an ordinary resolution of the Shareholders in general meeting (the “**Applicable Period**”);
- (vi) a general unconditional mandate was granted to the Directors to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose Shares with a total nominal value of not more than 10% of the total nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Global Offering (but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option), such mandate to remain in effect during the Applicable Period; and
- (vii) the general unconditional mandate mentioned in sub-paragraph (v) above was extended by the addition to the aggregate nominal amount of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of our Company repurchased by our Company

pursuant to the mandate to repurchase Shares referred to in sub-paragraph (vi) above, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the Company's share capital in issue immediately following completion of the Capitalisation Issue and the Global Offering (but excluding any Shares which may be issued pursuant to the exercise of the Over-Allotment Option).

#### 4. Changes in the Share Capital of Our Subsidiaries

Our subsidiaries are referred to in the Accountant's Report, the text of which is set out in Appendix I to this prospectus. As a result of the Contractual Arrangements, the PRC Operating Entity has in accounting terms been consolidated as a subsidiary of our Company. Save for the subsidiaries mentioned in the Accountant's Report, we do not have any other subsidiaries.

The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this prospectus:

(a) *The PRC Operating Entity*

- (i) With effect from 22 October 2010, the equity interests of the PRC Operating Entity were held as to 42% by Wuzhong Real Estate and 58% by Wuzhong Jiaye respectively pursuant to an equity transfer agreement dated 26 July 2010 between Wuzhong Group and Wuzhong Jiaye, whereby Wuzhong Group transferred its 7.23% equity interests in the PRC Operating Entity to Wuzhong Jiaye for a consideration of RMB8,750,000. Further, Wuzhong Jiaye and Wuzhong Real Estate contributed RMB74,820,000 and RMB54,180,000 to the registered capital of the PRC Operating Entity respectively. As a result of such capital injections, the registered capital of the PRC Operating Entity was increased from RMB121,000,000 to RMB250,000,000.
- (ii) With effect from 2 November 2011, the equity interests of the PRC Operating Entity were held as to 90% by Wuzhong Jiaye and 10% by Hengyue Consulting pursuant to an equity transfer agreement between Wuzhong Real Estate, Wuzhong Jiaye and Hengyue Consulting, whereby Wuzhong Real Estate transferred its 32% and 10% equity interests in the PRC Operating Entity to Wuzhong Jiaye and Hengyue Consulting for a consideration of RMB80,000,000 and RMB25,000,000 respectively. The registered capital of the PRC Operating Entity remained unchanged.

(b) *Sifang Investment*

On 22 November 2011, Sifang Investment was incorporated as a limited company in the BVI with an authorised share capital of US\$50,000 divided into 50,000 shares of a par value of US\$1.00 each, of which one share was issued to the Company on the same date.

(c) *Tongda Investment*

On 22 November 2011, Tongda Investment was incorporated as a limited company in the BVI with an authorised share capital of US\$50,000 divided into 50,000 shares of a par value of US\$1.00 each, of which one share was issued to the Company on the same date.

(d) *Huifang Investment*

On 5 December 2011, Huifang Investment was incorporated as a limited company in Hong Kong with an authorised share capital of HK\$10,000 divided into 10,000 shares of a par value of HK\$1.00 each, of which one share was issued to Sifang Investment on the same date.

(e) *Rongda Investment*

On 5 December 2011, Rongda Investment was incorporated as a limited company in Hong Kong with an authorised share capital of HK\$10,000 divided into 10,000 shares of a par value of HK\$1.00 each, of which one share was issued to Tongda Investment on the same date.

(f) *Huifang PRC*

On 29 December 2011, Huifang PRC was established in the PRC as a wholly foreign owned enterprise under the laws of the PRC with a registered capital of US\$100,000, which is 100% owned by Huifang Investment.

(g) *Huifang Tongda*

On 10 February 2012, Huifang Tongda was established in the PRC as a limited liability company under the laws of the PRC with a registered capital of RMB100,000, which is 100% owned by Huifang PRC.

Save as disclosed above, there have been no alterations in the share capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

## 5. Corporate Reorganisation

The companies comprising our Group underwent a reorganization in preparation for the listing of the Shares on the Stock Exchange, details of which are set out in the section headed "Our History and Reorganisation" in this prospectus.

## 6. Repurchases of Our Own Securities

### (a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

(i) *Shareholders' Approval*

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our then Shareholders on 6 October 2013, a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors authorising them to exercise all powers of our Company to repurchase Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of not more than 10% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option), such mandate to expire at the conclusion of our next annual general meeting, the date by which our next annual general meeting is required by the Cayman Companies Law or by our Articles of Association or any other applicable laws to be held or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever first occurs.

*(ii) Source of Funds*

Repurchases must be funded out of funds legally available for such purpose in accordance with the Memorandum and the Articles of Association and the Listing Rules and the applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the Listing Rules. Subject to the foregoing, any repurchases by our Company may be made out of the profits of our Company, out of the Company's share premium account or out of a fresh issue of Shares made for the purpose of the repurchase or, subject to the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Cayman Companies Law, out of capital.

*(iii) Trading Restrictions*

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

*(iv) Status of Repurchased Shares*

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed. Under Cayman Companies Law, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

*(v) Suspension of Repurchase*

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vi) *Reporting Requirements*

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such repurchases, where relevant, and the aggregate prices paid.

(vii) *Connected Persons*

A listed company is prohibited from knowingly repurchasing securities on the Stock Exchange from a "connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their associates and a connected person is prohibited from knowingly selling his securities to the company.

**(b) *Reasons for Repurchases***

The Directors believe that the ability to repurchase Shares is in the interests of our Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net asset value and/or earnings per Share. The Directors sought the grant of a general authority from the Shareholders to give our Company the flexibility to repurchase Shares if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining and any repurchases will only be made when the Directors believe that such repurchases will benefit our Company and the Shareholders.

**(c) *Funding of Repurchases***

In repurchasing securities, our Company may only apply funds lawfully available for such purpose in accordance with its Memorandum and Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

There could be a material adverse impact on the working capital and/or gearing position of our Company (as compared with the position disclosed in this prospectus) in the event that the repurchase mandate were to be carried out in full at any time during the share repurchase period. However, the Directors do not propose to exercise the general mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for our Company.

**(d) *General***

The exercise in full of the Repurchase Mandate, on the basis of 1,025,236,000 Shares in issue immediately following the completion of the Capitalisation Issue and the Global Offering, but assuming the Over-allotment Option is not exercised, could accordingly result in up to approximately 102,523,600 Shares being repurchased by our Company during the period prior to:

- (i) the conclusion of our next annual general meeting; or
- (ii) the end of the period within which we are required by any applicable law or our Articles of Association to hold our next annual general meeting; or



- (iii) the date when the Repurchase Mandate is varied or revoked by an ordinary resolution of our Shareholders in general meeting,

whichever is the earliest.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules and the applicable laws in the Cayman Islands.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than 25% of the Shares then in issue could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No connected person of our Company has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

## **B. FURTHER INFORMATION ABOUT OUR BUSINESS**

### **1. Summary of Material Contracts**

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Company or its subsidiaries within the two years preceding the date of this prospectus and are or may be material:

- (a) the structural contracts transfer agreement between Huifang Tongda, Huifang PRC, the PRC Operating Entity, Wuzhong Jiaye, Hengyue Consulting and the PRC Shareholders dated 29 February 2012 pursuant to which Huifang PRC has agreed to transfer all of its rights and obligations under the Exclusive Management and Consultation Service Agreement, the Exclusive Call Option Agreement, the Proxy Agreement and the Equity Pledge Agreement;
- (b) the exclusive management and consultation service agreement between Huifang Tongda and the PRC Operating Entity dated 29 February 2012 pursuant to which the PRC Operating Entity has agreed to engage Huifang Tongda on an exclusive basis to provide management and

consultation services and the PRC Operating Entity shall pay a service fee to Huifang Tongda which is equivalent to the total revenue before tax audited pursuant to HKFRS less all the related costs incurred and reasonable expenses of the PRC Operating Entity;

- (c) the exclusive call option agreement between Huifang Tongda, the PRC Operating Entity, Wuzhong Jiaye, Hengyue Consulting and the PRC Shareholders dated 29 February 2012 pursuant to which Wuzhong Jiaye and Hengyue Consulting irrevocably and unconditionally granted Huifang Tongda an exclusive option to acquire, directly and/or through one or more nominees, the entire or part of the equity interest held by Wuzhong Jiaye and Hengyue Consulting in the PRC Operating Entity and/or all or part of the assets of the PRC Operating Entity at a price equivalent to the minimum amount as may be permitted by applicable PRC laws and regulations;
- (d) the proxy agreement between Huifang Tongda, the PRC Operating Entity, Wuzhong Jiaye, Hengyue Consulting and the PRC Shareholders dated 29 February 2012 pursuant to which Wuzhong Jiaye and Hengyue Consulting irrevocably and unconditionally undertook to authorise Huifang Tongda or the directors and their successors as authorised by Huifang Tongda to exercise shareholders' rights under the articles of association of the PRC Operating Entity and applicable PRC laws and regulations including attending the shareholders' meetings of the PRC Operating Entity;
- (e) the Wuzhong Jiaye equity pledge agreement between Huifang Tongda, the PRC Shareholders and Wuzhong Jiaye dated 29 February 2012 pursuant to which the PRC Shareholders granted first priority security interests over their respective equity interests in Wuzhong Jiaye to Huifang Tongda and under which Huifang Tongda is entitled to exercise its rights to sell the pledged equity interests in Wuzhong Jiaye upon the breach of any of the terms of the exclusive management and consultation service agreement (as described in sub-paragraph (b) above), the exclusive call option agreement (as described in sub-paragraph (c) above), the proxy agreement (as described in sub-paragraph (d) above) and/or the Wuzhong Jiaye equity pledge agreement;
- (f) the Hengyue Consulting equity pledge agreement between Huifang Tongda, the PRC Shareholders and Hengyue Consulting dated 29 February 2012 pursuant to which the PRC Shareholders granted first priority security interests over their respective equity interests in Hengyue Consulting to Huifang Tongda and under which Huifang Tongda is entitled to exercise its rights to sell the pledged equity interests in Hengyue Consulting upon the breach of any of the terms of the exclusive management and consultation service agreement (as described in sub-paragraph (b) above), the exclusive call option agreement (as described in sub-paragraph (c) above), the proxy agreement (as described in sub-paragraph (d) above) and/or the Hengyue Consulting equity pledge agreement;
- (g) the Supplemental Agreement between Huifang Tongda and the PRC Operating Entity dated 21 November 2012 amending the exclusive management and consultation service agreement (as described in sub-paragraph (b) above). Pursuant to the Supplemental Agreement, the service fees, as the consideration for the provision of the service by Huifang Tongda, shall be equivalent to the total revenue before tax audited pursuant to HKFRS less all the related costs incurred and reasonable expenses of the PRC Operating Entity, provided that, Huifang Tongda may decide, for the purpose of operations and business expansion of the PRC Operating Entity, the actual amount of the service fees payable each month;


- (h) the amended Wuzhong Jiaye equity pledge agreement between Huifang Tongda, the PRC Shareholders and Wuzhong Jiaye dated 22 May 2013 pursuant to which the PRC Shareholders granted first priority security interests over their respective equity interests in Wuzhong Jiaye to Huifang Tongda as a guarantee to the performance of the PRC Shareholders Loan Agreement, the exclusive management and consultation service agreement (as described in sub-paragraph (b) above), the exclusive call option agreement (as described in sub-paragraph (c) above), the proxy agreement (as described in sub-paragraph (d) above), the Supplemental Agreement (as described in sub-paragraph (g) above) and/or the amended Wuzhong Jiaye equity pledge agreement;
- (i) the amended Hengyue Consulting equity pledge agreement between Huifang Tongda, the PRC Shareholders and Hengyue Consulting dated 22 May 2013 pursuant to which the PRC Shareholders granted first priority security interests over their respective equity interests in Hengyue Consulting to Huifang Tongda as a guarantee to the performance of the PRC Shareholders Loan Agreement, the exclusive management and consultation service agreement (as described in sub-paragraph (b) above), the exclusive call option agreement (as described in sub-paragraph (c) above), the proxy agreement (as described in sub-paragraph (d) above) and the Supplemental Agreement (as described in sub-paragraph (g) above) and/or the amended Hengyue equity pledge agreement;
- (j) the PRC Shareholders Loan Agreement between Huifang Tongda, the PRC Operating Entity, Wuzhong Jiaye, Hengyue Consulting and the PRC Shareholders dated 22 May 2013 pursuant to which Huifang Tongda agreed to extend interest-free loans of up to RMB600 million to the PRC Shareholders in accordance with the PRC laws and regulations;
- (k) the undertaking entered into by the PRC Shareholders in favour of the PRC Operating Entity dated 26 April 2012 pursuant to which the PRC Shareholders have agreed to indemnify the PRC Operating Entity for any and all fines, costs and other losses that the PRC Operating Entity may be subject to as a result of certain historical non-compliance;
- (l) the Deed of Non-Competition; and
- (m) the Hong Kong Underwriting Agreement.

## 2. Intellectual Property Rights of the Group

As of the Latest Practicable Date, we have registered or have applied for the registration of the following intellectual property rights which are material in relation to our business.

### (a) Trademarks

As of the Latest Practicable Date, we have registered the following trademarks:

<u>Trademark</u>	<u>Name of Registered Owner</u>	<u>Type and Class</u>	<u>Date of Registration</u>	<u>Trademark Number</u>	<u>Territory of Registration</u>	<u>Expiry Date</u>
	the Company	35 and 36	17 December 2011	302116124	Hong Kong	17 December 2021

Class 35: Advertising, business management; business administration; office functions.

Class 36: Insurance; financial affairs; monetary affairs; real estate affairs.

### (b) Domain Names

As of the Latest Practicable Date, we have registered the following domain names:

<u>Domain Name</u>	<u>Registrant</u>	<u>Date of Registration</u>	<u>Expiry Date</u>
www.wzpawn.com	Wuzhong Pawnshop	29 November 2011	29 November 2014
www.cnhuirong.com	our Company	17 April 2012	17 April 2014

**C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS****1. Disclosure of Interests**

(a) *Interests and short positions of our Directors and Chief Executive in the Shares, underlying shares or debentures of our Company and our associated corporations*

Immediately following the completion of the Capitalisation Issue and the Global Offering, but without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, the interests and/or short positions of the Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the Shares are listed, will be as follows:

*Long positions in the Company:*

<u>Name of Director</u>	<u>Capacity/Nature of Interest</u>	<u>Number of Shares</u>	<u>Approximate % of interest immediately following the completion of the Capitalisation Issue and the Global Offering</u>
Mr. CHEN Yannan <sup>(1)</sup> . . .	Interest in controlled corporation	65,000,000	6.3%
Mr. ZHOU You <sup>(2)</sup> . . . . .	Interest in controlled corporation	39,000,000	3.8%

Notes:

- (1) The entire issued share capital of BVI Co 3 is solely and beneficially owned by Mr. Chen Yannan. Mr. Chen Yannan is deemed under the SFO to be interested in all the Shares which are owned by BVI Co 3.
- (2) The entire issued share capital of BVI Co 6 is solely and beneficially owned by Mr. Zhou You. Mr. Zhou You is deemed under the SFO to be interested in all the Shares which are owned by BVI Co 6.

*Long positions in the associated corporations of the Company*

<u>Name of Director</u>	<u>Name of associated corporation</u>	<u>Capacity</u>	<u>Approximate percentage of equity interest</u>
Mr. CHEN Yannan . . . . .	Wuzhong Jiaye	Beneficial owner	10%
Mr. CHEN Yannan . . . . .	Hengyue Consulting	Beneficial owner	10%
Mr. ZHUO You . . . . .	Wuzhong Jiaye	Beneficial owner	6%
Mr. ZHUO You . . . . .	Hengyue Consulting	Beneficial owner	6%

*(b) Interests of the substantial shareholders of the Company*

So far as our Directors are aware, immediately following the completion of the Capitalisation Issue and the Global Offering (but assuming that the Over-allotment Option is not exercised), the following person (not being a Director or chief executive) will have an interest or a short position in the Shares which will be required to be disclosed to our Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

<u>Name of Shareholder</u>	<u>Capacity/Nature of Interest</u>	<u>Number of Shares</u>	<u>Approximate % of interest immediately following the completion of the Capitalisation Issue and the Global Offering</u>
Mr. ZHU Tianxiao <sup>(1) and (2)</sup> . . . . .	Interest in controlled corporation	325,000,000	31.7%
Mr. ZHANG Xiangrong <sup>(3)</sup> . . . . .	Interest in controlled corporation	84,500,000	8.3%
Mr. GE Jian <sup>(4)</sup> . . . . .	Interest in controlled corporation	71,500,000	7.0%
BVI Co 7 <sup>(1)</sup> . . . . .	Beneficial owner	260,000,000	25.4%
BVI Co 8 <sup>(2)</sup> . . . . .	Beneficial owner	65,000,000	6.3%
BVI Co 1 <sup>(3)</sup> . . . . .	Beneficial owner	84,500,000	8.2%
BVI Co 2 <sup>(4)</sup> . . . . .	Beneficial owner	71,500,000	7.0%

Notes:

- (1) Mr. Zhu holds 100% shareholding interests in BVI Co 7, therefore, Mr. Zhu is deemed or taken to be interested in all the Shares which are beneficially owned by BVI Co 7 for the purpose of the SFO.
- (2) Mr. Zhu holds 100% shareholding interests in BVI Co 8, therefore, Mr. Zhu is deemed or taken to be interested in all the Shares which are beneficially owned by BVI Co 8 for the purpose of the SFO.
- (3) Mr. Zhang Xiangrong holds 100% shareholding interests in BVI Co 1, therefore, Mr. Zhang Xiangrong is deemed or taken to be interested in all the Shares which are beneficially owned by BVI Co 1 for the purpose of the SFO.

- (4) Mr. Ge Jian holds 100% shareholding interests in BVI Co 2, therefore, Mr. Ge Jian is deemed or taken to be interested in all the Shares which are beneficially owned by BVI Co 2 for the purpose of the SFO.

## 2. Directors' Service Contracts

Each of our executive Directors has entered into a service agreement with us for an initial fixed period of three year with effect from their respective date of appointment. Pursuant to the service agreements, the director's fee of each of our executive Directors is as follows:

<b>Director</b>	<b>Remuneration (per annum) (RMB)</b>
Mr. CHEN Yannan . . . . .	350,000
Mr. WU Min . . . . .	350,000
Mr. MAO Zhuchun . . . . .	336,000

Each of our non-executive Directors and independent non-executive Directors has been appointed for an initial fixed term of three years with effect from their respective date of appointment. The non-executive Directors are not entitled to any remuneration, whereas the annual remuneration payable to each of our independent non-executive Directors is as follows:

<b>Director</b>	<b>Remuneration (per annum) (RMB)</b>
Mr. ZHANG Huaqiao . . . . .	80,000
Mr. FENG Ke . . . . .	80,000
Mr. TSE Yat Hong . . . . .	80,000

Save as disclosed above, none of the Directors has entered into a service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

The aggregate amount of remuneration (including fees and other allowances and benefits in kind and discretionary bonuses) which were paid to the Directors for the years ended 31 December 2010, 2011 and 2012 and the six months ended 30 June 2013 was approximately nil, RMB635,000, RMB1,362,000 and RMB743,000, respectively.

It is estimated that remuneration equivalent to approximately RMB1,542,550 in aggregate will be paid and granted to the Directors by us for the financial year ending 31 December 2013 under arrangements in force as at the Latest Practicable Date.

## 3. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors or chief executive of our Company has any interests or short positions in the Shares, underlying Shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our

Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to our Company and the Stock Exchange, once the Shares are listed on the Stock Exchange;

- (b) so far as is known to any Director or chief executive of our Company, immediately following completion of the Capitalisation Issue and the Global Offering, but without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, no person (not being a Director or chief executive) has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group;
- (c) none of the Directors nor any of the persons listed in the paragraph headed “— D. Other Information — 4. Qualification of Experts” below is interested, directly or indirectly, in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (d) none of the Directors nor any of the persons listed in the paragraph headed “— D. Other Information — 4. Qualification of Experts” below is materially interested in any contract or arrangement with the Group subsisting at the date of this prospectus which is unusual in its nature or conditions or which is significant in relation to the business of the Group as a whole;
- (e) save in connection with Underwriting Agreements, none of the persons listed in the paragraph headed “— D. Other Information — 4. Qualification of Experts” below (i) is interested legally or beneficially in any securities in any member of the Group; or (ii) has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;
- (f) none of the Directors has entered or has proposed to enter into any service agreements with our Company or any member of the Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation);
- (g) save as contemplated under the Underwriting Agreements, none of our Directors, their respective associates (as defined under the Listing Rules), or Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in our Company's five largest customer and five largest suppliers;



- (h) neither we nor any of our subsidiaries has issued or agreed to issue, within the two years immediately preceding the date of this prospectus, any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
- (i) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally, within the two years immediately preceding the date of this prospectus, to be put under option;
- (j) no commissions, discounts, brokerage or other special terms have been, within the two years immediately preceding the date of this prospectus, granted in connection with the issue or sale of any shares or loan capital of any member of the Group;
- (k) no commission has been paid or payable (except commission to Underwriters), within the two years immediately preceding the date of this prospectus, to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any Shares;
- (l) no founder, management or deferred shares of our Company or any of our subsidiaries have been, within the two years immediately preceding the date of this prospectus, issued or agreed to be issued;
- (m) there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this prospectus; and
- (n) our Company has no outstanding convertible debt securities or debentures.

#### **D. OTHER INFORMATION**

##### **1. Estate duty and tax indemnity**

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any member of our Group.

##### **2. Sole Sponsor**

The Sole Sponsor has made an application on behalf of our Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Global Offering (including the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option). All necessary arrangements have been made to enable such Shares to be admitted into CCASS.

##### **3. Compliance Advisor**

We have appointed Guotai Junan Capital Limited as our compliance advisor (the “**Compliance Advisor**”) upon listing of our Shares on the Stock Exchange in compliance with Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will provide advice to us when consulted by us in the following circumstances:

- the publication of any regulatory announcement, circular or financial report;

- where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where its business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of the Shares of our Company.

The term of the appointment shall commence on the Listing Date and end on the date on which our Company distributes its annual report in respect of its financial results for the first full financial year commencing after the Listing Date and this appointment may be subject to extension by mutual agreement.

**4. Qualification of Experts**

The following are the qualifications of the experts who have given opinions or advice which are contained in this prospectus:

<u>Name</u>	<u>Qualification</u>
UBS Securities Hong Kong Limited . . . . .	Registered institution under the SFO to conduct type 1 (dealing in securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) regulated activities as defined under the SFO
Haiwen & Partners. . . . .	PRC legal counsel
PricewaterhouseCoopers . . . . .	Certified Public Accountants, Hong Kong
Conyers Dill & Pearman (Cayman) Limited. . . . .	Cayman Islands legal counsel

**5. Consents of Experts**

Each of the experts referred to in the paragraph headed “— D. Other Information — 4. Qualification of Experts” has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its report and/or letter and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.

None of the experts named above has any shareholding interests in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

**6. Promoter**

Our Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

**7. Preliminary Expenses**

The preliminary expenses incurred by our Company were approximately HK\$18,000 and are payable by us.

**8. Binding Effect**

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance insofar as applicable.

**9. Bilingual Prospectus**

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

**10. Exemption from the requirement of a property valuation report**

This prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies Ordinance in reliance to the exemption under section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). Please refer to the section headed "Business — Property Interest" in this prospectus.

**11. Miscellaneous**

- (a) Our principal register of members will be maintained in the Cayman Islands by our principal registrar, Codan Trust Company (Cayman) Limited, and our Hong Kong register of members will be maintained by the Hong Kong Share Registrar in Hong Kong. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by the Hong Kong Share Registrar and may not be lodged in the Cayman Islands.
- (b) None of the equity and debt securities of our Company is listed on or dealt with in any stock exchange or traded on any trading system nor is any listing or permission to deal, other than the proposed Listing, being or proposed to be sought.
- (c) All necessary arrangements have been made enabling our Shares to be admitted into CCASS for clearing and settlement.