
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.

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| “Allied Great” | Allied Great International Holdings Limited (滙英國際集團有限公司), a company incorporated in Hong Kong on November 21, 2007 with limited liability and our wholly owned subsidiary |
| “Application Form(s)” | white application form(s), yellow application form(s) and green application form(s), or where the context so requires, any of them that is used in connection with the Hong Kong Public Offering |
| “Associate” | has the meaning ascribed thereto under the Listing Rules, which includes (i) in relation to an individual, his spouse and children under the age of 18, certain trustees, his or his family holding companies, as well as companies over which he, his family, trustee interests and holding companies exercise at least 30% voting power; (ii) in relation to a company, its subsidiaries, its holding companies, subsidiaries of such holding companies, certain trustees, as well as companies over which such company and its subsidiaries, trustee interests, holding companies and subsidiaries of such holding companies together exercise at least 30% voting power; and (iii) in the context of connected transactions, certain connected persons and enlarged family members of a director, chief executive or substantial shareholder of a listed issuer |
| “Best Invent” | Best Invent Holdings Limited, a company incorporated in the BVI on May 3, 2002 with limited liability and our wholly owned subsidiary |
| “Best Value” | Best Value Profits Limited, a company incorporated in the BVI on September 26, 2001 with limited liability and our wholly owned subsidiary |
| “Board” | our board of Directors |
| “Brown Shoe” | Brown Shoe Company, Inc., a company incorporated in the State of New York with limited liability and an Independent Third Party, with its shares listed on the New York Stock Exchange and the Chicago Stock Exchange, and its operations in the footwear industry conducted on an international scale |
| “Brown Shoe Asia” | Brown Shoe Asia Investment Limited, a company incorporated in Hong Kong with limited liability, a wholly |

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| | owned subsidiary of Brown Shoe and an Independent Third Party |
| “business day” | any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business |
| “BVI” | British Virgin Islands |
| “Bye-laws” | the Bye-laws of our Company, conditionally adopted on August 26, 2011 and as amended from time to time |
| “CAGR” | compound annual growth rate |
| “Capitalization Issue” | the issue of Shares to be made upon capitalization of the share premium account of our Company as referred to in Appendix VII entitled “Statutory and General Information—A. Further Information about Our Company and Its Subsidiaries—3. Resolutions in writing of all the Shareholders passed on August 26, 2011” to this prospectus |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “CCASS Clearing Participant” | a person admitted to participate in CCASS as a direct participant or a general clearing participant |
| “CCASS Custodian Participant” | a person admitted to participate in CCASS as a custodian participant |
| “CCASS Investor Participant” | a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation |
| “CCASS Participant” | a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant |
| “China” or “PRC” | the People’s Republic of China and, except where the context otherwise requires and only for statistical purposes of this prospectus, references in this prospectus to China or the PRC exclude Hong Kong, Macau and Taiwan |
| “China Ease” | China Ease Enterprise Limited (華誼企業有限公司), a company incorporated in Hong Kong on October 31, 2007 with limited liability and our wholly owned subsidiary |
| “Citi” | Citigroup Global Markets Asia Limited |
| “Companies Act” | the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time |

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| “Companies Ordinance” | the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “Company” | Hongguo International Holdings Limited, an exempted company incorporated in Bermuda on April 26, 2002 with limited liability |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Controlling Shareholders” | High Score and Mr. Chen Yixi, our controlling shareholders (as defined in the Listing Rules), who will, directly or indirectly, be entitled to control the exercise of approximately 36.59% of the voting shares of our Company after completion of the Global Offering (assuming the Over-allotment Option is not exercised) |
| “Covenantors” or “Indemnifiers” | High Score, Media Value, Sure Manage, Mr. Chen Yixi, Mr. Li Wei and Mr. Miao Bingwen |
| “CSRC” | the China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets |
| “DBS” | DBS Asia Capital Limited |
| “Deed of Non-competition” | a deed of non-competition dated September 9, 2011 given by each of the Covenantors in favor of our Company |
| “Delisting” | the voluntary delisting of the Company from the SGX-ST effective from May 6, 2010, details of which are set out in the section entitled “History and Development—Delisting of the Company from the SGX-ST” of this prospectus |
| “department store outlet” | a retail outlet which we maintain in a department store by paying the department store concessionaire fees, utilities fees, management fees and other related fees |
| “Director(s)” | the director(s) of our Company as of the date of this prospectus |
| “Dongguan B&H” | Dongguan B&H Footwear Company Limited (東莞美康鞋業有限公司), a company established in China on August 23, 2007 with limited liability and wholly owned by Hong Kong B&H |
| “Dongguan Industries” | Dongguan Mayflower Industries Limited (東莞美麗華實業有限公司), a company established in China on October 8, 2005 with limited liability and deregistered on March 17, 2011 |

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| “Dongguan Mayflower” | Dongguan Mayflower Footwear Corporation Limited (東莞美麗華鞋業有限公司), a company established in China on July 30, 2002 with limited liability and wholly owned by Best Invent |
| “EIT Law” | the PRC Enterprise Income Tax Law 《中華人民共和國企業所得稅法》 and the Regulation on the Implementation of the PRC Income Tax Law 《中華人民共和國企業所得稅法實施條例》, each effective from January 1, 2008 |
| “Euromonitor” | Euromonitor International Limited, an independent market research firm |
| “Euromonitor Report” | a report prepared by Euromonitor on the women’s footwear market in China and commissioned by us |
| “first-tier cities” | Beijing, Shanghai, Guangzhou and Shenzhen |
| “first-to-third-tier cities” | first-tier cities, second-tier cities and third-tier cities |
| “Former Investors” | Li Hung, Lee Thiam Seng, Norman Lai Wai Chi, Tam Yuk Ching, Chow Kok Kee, Lim Chye Huat, Ng Kam Ming, Chew Leong Chee, Gerald Yeo and Dolly Chen Wen Shiang |
| “GDP” | gross domestic product (all references to GDP growth rates are to real as opposed to nominal rates of GDP growth) |
| “GFA” | gross floor area |
| “Global Offering” | the Hong Kong Public Offering and the International Offering |
| “Group” | our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, such subsidiaries as if they were the subsidiaries of our Company at the time |
| “High Score” | High Score Holdings Limited, a business company incorporated in the BVI on November 17, 2009 with limited liability and wholly owned by Mr. Chen Yixi |
| “HK\$” or “Hong Kong dollars” or “HK dollars” | Hong Kong dollar, the lawful currency of Hong Kong |

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| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “HKSCC Nominees” | HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC |
| “Hong Kong” | the Hong Kong Special Administrative Region of China |
| “Hong Kong B&H” | B&H Footwear Company Limited (美康鞋業有限公司), a company incorporated in Hong Kong on May 29, 2007 with limited liability and owned as to 49% by us and 51% by Brown Shoe Asia |
| “Hong Kong Offer Shares” | 50,000,000 New Shares pursuant to the Hong Kong Public Offering, subject to reallocation as described in the section entitled “Structure of the Global Offering” in this prospectus |
| “Hong Kong Public Offering” | the offer for subscription or for sale of the Hong Kong Offer Shares to the public in Hong Kong (subject to adjustment as described in the section entitled “Structure of the Global Offering”) at the Offer Price (plus brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) and on and subject to the terms and conditions described in this prospectus and the Application Forms |
| “Hong Kong Share Registrar” | Computershare Hong Kong Investor Services Limited |
| “Hong Kong Underwriters” | the underwriters of the Hong Kong Public Offering whose names are set out in the section entitled “Underwriting—Underwriters—Hong Kong Underwriters” in this prospectus |
| “Hong Kong Underwriting Agreement” | the underwriting agreement dated September 9, 2011 relating to the Hong Kong Public Offering entered into among our Company, the Selling Shareholder, the Covenantors and the Hong Kong Underwriters |
| “Hongguo Industry” | Hongguo Industry Group Corporation (鴻國實業集團有限公司), a company established in China on November 12, 1998 with limited liability and owned as to 37%, 33% and 30% by Mr. Chen Yixi, Mr. Li Wei and Mr. Miao Bingwen, respectively |
| “Hongguo Loan Facility” | the loan facility in an aggregate principal amount of up to US\$10 million granted by DBS Bank Ltd., Hong Kong Branch to our Company pursuant to the term facility agreement dated March 9, 2011 entered into by our Company and DBS Bank Ltd., Hong Kong Branch |

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| “IASs” | International Accounting Standards |
| “IFRS” | International Financial Reporting Standards |
| “independent store outlet” | a retail outlet which we maintain in a leased property by paying rent |
| “Independent Third Parties” | persons or companies which are independent of and not connected with any of our Directors, chief executives, substantial Shareholders or any of their respective subsidiaries and associates, and an “Independent Third Party” means any of them |
| “Info Giant” | Info Giant Investments Limited, a company incorporated in the BVI on November 3, 2009 with limited liability and owned as to 54.81%, 23.54% and 21.65% by High Score, Media Value and Sure Manage, respectively |
| “Info Giant Loan Facility” | the loan facility in an aggregate principal amount of up to US\$40 million granted by DBS Bank Ltd., Hong Kong Branch, to Info Giant pursuant to a term facility agreement dated January 18, 2010 (as amended and supplemented by an amendment agreement dated March 25, 2010) |
| “International Offer Shares” | 450,000,000 Shares comprising 250,000,000 New Shares and 200,000,000 Sale Shares pursuant to the International Offering, together with any additional Sale Shares offered pursuant to any exercise of the Over-allotment Option, subject to reallocation as described in the section entitled “Structure of the Global Offering” in this prospectus |
| “International Offering” | the offer of International Offer Shares to QIBs in the United States in reliance on Rule 144A or another exemption under the U.S. Securities Act, and outside the United States in reliance on Regulation S, as further described in the section entitled “Structure of the Global Offering” in this prospectus |
| “International Underwriters” | the several underwriters of the International Offering expected to enter into the International Underwriting Agreement on the Price Determination Date to underwrite the International Offering |
| “International Underwriting Agreement” | the underwriting agreement relating to the International Offering, which is expected to be entered into among our Company, the Covenantors, and the International Underwriters |

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| “Jiangsu Unity” | Jiangsu Unity Corporation Co., Ltd. (江蘇團結企業有限公司), a company established in China on May 11, 2004 with limited liability |
| “Joint Bookrunners” | Citi and DBS |
| “Joint Global Coordinators” | Citi and DBS |
| “Joint Lead Managers” | Citi, DBS and ABCI Securities Company Limited |
| “Joint Sponsors” | Citi and DBS |
| “Latest Practicable Date” | September 5, 2011, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information in this prospectus |
| “Listing” | the listing of the Shares on the Main Board |
| “Listing Date” | the date, expected to be on or about September 23, 2011, on which the Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time |
| “Macau” | the Macau Special Administrative Region of China |
| “Main Board” | the stock exchange (excluding the option markets) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange |
| “Mayflower Footwear” | Nanjing Mayflower Footwear Corporation (南京美麗華鞋業有限公司), a company established in China on December 27, 1995 with limited liability, whose businesses, assets and undertakings relating to its footwear businesses located in Nanjing and Dongguan were acquired by our Group in 2002 in preparation for our Company’s listing on the SGX-ST |
| “Media Value” | Media Value Holdings Limited, a business company incorporated in the BVI on December 7, 2009 with limited liability and wholly owned by Mr. Li Wei |
| “Memorandum” or “Memorandum of Association” | the memorandum of association of our Company as supplemented, amended or otherwise modified from time to time |

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| “mid-to-premium” | for purposes of this prospectus only, women’s footwear sold in mid- and high-end department stores and in chained specialty stores that target middle-class women in first-tier and second-tier cities and some affluent third-tier cities, with retail price between RMB600 and RMB2,000 for a pair |
| “Ministry of Finance” or “MOF” | the PRC Ministry of Finance (中華人民共和國財政部) |
| “MOFCOM” | the PRC Ministry of Commerce (中華人民共和國商務部) |
| “Nanjing Mayflower” | Mayflower (Nanjing) Enterprise Company Limited (美麗華企業(南京)有限公司), a company established in China on March 3, 2004 with limited liability and wholly owned by Allied Great |
| “Nanjing Ruihe” | Nanjing Ruihe Trade Co., Ltd. (南京瑞和商貿有限公司), a company established in China on June 18, 2009 with limited liability and wholly owned by Nanjing Soft |
| “Nanjing Soft” | Nanjing Soft Garment & Footwear Co., Ltd. (南京舒服特服飾鞋業有限公司), a company established in China on December 15, 2005 with limited liability and wholly owned by China Ease |
| “NDRC” | the PRC National Development and Reform Commission (中華人民共和國國家發展和改革委員會) |
| “New Shares” | the new Shares being offered by our Company at the Offer Price under the Global Offering |
| “NPC” or “National People’s Congress” | the PRC National People’s Congress (中華人民共和國全國人民代表大會) and its Standing Committee |
| “ODM” | an original design manufacturer, which designs and manufactures a product as specified and to be branded by another firm for sale |
| “OEM” | an original equipment manufacturer, which manufactures products or components to be purchased by another company and retailed under that purchasing company’s brand name |
| “Offer Price” | the final price per Offer Share in Hong Kong dollars (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and the Stock Exchange trading fee of 0.005%) at which the Offer Shares are to be subscribed for and sold pursuant to the Global Offering, to be determined as further described in the section entitled “Structure of the Global Offering—Pricing of the Global Offering” in this prospectus |

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| “Offer Shares” | the Hong Kong Offer Shares and the International Offer Shares, together, where relevant, with any additional Sale Shares sold pursuant to any exercise of the Over-allotment Option |
| “Over-allotment Option” | the option granted by the Selling Shareholder to the Joint Global Coordinators on behalf of the International Underwriters exercisable by the Joint Global Coordinators pursuant to the International Underwriting Agreement, to be exercisable at any time from the date of the International Underwriting Agreement until 30 days after the last date for the lodging of applications under the Hong Kong Public Offering, to require the Selling Shareholder to sell up to an aggregate of 75,000,000 additional Sale Shares representing approximately 15% of the initial Offer Shares, at the same price per Share under the International Offering to cover, among other things, over-allocations in the International Offering, if any |
| “PBOC” | the People’s Bank of China (中國人民銀行), the PRC central bank |
| “PDI” | personal disposable income |
| “PRC Company Law” | the PRC Company Law 《中華人民共和國公司法》, as enacted by the National People’s Congress on December 29, 1993 and effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time |
| “PRC government” | the central government of China, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them |
| “Price Determination Date” | the date, expected to be on or around September 17, 2011 but no later than September 21, 2011, on which the Offer Price is to be fixed by agreement among our Company, the Selling Shareholder and the Joint Global Coordinators (on behalf of the Underwriters) for the purposes of the Global Offering |
| “proprietary outlet” | either a department store outlet or an independent store outlet |
| “QIB” | a “qualified institutional buyer” within the meaning of Rule 144A |
| “RCPS” | Class A redeemable convertible preference shares of par value US\$1.00 each in the capital of the Company |

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| “Regulation S” | Regulation S under the U.S. Securities Act |
| “Reorganization” | the reorganization arrangements we have undergone in preparation for the Listing, as more particularly described in the section entitled “Reorganization” and Appendix VII entitled “Statutory and General Information—A. Further information about Our Company and Its Subsidiaries—4. Corporate Reorganization” in this prospectus |
| “Repurchase Mandate” | the general unconditional mandate to repurchase Shares given to the Directors by the Shareholders, particulars of which are set forth in Appendix VII entitled “Statutory and General Information—A. Further Information about Our Company and Its Subsidiaries—3. Resolutions in writing of all the Shareholders passed on August 26, 2011” in this prospectus |
| “RMB” or “Renminbi” | Renminbi, the lawful currency of China |
| “Rule 144A” | Rule 144A under the U.S. Securities Act |
| “SAFE” | the PRC State Administration of Foreign Exchange (中華人民共和國國家外匯管理局) |
| “SAIC” | the PRC State Administration for Industry and Commerce (中華人民共和國國家工商行政管理總局) |
| “Sale Shares” | the Shares to be offered for sale by the Selling Shareholder at the Offer Price under the Global Offering |
| “same-store sales growth rate” | <p>the annual growth rate reflecting the average revenue increase of our individual proprietary outlets, which is calculated as follows:</p> $\text{Same-store sales growth rate} = (\text{average revenue per proprietary outlet for the comparing year} - \text{average revenue per proprietary outlet for the preceding year}) / \text{average revenue per proprietary outlet for the preceding year},$ taking into account the same set of proprietary outlets with full-year operations during both the comparing year and preceding year |
| “SAT” | the PRC State Administration of Taxation (中華人民共和國國家稅務總局) |
| “season” | spring, summer, fall or winter |

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| “second-tier cities” | major municipalities and provincial capitals in China with significant GDP and PDI growth, such as Dalian, Shenyang, Tianjin, Chongqing, Jinan, Qingdao, Hangzhou, Ningbo, Nanjing, Suzhou, Harbin and Hefei, totalling 25 cities |
| “Selling Shareholder” | High Score |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “SGX-ST” | Singapore Exchange Securities Trading Limited |
| “Share Charge” | the share charge dated February 26, 2010 executed by Info Giant in favor of DBS Bank Ltd., Hong Kong Branch, over all the Shares held by Info Giant as continuing security for payment and discharge of its obligations under the Info Giant Loan Facility |
| “Share Option Scheme” | the share option scheme our Company conditionally adopted on August 26, 2011, the principal terms of which are summarized in Appendix VII entitled “Statutory and General Information—D. Other Information—1. Share Option Scheme” in this prospectus |
| “Shareholders” | holders of Shares |
| “Shares” | ordinary shares in the share capital of our Company with a nominal value of US\$0.015 each |
| “SKU” | stock-keeping unit, with two shoes that are exactly the same except for their different colors deemed as different stock-keeping units, and two shoes that are exactly the same except for their different sizes deemed as one stock-keeping unit |
| “Stabilizing Manager” | Citi |
| “State Council” | the PRC State Council (中華人民共和國國務院) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Suining Shufute” | Suining Shufute Shoes Co., Ltd. (睢寧舒服特鞋業有限公司), a company established in China on January 28, 2010 with limited liability and owned as to 75% and 25% by Nanjing Soft and China Ease, respectively |

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| “Sure Manage” | Sure Manage Investments Limited, a business company incorporated in the BVI on December 8, 2009 with limited liability and wholly owned by Mr. Miao Bingwen |
| “S\$” | Singapore dollar(s), the lawful currency of Singapore |
| “third-party outlet” | a retail outlet owned and operated by our authorized distributor to which we wholesale our footwear products |
| “third-tier cities” | domestic mid-upper affluent cities and provincial capitals in inland and western China, such as Shijiazhuang, Taiyuan, Nanchang, Yinchuan, Guiyang, Kunming, Lanzhou, Hohhot, Weihai, Nantong, Xuzhou, Jiaxing, Zhanjiang, Zhangzhou, Shantou and Tangshan, totaling 41 cities |
| “Track Record Period” | the period comprising the three financial years ended December 31, 2010 and the three months ended March 31, 2011 |
| “Underwriters” | the Hong Kong Underwriters and the International Underwriters |
| “Underwriting Agreements” | the Hong Kong Underwriting Agreement and the International Underwriting Agreement |
| “United States” or “U.S.” | the United States of America, its territories, its possessions and all areas subject to its jurisdiction |
| “United States or Canadian Person” | any national or resident of the United States or Canada, or any corporation, pension, profit-sharing or other trust or other entity organized under the laws of the United States or Canada or of any political subdivision thereof (other than a branch located outside the United States and Canada of any United States or Canadian Person), including any United States or Canadian branch of a person who is otherwise not a United States or Canadian Person |
| “U.S. dollar” or “US\$” | United States dollar, the lawful currency of the United States |
| “U.S. Exchange Act” | the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder |
| “U.S. Securities Act” | United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder |
| “we,” “us” or “our” | our Company or Group and, unless the context otherwise requires, all of its subsidiaries, or where the context refers to any time prior to its incorporation, the business in which the predecessors of its present subsidiaries were engaged and which were subsequently assumed by such subsidiaries pursuant to the Reorganization |

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“White Form eIPO” the application process for Hong Kong Offer Shares with applications issued in the applicant’s own name and submitted online through the designated website of **www.eipo.com.hk**

“White Form eIPO Service Provider” Computershare Hong Kong Investor Services Limited

Unless expressly stated or the context otherwise requires, all data in this prospectus is as of the date of this prospectus.

Unless otherwise specified, all references to any shareholdings in our Company assume no exercise of the Over-allotment Option.

If there is any inconsistency between the official Chinese name of the PRC laws or regulations or the PRC government authorities or the PRC entities mentioned in this prospectus and their English translation, the Chinese version will prevail. English translations of official Chinese names are for identification purposes only.