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## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Century Ginwa Retail Holdings Limited, you should at once hand the Prospectus Documents to the purchaser, the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agents through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Prospectus Documents should not, however, be distributed, forwarded to or transmitted to, into or from any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "15. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other documents referred to above.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on The Stock Exchange of Hong Kong Limited as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on The Stock Exchange of Hong Kong Limited or such other dates as determined by Hong Kong Securities Clearing Company Limited. Settlement of transactions between participants of The Stock Exchange of Hong Kong Limited on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. You should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements will affect your rights and interests.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

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### RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE

Underwriter

**RaffAello**  
Securities (HK) Ltd

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Capitalised terms used in this cover page shall have the same meanings as defined in this prospectus unless the context requires otherwise.

The Shares have been dealt on an ex-rights basis from Thursday, 12 April 2018. Dealings in the Rights Shares in the nil-paid form are expected to take place from Wednesday, 25 April 2018 to Thursday, 3 May 2018 (both dates inclusive).

The Latest Time for Acceptance is at 4:00 p.m. on Tuesday, 8 May 2018. The procedures for application and payment for the Rights Shares are set out on pages 16 to 19 of this prospectus.

The Rights Issue is conditional on, among other things, the Underwriting Agreement having become unconditional and not terminated upon the fulfillment or waiver (if capable of being waived) of the conditions of the Underwriting Agreement. It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter by written notice to the Company at any time prior to the Latest Time for Termination to terminate its obligations under the Underwriting Agreement on the occurrence of certain events. These events are set out under the section headed "Termination of the Underwriting Agreement" of this prospectus. If the Underwriting Agreement is terminated by the Underwriter or does not become unconditional, the Rights Issue will not proceed.

Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases), and any dealings in the nil-paid Rights Shares between Wednesday, 25 April 2018 to Thursday, 3 May 2018 (both days inclusive), shall bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

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## EXPECTED TIMETABLE

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*Set out below is the expected timetable for the Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled.*

First day of dealings in nil-paid Rights Shares . . . . . Wednesday, 25 April 2018

Latest time for splitting of nil-paid Rights Shares . . . . . 4:30 p.m. on Friday,  
27 April 2018

Last day of dealings in nil-paid Rights Shares . . . . . Thursday, 3 May 2018

Latest time for acceptance of and payment for Right Shares and  
application for excess Rights Shares . . . . . 4:00 p.m. on Tuesday,  
8 May 2018

Latest time for termination of the  
Underwriting Agreement . . . . . 4:30 p.m. on Wednesday,  
9 May 2018

Announcement of allotment results . . . . . Tuesday, 15 May 2018

Despatch of certificates for  
fully-paid Rights Shares and refund cheques . . . . . Wednesday, 16 May 2018

Expected date and time of dealings in  
fully-paid Rights Shares . . . . . 9:00 a.m. on Thursday,  
17 May 2018

### **EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS ISSUE**

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Tuesday, 8 May 2018, being the Latest Time for Acceptance,

- (i) at any local time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same Business Day instead; or
- (ii) at any local time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance and latest time for payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event as soon as practicable.

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## DEFINITIONS

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*In this prospectus, the following expressions have the meanings set out below unless the context requires otherwise:*

“Akron” or “Independent Financial Adviser”	Akron Corporate Finance Limited, a licensed corporation permitted to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders on the terms of the Rights Issue
“Announcement”	the announcement of the Company dated 8 February 2018 in relation to the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for business (other than a Saturday or Sunday and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“CCASS”	Central Clearing and Settlement System established and operated by HKSCC
“Change of Control Restrictions”	restrictions such that no Preference Shares may be converted if such conversion will result in the holder together with any party acting in concert (within the meaning of the Takeovers Code) with the holder or its associates holding 30% or more of the voting rights of the Company
“Company”	Century Ginwa Retail Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules

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## DEFINITIONS

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“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholders, pursuant to which the Qualifying Shareholders may apply for the Rights Shares in excess of such Shareholders’ assured entitlement under the Rights Issue in the agreed form
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Company comprising all the independent non-executive Directors which has been established to advise the Independent Shareholders on the terms of the Rights Issue
“Independent Shareholders”	shareholders of the Company other than the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates (including Maritime Century) who are required to be abstained from voting in favour of the resolution regarding the Rights Issue and the transactions contemplated thereunder at the SGM under Rule 7.19(6)(a) of the Listing Rules and persons (if any) who have a material interest in the Underwriting Agreement
“Last Trading Day”	8 February 2018, being the last trading day of the Shares prior to the entering into the Underwriting Agreement
“Latest Practicable Date”	17 April 2018, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information referred to in this prospectus

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## DEFINITIONS

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“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 8 May 2018, being the latest time for acceptance of and payment for the Rights Shares and application for excess Rights Shares, or such other time or date as the Company and the Underwriter may agree
“Latest Time for Termination”	4:30 p.m. on Wednesday, 9 May 2018, or such later time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 July 2018 (or such other date as the Underwriter and the Company may agree in writing)
“Maritime Century”	Maritime Century Limited, a company incorporated in the Cayman Islands and beneficially owned by Mr. Wu Yijian, an executive Director
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appeared on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is/(are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Posting Date”	23 April 2018 (or such other date as the Underwriter may agree in writing with the Company), being the date of despatch of the Prospectus Documents to the Qualifying Shareholders or this prospectus for information only (as the case may be) to the Non-Qualifying Shareholders

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## DEFINITIONS

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“Preference Share(s)”	convertible preferred share(s) of HK\$0.10 each in the capital of the Company
“Prospectus Documents”	this prospectus, the PAL and EAF
“Qualifying Shareholders”	Shareholders, other than the Non-Qualifying Shareholders
“Record Date”	20 April 2018, as the date by reference to which entitlements to the Rights Issue were determined
“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Rights Issue”	the issue by way of rights on the basis of one Rights Share for every one Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	new Shares to be issued and allotted under the Rights Issue, being 1,149,694,715 Shares
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company convened on 10 April 2018
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Options”	outstanding share options granted under the Share Option Scheme

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## DEFINITIONS

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“Share Option Scheme”	the share option scheme of the Company adopted on 15 February 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.38 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	RaffAello Securities (HK) Ltd.
“Underwriting Agreement”	the underwriting agreement dated 8 February 2018 entered into between the Company and the Underwriter in relation to the underwriting arrangement of the Rights Issue, as amended by the agreement between the Underwriter and the Company dated 9 March 2018
“Underwritten Shares”	1,149,694,715 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%” or “per cent.”	per cent.



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## TERMINATION OF THE UNDERWRITING AGREEMENT

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### TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if:

- (i) the occurrence of the following events would, in the reasonable opinion of the Underwriter, materially and adversely affect the business, financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable for the Company or the Underwriter to proceed with the Rights Issue:
  - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever;
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of political, military, financial, economic, currency or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict); or
  - (c) the occurrence of any change in market conditions or combination of circumstances in Hong Kong (including without limitation, any change in any stock market, any change in fiscal or money policy, or foreign exchange or currency markets, suspension or material restrict or trading in securities) which in the absolute opinion of the Underwriter materially prejudicially affects the Rights Issue and make it inadvisable or inexpedient to proceed therein;
- (ii) any change occurs in the circumstances of the Company or any member of the Group which would materially and adversely affect the prospects of the Group as a whole;
- (iii) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement;
- (iv) the Underwriter shall receive notification pursuant to the Underwriting Agreement, or shall otherwise become aware of, the fact that any of the representations or warranties contained in the Underwriting Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated as provided in the Underwriting Agreement and the Underwriter shall in its reasonable opinion determine that any such untrue representation or warranty represents or is likely to represent a material and adverse change in the business, financial or trading position or prospects of the Group as a whole or is otherwise likely to have a material and adverse effect on the Rights Issue; or

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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- (v) the Company shall, after any matter or event referred to in the Underwriting Agreement has occurred or come to the attention of the Underwriter, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company.

Upon the giving of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine (save for any antecedent breaches thereof) and no party to the Underwriting Agreement shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Underwriter.

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LETTER FROM THE BOARD

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*Executive and Non-executive Directors:*

Mr. Wu Yijian (*Chairman*)  
Mr. Chen Shuai (*Vice Chairman*)  
Mr. Chan Wai Kwong, Peter (*Vice Chairman*)  
Mr. Kam Hou Yin, John (*Chief Executive Officer*)  
Mr. Cao Yonggang  
Mr. Qu Jiaqi  
Mr. Sha Yingjie

*Independent Non-executive Directors:*

Mr. Tsang Kwok Wai  
Mr. Ruan Xiaofeng  
Ms. Sun Zhili  
Dr. Cao Guoqi

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Place of Business*

*in Hong Kong:*

Unit 301, 3/F, OfficePlus @Wan Chai  
303 Hennessy Road, Wanchai,  
Hong Kong

23 April 2018

*To the Qualifying Shareholders and, for information only, the Non-Qualifying Shareholders (if any)*

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF  
ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE  
HELD ON THE RECORD DATE**

**INTRODUCTION**

Reference is made to the Announcement in relation to the Rights Issue.

On 10 April 2018, the Independent Shareholders approved the Rights Issue at the SGM.

The purpose of this prospectus is to provide the Shareholders with further details about the Rights Issue, certain financial information and other general information on the Group.

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## LETTER FROM THE BOARD

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### RIGHTS ISSUE STATISTICS

#### Issue statistics

The Rights Issue is fully underwritten by the Underwriter.

Basis of the Rights Issue	:	one Rights Share for every one Share held on the Record Date
Number of Shares in issue as at the Latest Practicable Date	:	1,149,694,715 Shares
Number of Rights Shares	:	1,149,694,715 Rights Shares
Subscription Price	:	HK\$0.38 per Rights Share with nominal value of HK\$0.10 each

As at the Latest Practicable Date, the Company has:

- (i) 74,205,000 outstanding Share Options under its Share Option Scheme which are exercisable into 74,205,000 Shares.
- (ii) 1,177,068,181 Preference Shares in issue which are convertible into 1,294,774,999 Shares. The conversion of the Preference Shares are subject to the Change of Control Restrictions.

Save for the Share Options and the Preference Shares, as at the Latest Practicable Date, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

The 1,149,694,715 nil-paid Rights Shares proposed to be provisionally allotted represent 100% of the Company's issued Share capital as at the Latest Practicable Date and approximately 50% of the Company's issued Share capital as enlarged by the issue of the Rights Shares.

The Rights Issue is fully underwritten by the Underwriter.

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## LETTER FROM THE BOARD

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### **Basis of provisional allotment**

The basis of the provisional allotment shall be one Rights Share for every one Share in issue and held on Record Date, being 1,149,694,715 Rights Shares at a price of HK\$0.38 per Rights Share. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for.

### **Fractions of Rights Shares**

On the basis of provisional allotment of one Rights Share for every one Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

### **Status of the Rights Shares**

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

### **Application for excess Rights Shares**

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Non-Qualifying Shareholders and for any Rights Shares provisionally allotted but not accepted. Applications for excess Rights Shares may be made by completing the EAFs for application for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for.

The Directors will allocate the excess Rights Shares at their discretion on a pro-rata basis in proportion to the number of excess Rights Shares being applied for under each application. No reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders.

**Those Qualifying Shareholders who do not take up the Rights Shares which they are entitled to should note that their shareholdings in the Company will be diluted.**

The possible maximum dilutions are set out in the shareholding tables under the section headed "SHAREHOLDING STRUCTURE OF THE COMPANY".

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## LETTER FROM THE BOARD

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The Directors consider that, despite the potential dilution impact of the Rights Issue on the shareholding interests of the Qualifying Shareholders who do not take up their provisional allotment, the terms and structure of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors:

- (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid Rights Shares in the market, while the Qualifying Shareholders who wish to increase their shareholding in the Company through the Rights Issue are able to acquire additional nil-paid Rights Shares in the market and/or through an EAF;
- (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; and
- (iii) the Rights Issue gives the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company.

### **Subscription Price**

The Subscription Price for the Rights Shares is HK\$0.38 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (a) a premium of approximately 26.67% over the closing price of HK\$0.30 per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement;
- (b) a premium of approximately 22.58% over the average closing price of approximately HK\$0.31 per Share for the five consecutive trading days ended on the Last Trading Day;
- (c) a premium of approximately 11.76% over the theoretical ex-rights price of approximately HK\$0.34 per Share based on the closing price of HK\$0.30 per Share as quoted on the Stock Exchange on the Last Trading Day;

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## LETTER FROM THE BOARD

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- (d) a discount of approximately 91.32% to the unaudited consolidated net asset value per Share of approximately HK\$4.38 (based on the latest published consolidated net asset value of the Group of approximately RMB4,192,254,000 (equivalent to HK\$5,030,704,800) as at 30 September 2017 and 1,149,694,715 Shares in issue as at the Latest Practicable Date); and
- (e) a discount of approximately 13.64% to the closing price of HK\$0.44 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to the market price of the Shares prior to the Last Trading Day.

The Directors (including the independent non-executive Directors after having been advised by Akron in this regard) consider the terms of the Rights Issue, including the Subscription Price which has been set at a premium over the recent closing prices of the Shares with an objective to raise more fund for the Company, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.360.

### **Qualifying Shareholders**

The Prospectus Documents have not been registered under the applicable securities legislations of any jurisdiction other than Hong Kong.

According to the register of members of the Company as at the Latest Practicable Date, there were two Shareholders with registered address in a jurisdiction outside Hong Kong, namely the PRC and the British Virgin Islands, who in aggregate hold 2,517,500 Shares.

In accordance with Rule 13.36(2)(a) of the Listing Rules, the Company has obtained advice from legal advisers of the PRC and the British Virgin Islands and has been advised that under the applicable legislations of each of the PRC and the British Virgin Islands:

- i. there are no legal restrictions prohibiting the participation in the Rights Issue in the relevant jurisdiction; and
- ii. no local legal or regulatory compliance is required to be attended by the Company in the relevant jurisdiction.

Accordingly, there was no Non-Qualifying Shareholder.

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## LETTER FROM THE BOARD

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### **Share certificates and refund cheques for the Rights Shares**

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 16 May 2018. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 16 May 2018 by ordinary post to the applicants at their own risk.

### **Application for listing of the Rights Shares**

Subject to the obtaining of the Independent Shareholders' approval for the Rights Issue at the SGM, the Company will apply to the Stock Exchange for the listing of and permission to deal in the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of and permission to deal in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 2,000 Shares.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty and other applicable fees and charges in Hong Kong.

All necessary arrangements will be made to enable the Right Shares (in both their nil-paid and fully-paid forms) to be admitted into CCASS.



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## LETTER FROM THE BOARD

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### UNDERWRITING AGREEMENT

Date : 8 February 2018

Underwriter : RaffAello Securities (HK) Ltd., which holds type 1 (dealing in securities) and type 4 (advising on securities) licenses for regulated activities under the SFO.

To the best knowledge and information of the Directors, after reasonable enquiries, the Underwriter is independent of and not connected with the Company or its connected persons.

Total number of Rights : All Underwritten Shares being 1,149,694,715 Rights  
Shares being underwritten : Shares, subject to the terms and conditions of the  
by the Underwriter : Underwriting Agreement.

Commission : 5% of the aggregate Subscription Price of the  
Underwritten Shares underwritten by the Underwriter as  
determined on the Record Date.

When identifying for an underwriter for the Rights Issue and negotiating for the terms of the underwriting agreement (including the commission), the following factors were considered.

1. According to the annual report of the Company for the year ended 31 March 2017, the total comprehensive income attributable to equity shareholders of the Company dropped significantly by approximately 373.05% from a profit of approximately RMB116.9 million for the fifteen months ended 31 March 2016 to a loss of approximately RMB319.2 million for the year ended 31 March 2017.
2. The average daily trading volume of the Shares from March 2017 and up to the Last Trading Day was below 1% of the total issued Shares of the Company, which showed a thin average daily trading volume of the Shares.
3. The Subscription Price was at a premium over the market price of the Share on the Last Trading Day.

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## LETTER FROM THE BOARD

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In consideration of the above factors, the Board considers that the Company is generally regarded by potential investors as a riskier investment and the Rights Issue may be undersubscribed. Hence, the Directors considered that the Company may have to pay a higher commission than the market rate in order to increase the attractiveness for the underwriters to provide underwriting services. As such, the Company considered that the Underwriter would expect a higher commission for its underwriting commitment. When identifying for underwriters, the Company approached others (in addition to the Underwriter) but did not receive any interest in the exercise.

The Board (including the independent non-executive Directors after having been advised by Akron in this regard) considers the terms of the Underwriting Agreement including the commission rate accord with the market practice and are fair and reasonable so far as the Company and the Shareholders are concerned.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the following conditions being fulfilled:

1. the passing by the Independent Shareholders at the SGM by way of poll of an ordinary resolution to approve the Rights Issue;
2. the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms);
3. the filing and registration of all relevant documents with the Registrar of Companies in Hong Kong by no later than the Posting Date;
4. the posting of the Prospectus Documents to Qualifying Shareholders on the Posting Date; and
5. the Underwriter not terminating the Underwriting Agreement in accordance with the terms set out therein.

As at the Latest Practicable Date, except for condition (1), none of the conditions precedent have been fulfilled.

The above conditions cannot be waived. In the event that the above conditions have not been satisfied at or before 4:30 p.m. on the Long Stop Date, all liabilities of the parties to the Underwriting Agreement shall cease and determine and no party shall have any claim against the other party save for any antecedent breach of the Underwriting Agreement and the Rights Issue will not proceed.

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## LETTER FROM THE BOARD

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### Termination of the Underwriting Agreement

Please refer to the section headed “Termination of the Underwriting Agreement” of this prospectus.

### Procedures for acceptance and payment or transfer

Qualifying Shareholders will find enclosed with this prospectus a PAL which entitles them to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a cheque or a banker’s cashier order for the sum payable for the Rights Shares being applied for with the Company’s Registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by no later than 4:00 p.m. on the Latest Time for Acceptance. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, or cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**CENTURY GINWA RETAIL HOLDINGS LIMITED – RIGHTS ISSUE ACCOUNT**” and crossed “Account Payee Only”.

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by 4:00 p.m. on the Latest Time for Acceptance, whether by the original allottee or any person to whom the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAFs by the Qualifying Shareholders. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

If the Qualifying Shareholders wish to accept only part of their provisional allotment and/or to transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer their rights to more than one persons, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Friday, 27 April 2018 to the Registrar who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

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## LETTER FROM THE BOARD

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The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and cashier's orders accompanying completed PALs will be presented for payment immediately upon receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions other than Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited has given, or be subject to, any of the above representation or warranty. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

If Underwriter exercises the rights to terminate the Underwriting Agreement at or before the Latest Time for Termination or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the nil-paid Rights Shares shall have been validly transferred, or in case of joint acceptances, to the first-named person, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk on or before Wednesday, 16 May 2018.

### **Application and payment for excess Rights Shares**

Qualifying Shareholders may apply, by way of excess application, for any Rights Shares provisionally allotted but not accepted.

Application for excess Rights Shares can be made only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for with the Company's Registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:00 p.m. on the Latest Time for Acceptance. All remittances must be made in Hong Kong dollars and cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to **"CENTURY GINWA RETAIL HOLDINGS LIMITED – EXCESS APPLICATION ACCOUNT"** and crossed "Account Payee Only".

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## LETTER FROM THE BOARD

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The Directors will allocate the excess Rights Shares (if any) at their discretion on a pro-rata basis in proportion to the number of excess Rights Shares being applied for under each application. No reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders. No preference will be given to topping up odd lots to whole board lots.

Shareholders with Shares held by a nominee (or which are held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, such Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to the relevant beneficial owners individually.

The allocation of excess Rights Shares made to the Qualifying Shareholders will be announced on or about Tuesday, 15 May 2018. If no excess Rights Shares are allocated to the Qualifying Shareholders, the amount tendered on application is expected to be refunded in full without interest on or before Wednesday, 16 May 2018. If the number of excess Rights Shares allocated to the Qualifying Shareholders is less than that applied for, the surplus application monies are also expected to be refunded to them without interest on or before Wednesday, 16 May 2018.

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the EAF will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection of the EAF and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited has given, or be subject to, any of the above representation or warranty.

Completion and return of the EAF together with a cheque or cashier's order in payment for excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. If any cheque or cashier's order accompanying a completed EAF is dishonoured on first presentation, without prejudice to the other rights of the Company, such EAF is liable to be rejected.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including refund cheques or cashier's orders for wholly or partially unsuccessful applications for excess Rights Shares, will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as shown in the register of members of the Company on the Record Date.

## LETTER FROM THE BOARD

If the Underwriter exercises the right to terminate the Underwriting Agreement on or before the Latest Time for Termination, or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of the relevant applications for excess Rights Shares will be returned to the applicants, or in case of joint applicants, to the first-named person, without interest by means of cheques despatched by ordinary post to their respective addresses at their own risk on or before Wednesday, 16 May 2018.

Any Rights Shares not taken up by the Qualifying Shareholders and not taken up by excess applications will be taken up by the Underwriter and/or sub-underwriters pursuant to the terms and conditions of the Underwriting Agreement.

### WARNING OF RISK OF DEALINGS IN SHARES AND THE NIL-PAID RIGHTS SHARES

**Shareholders and potential investors should exercise extreme caution when dealing in the Shares and the nil-paid Rights Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

### SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately after completion of the Rights Issue, and assuming no further issue of new Shares, no exercise of outstanding Share Options and no conversion of Preference Shares on or before completion of the Rights Issue:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming all the Qualifying Shareholders take up their respective allotment of Rights Shares in full		Immediately after completion of the Rights Issue assuming no Qualifying Shareholders take up any of the Rights Shares and the Underwriter takes up the Rights Shares to the maximum extent	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Maritime Century (Note 1)	336,166,156	29.24	672,332,312	29.24	336,166,156	14.62
The Underwriter	-	-	-	-	1,149,694,715	50.00
						(Note 4)
Glory Keen Holdings Limited (Note 2)	322,727,272	28.07	645,454,544	28.07	322,727,272	14.04
Mr. Sha Yingjie (Note 3)	1,551,500	0.14	3,103,000	0.14	1,551,500	0.06
Public	489,249,787	42.55	978,499,574	42.55	489,249,787	21.28
Total	1,149,694,715	100.00	2,299,389,430	100.00	2,299,389,430	100.00

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## LETTER FROM THE BOARD

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- Note 1:* Maritime Century is an investment holding company wholly-owned by 金花投資控股集團有限公司 Ginwa Investments Holding Group Ltd.\*, a company which is beneficially owned as to 92% by Mr. Wu Yijian, an executive Director of the Company. As at the Latest Practicable Date, Maritime Century is interested in 336,166,156 Shares, representing approximately 29.24% of the issued Share capital of the Company.
- Note 2:* Glory Keen Holdings Limited is wholly-owned by Hony Capital Fund 2008, L.P.. Hony Capital Fund 2008 GP, L.P. is the sole general partner of Hony Capital Fund 2008, L.P.. Hony Capital Fund 2008 GP Limited, a wholly-owned subsidiary of Hony Group Management Limited, is the sole general partner of Hony Capital Fund 2008, GP, L.P.. Hony Managing Partners Limited owns 80% equity interests in Hony Group Management Limited. Hony Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited. Mr. Zhao John Huan holds 49% of the issued share capital of Exponential Fortune Group Limited.
- Note 3:* Mr. Sha Yingjie is an executive Director of the Company.
- Note 4:* The percentage figure is for illustration purposes only. Under the Underwriting Agreement, the Underwriter has undertaken that it shall, and shall cause sub-underwriters to, procure independent placees take up such number of Rights Shares (a) as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with by the Company and (b) it shall not, together with party(ies) acting in concert with it, hold 29.9% or more of the voting rights of the Company upon completion of the Rights Issue. As at the Latest Practicable Date, the Company has been informed by the Underwriter that such subunderwriting agreements have been entered into.

Save for Maritime Century, Glory Keen Holdings Limited and Mr. Sha Yingjie, the Company has no other substantial shareholder and no Director is interested in any Shares.

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## LETTER FROM THE BOARD

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### EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company did not conduct any other equity fund raising exercises in the past twelve months immediately preceding the date of the Announcement.

### REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in the operation of department stores, a shopping mall and supermarkets in the People's Republic of China (the "PRC").

The estimated net proceeds of the Rights Issue will be approximately HK\$410.1 million. The Company intends to apply as to approximately 90% of the net proceeds for the repayment of existing debt and the balance as general working capital of the Group. The existing debt of the Group consists of various bank loans. A summary of the relevant amount and due dates in the 12 months from the Latest Practicable Date is set out below.

<b>Due date</b>	<b>Amount</b>
<b>2018</b>	
June	RMB42,000,000
July	RMB21,500,000
August	HK\$178,000,000
August	RMB3,500,000
September	HK\$100,000,000
September	RMB10,000,000
December	RMB30,000,000
<b>2019</b>	
January	RMB21,500,000
February	RMB3,500,000
March	RMB138,000,000
Total:	HK\$602,000,000 (assuming conversion of RMB1 to HK\$1.2)

Given that the actual net proceeds of the Rights Issue amount to approximately HK\$414.0 million, approximately 90% of the net proceeds will be used for the repayment obligations of the Group within the next 12 months from the Latest Practicable Date and the outstanding amount will be funded by internal resources of the Group. As at the Latest Practicable Date, the Company does not have any plan to conduct further fund raising activities.



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## LETTER FROM THE BOARD

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The Company had considered other fund raising alternatives available to the Group, including debt financing such as bank borrowings, and other equity financing such as placing or subscription of new Shares.

The Company considered that debt financing will result in additional interest burden. Furthermore, given that the gearing ratio, being bank loans less cash at bank and on hand and short-term investments divided by the total equity, as at 30 September 2017 was 0.37, debt financing will result in a higher gearing ratio of the Group. Accordingly, the Board considers that it is prudent to finance the funding needs of the Group in the form of equity which will not increase the Group's finance costs. Placing or subscription of new Shares would dilute the shareholding of the existing Shareholders without giving the chance to the existing Shareholders to participate. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Accordingly, the Board (including the independent non-executive Directors after considering the advice from Akron) considers that the terms of Rights Issue (including the Subscription Price) are in the interest of the Company and the Shareholders as a whole.

### **POSSIBLE ADJUSTMENTS TO THE SHARE OPTIONS**

As at the Latest Practicable Date, the Company has 74,205,000 outstanding Share Options under its Share Option Scheme, exercisable into 74,205,000 Shares. If the Rights Issue becomes unconditional, it is expected that the exercise prices, and/or the number of Shares, of the outstanding Share Options will be adjusted in accordance with the terms and conditions of the Share Option Scheme. The adjustments will be confirmed by the auditors of the Company. Further announcements on the adjustments will be made in compliance with the Listing Rules.

### **LISTING RULES IMPLICATIONS**

As the Rights Issue will increase the issued Share capital of the Company by more than 50%, pursuant to Rule 7.19(6)(a) of the Listing Rules, the Rights Issue must be made conditional on approval by the Independent Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue. As at the Latest Practicable Date, the Company has no controlling Shareholder. The Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue in accordance with Rule 7.19(6)(a) of the Listing Rules.

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## LETTER FROM THE BOARD

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On 10 April 2018, Independent Shareholders approved the Rights Issue at the SGM.

### **TAXATION**

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms. None of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of holders of the Rights Shares resulting from the purchase, holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND RIGHTS SHARES**

**Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Please refer to the paragraph headed “Conditions of the Rights Issue” and “Termination of the Underwriting Agreement” in this prospectus for details of the conditions and grounds of termination of the Underwriting Agreement, respectively. Accordingly, the Rights Issue may or may not proceed.**

**The Shares have been dealt in on an ex-rights basis from Thursday, 12 April 2018. Dealings in the Rights Shares in nil-paid form are expected to take place from Wednesday, 25 April 2018 to Thursday, 3 May 2018 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.**

**Any Shareholder or potential investors who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares from the date of the Announcement up to the date on which all the conditions of the Rights Issue are fulfilled (which is expected to be on Wednesday, 9 May 2018), and any dealings in the Rights Shares in their nil-paid form from Wednesday, 25 April 2018 to Thursday, 3 May 2018 (both days inclusive) will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this prospectus.

By order of the Board  
**Century Ginwa Retail Holdings Limited**  
**Kam Hou Yin, John**  
*Chief Executive Officer*

**1. FINANCIAL INFORMATION**

The audited consolidated financial statements of the Group for the year ended 31 December 2014, the fifteen months ended 31 March 2016 and the year ended 31 March 2017 together with the notes are disclosed in pages 59 to 188 of the 2014 annual report, pages 65 to 184 of the 2015/2016 annual report and pages 92 to 220 of the 2016/2017 annual report respectively; and the unaudited consolidated financial statements of the Group for the six months ended 30 September 2017 together with the notes are disclosed in pages 6 to 50 of the 2017/2018 interim report, respectively.

The said annual reports and interim report of the Company are available on both the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.cgrh.com.hk](http://www.cgrh.com.hk)).

Please refer to the hyperlinks as stated below.

2014 annual report

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0422/LTN20150422043.pdf>

2015/2016 annual report

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0727/LTN20160727381.pdf>

2016/2017 annual report

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0727/LTN20170727810.pdf>

2017/2018 interim report

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/1221/LTN20171221239.pdf>

## 2. INDEBTEDNESS STATEMENT

As at the close of business on 12 March 2018, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding bank and other loans of approximately RMB2,284.9 million, of which 1) approximately RMB1,556.0 million was secured by the equity interests in subsidiaries with net book value of RMB1,227.3 million, leasehold land and buildings with net book value of RMB1,805.7 million, future income right and bank deposits with amount of RMB280.0 million of the Group, and guaranteed by the Company and subsidiaries of the Group, 2) approximately RMB458.0 million was secured by equity interests in a subsidiary with net book value of RMB72.2 million, investment property with net book value of RMB1,332.5 million, leasehold land and buildings with net book value of RMB119.5 million, future income right and equity securities with net book value of RMB200.0 million of the Group and no guarantee was provided, and 3) approximately RMB270.9 million was guaranteed by subsidiaries of the Group, the Company and a director of the Company and no security was provided.

As at 12 March 2018, being the latest practicable date, the Group has issued the following guarantees:

- (a) A guarantee provided by a subsidiary of the Company in respect of an interest bearing bank loan drawn by an independent third party in 2005. The loan will mature in July 2018. In September 2010, Ginwa Investments Holding Group Limited (“Ginwa Investments”) provided a counter-guarantee to indemnify the subsidiary of the Company on any losses incurred arising from the above guarantee. As of 12 March 2018, the outstanding loan balance is RMB68,200,000.
- (b) A guarantee provided by a subsidiary of the Company in respect of a payable for acquisition of a property by Ginwa Investments in August 2005. Ginwa Investments has defaulted repayment on the loan. As of 12 March 2018, the outstanding loan balance is RMB9,500,000.
- (c) A guarantee provided by a subsidiary of the Company in respect of an entrusted loan drawn by Shanghai Huade Investment Company Limited (“Huade Investment”) in February 2015, where the guarantee is in addition to the payments made by the Group for its intended acquisition of commercial properties. The loan will mature in July 2019. Land and buildings held by one of the Company’s subsidiaries with book value of RMB1,096,616,000 were pledged for the above entrusted loan in the amount of RMB600,000,000. In February 2015 and July 2016, the Group has obtained counter-guarantees from (i) the project company developing the above commercial properties; and (ii) the intermediate holding company of Huade Investment on the pledge of its 70% equity interests in the immediate holding company of Huade Investment.

The Directors do not consider it is probable that a claim will be made against the Group under any of the above guarantees. The maximum liability of the Group at 12 March 2018 under the guarantees issued is the outstanding amount of the bank loans and payable of RMB677,700,000 plus accrued interest.

Save as aforesaid and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, as at the close of business on 12 March 2018, the Group did not have any loan capital in issue and outstanding or agreed to be issued, bank loans or overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, guarantees, or other material contingent liabilities.

### **3. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the internally generated funds, available financial resource, existing facilities available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital to satisfy its requirements for the next twelve months from the date of this prospectus in the absence of any unforeseeable circumstances.

### **4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

Although the recovery trend of the physical stores is favorable, the impacts brought by e-commerce and the Internet still bring great pressure to the Company. Nevertheless, with the policy direction of “increasing guarantees and expanding domestic demand” implemented by the domestic government authorities, the industries serving consumption and livelihood areas will gain government support, which is beneficial to the retail industry in the long term.

As for the current G98 project of the Company, various functions will continue to be computed repeatedly and developed to serve offline entities while completing online business development, to drive sales conversion with membership marketing and to launch multi-channel marketing activity management. At the same time, the Company will enhance its communication with the national internet information platform and make full use of its membership advantages for the development of micro-program. On the one hand, the members can obtain more service experience; on the other hand, functional additions can be made to the current G98 project of the Company.

In the aspect of existing business expansion, based on the successful practice and experience of the trendy department store and the supermarket business of the Company, the existing business will be integrated and optimized, while considering the coverage of second-tier cities in Shaanxi to achieve healthy growth of scale.

In the aspect of business diversification which increases profit sources, the Company will further develop brand agency business and introduce well-known domestic and foreign brands to enter the northwest market, provide consumers with more quality choices and provide operational management services to the franchise stores. By reducing channels to provide goods to consumers directly, the pattern of profit distribution will be changed.

Besides, the Company will adhere to its principle of prudent financial management and strive to control costs. It will strive to increase the relevance and effectiveness of incentives by optimizing and adjusting performance appraisal models and designing various assessment and incentive programs for different management models and positions given its operational needs.

With the above measures and the efforts of the management team, especially for the expansion of new areas and new projects, the Company will continue to maintain its leading position in the marketplace among the industry and generate better returns for its shareholders.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET  
TANGIBLE ASSETS OF THE GROUP**

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group (the “Unaudited Pro Forma Financial Information”) has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 September 2017.

The Unaudited Pro Forma Financial Information is prepared for illustrative purposes only, and because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible assets of the Group attributable to equity shareholders of the Company immediately after completion of the Rights Issue.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible assets of the Group attributable to equity shareholders of the Company derived from the consolidated statement of financial position of the Group as at 30 September 2017 as extracted from the published interim report of the Company for the six months ended 30 September 2017, after incorporating the adjustments described in the accompanying notes.



	Consolidated net assets of the Group attributable to equity shareholders of the Company as at 30 September 2017 RMB'000 (Note 1)	Less: Goodwill and intangible assets RMB'000 (Note 2)	Consolidated net tangible assets of the Group attributable to equity shareholders of the Company as at 30 September 2017 RMB'000	Estimated net proceeds from the Rights Issue RMB'000 (Note 3)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company immediately after completion of the Rights Issue RMB'000
Based on 1,149,694,715 Rights Shares to be issued	4,192,254	(1,279,090)	2,913,164	345,000	3,258,164

Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company per Share immediately after completion of the Rights Issue (Note 4) based on 2,288,389,430 Shares

RMB1.42

#### Notes

1. The unaudited consolidated net assets of the Group attributable to equity shareholders of the Company as at 30 September 2017 was RMB4,192,254,000 as extracted by the Directors from the published interim report of the Company for the six months ended 30 September 2017.
2. Goodwill and intangible assets of the Group as at 30 September 2017 amounted to RMB888,151,000 and RMB424,812,000 respectively as extracted by the Directors from the published interim report of the Company for the six months ended 30 September 2017. The intangible assets excluded the non-controlling interests of RMB33,873,000 was RMB390,939,000.

3. The estimated net proceeds from the Rights Issue of approximately RMB345,000,000 (equivalent to HK\$414,000,000) are based on the gross proceeds of approximately RMB364,070,000 (equivalent to HK\$436,900,000) from the issue of 1,149,694,715 Rights Shares at the Subscription Price of HK\$0.38 per Rights Share after deduction of the estimated related expenses of approximately RMB19,070,000 (equivalent to HK\$22,900,000).
4. Assuming that the Rights Issue had been completed on 30 September 2017, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity shareholders of the Company per Share immediately after the completion of the Rights Issue are calculated based on 2,288,389,430 Shares, comprising 1,138,694,715 Shares in issue as at 30 September 2017 and 1,149,694,715 Rights Shares to be issued.

Whilst, assuming that the Rights Issue had been completed on 30 September 2017 and taking into account the Shares issued and the proceeds from the exercise of Share Options between 30 September 2017 and the Record Date, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity shareholders of the Company per Share immediately after the completion of the Rights Issue would be RMB1.42, calculated based on the followings:

- a) Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company immediately after the completion of the Rights Issue would be RMB3,261,097,000, comprising RMB3,258,164,000 and the proceeds of RMB2,933,000 from exercise of Share Options; and
  - b) 2,299,389,430 Shares, comprising: (i) 1,138,694,715 Shares in issue as at 30 September 2017, (ii) 11,000,000 Shares from Share Options exercised between 30 September 2017 and the Record Date and (iii) 1,149,694,715 Rights Shares to be issued.
5. Except for the Rights Issue, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2017.
  6. For the purpose of the unaudited pro forma adjusted net tangible assets of the Group attributable to equity shareholders of the Company, the balances stated in Hong Kong dollars are converted into Renminbi at a rate of HK\$1 to RMB0.8333. No representation is made that Hong Kong denominated amounts have been, could have been, or could be, converted to Renminbi, or vice versa, at the rate applied or at any other rates or at all.

**B. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report received from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose in this prospectus.*

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
COMPILATION OF PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF CENTURY GINWA RETAIL HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Century Ginwa Retail Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 September 2017 and related notes as set out in Part A of Appendix II to the prospectus dated 23 April 2018 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the rights issue on the basis of one rights share for every one share held on the record date (the "Rights Issue") on the Group's financial position as at 30 September 2017 as if the Rights Issue had taken place at 30 September 2017. As part of this process, information about the Group's financial position as at 30 September 2017 has been extracted by the Directors from the unaudited interim financial report of the Group for six months ended 30 September 2017, on which a review report has been published.

*Directors' Responsibilities for the Pro Forma Financial Information*

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

*Our Independence and Quality Control*

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms That Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*Reporting Accountants’ Responsibilities*

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“HKSAE”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 30 September 2017 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Rights Issue, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Letter from the Board – Reasons for the Rights Issue and Use of Proceeds" in the Prospectus.

*Opinion*

In our opinion:

- a) the pro forma financial information has been properly compiled on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG

*Certified Public Accountants*

Hong Kong

23 April 2018

## 1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this prospectus misleading.

## 2. SHARE CAPITAL

### (a) Share capital of the Company as at the Latest Practicable Date

<i>Authorised:</i>	<i>HK\$</i>
<u>15,000,000,000</u> Shares	<u>1,500,000,000</u>
<u>5,000,000,000</u> Preference Shares	<u>500,000,000</u>
Total authorised share capital:	<u>2,000,000,000</u>
 <i>Issued:</i>	
<u>1,149,694,715</u> Shares	<u>114,969,471.5</u>
<u>1,177,068,181</u> Preference Shares	<u>117,706,818.1</u>

- (b) **Share capital of the Company immediately after completion of the Rights Issue (assuming no exercise of outstanding Share Options and no conversion of Preference Shares from the Latest Practicable Date up to the completion of the Rights Issue)**

<i>Authorised:</i>		<i>HK\$</i>
<u>15,000,000,000</u>	Shares	<u>1,500,000,000</u>
<u>5,000,000,000</u>	Preference Shares	<u>500,000,000</u>
	Total authorised share capital:	<u>2,000,000,000</u>
 <i>Issued:</i>		
1,149,694,715	Shares	114,969,471.5
1,149,694,715	Rights Shares to be issued pursuant to the Right Issue	114,969,471.5
<u>2,299,389,430</u>	Shares in issue immediately after completion of the Right Issue	<u>229,938,943.0</u>
<u>1,177,068,181</u>	Preference Shares	<u>117,706,818.1</u>

All Rights Shares to be issued will rank pari passu in all respects with each other, including as to dividends, voting rights and capital, and once issued and fully paid, with all the Shares in issue as at the date of allotment and issue of the Rights Shares.

The Company has applied to the Listing Committee for the listing of and permission to deal in the Rights Shares in both their nil-paid and fully-paid forms. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, no capital of any member of the Group was under option, or agreed conditionally or unconditionally to put under option. As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company has:

- (i) 74,205,000 outstanding Share Options under its Share Option Scheme which are exercisable into 74,205,000 Shares.
- (ii) 1,177,068,181 Preference Shares in issue which are convertible into 1,294,774,999 Shares. The conversion of the Preference Shares are subject to the Change of Control Restrictions. The conversion ratio of each Preference Share to 1.1 Shares is in accordance with bye-law 15A(3)(b)(i) of the amended and restated bye-laws of the Company, which was approved and adopted by Shareholders of the Company on 12 December 2012.

Save for the Share Options and the Preference Shares, as at the Latest Practicable Date, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Save for the aforesaid share options, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.



### 3. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests of the Directors and the chief executive of the Company and each of their respective associates in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in the Listing Rules, to be notified to the Company and the Stock Exchange:

#### Long position in the Shares:

Name of director	Nature of interests	Number of issued Shares held	Approximate percentage of the issued Share capital of the Company
Mr. Wu Yijian ( <i>Note</i> )	Interest in a controlled corporation	336,166,156	29.24%
Mr. Sha Yingjie	Personal interest	1,551,500	0.14%

*Note:* Please refer to Note 1 under the section headed “**INTERESTS AND LONG POSITIONS OF SUBSTANTIAL SHAREHOLDERS**”.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of, the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were to be notified to the 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 were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Model Code, to be notified to the Company and the Stock Exchange.

#### 4. INTERESTS AND LONG POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, 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 or had any option in respect of such capital:

**(a) Long position in the Shares of the Company:**

Name of shareholder	Long positions/short positions	Nature of interests	Number of issued Shares held	Approximate percentage of the issued Share capital of the Company
Maritime Century	Long positions	Corporate interests	336,166,156 (Note 1)	29.24%
Ginwa Investments Holding Group Ltd.	Long positions	Interest in a controlled corporation	336,166,156 (Note 1)	29.24%
Glory Keen Holdings Limited	Long positions	Corporate interests	658,893,428 (Note 2)	57.31%
Hony Capital Fund 2008, L.P.	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Hony Capital Fund 2008 GP, L.P.	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Hony Capital Fund 2008 GP Limited	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Hony Group Management Limited	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Hony Managing Partners Limited	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Exponential Fortune Group Limited	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%
Mr. Zhao John Huan	Long positions	Interest in a controlled corporation	658,893,428 (Note 2)	57.31%

## (b) Long position/short position in the underlying Shares of equity derivatives of the Company (as defined in Part XV of the SFO):

Name of shareholder	Long positions/short positions	Nature of interests	Number of issued Shares held	Approximate percentage of the issued Share capital of the Company
Glory Keen Holdings Limited	Long positions	Corporate interests	1,294,774,999 (Note 3)	112.62%
Hony Capital Fund 2008 L.P.	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Hony Capital Fund 2008 GP, L.P.	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Hony Capital Fund 2008 GP Limited	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Hony Group Management Limited	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Hony Managing Partners Limited	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Exponential Fortune Group Limited	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%
Mr. Zhao John Huan	Long positions	Interest in a controlled corporation	1,294,774,999 (Note 3)	112.62%

*Notes:*

- (1) Maritime Century held 336,166,156 Shares. Ginwa Investments Holding Group Ltd. holds the entire issued share capital of Maritime Century. Mr. Wu Yijian beneficially owns 92% equity interests in Ginwa Investments Holding Group Ltd.. As such, Mr. Wu Yijian was deemed to be interested in 336,166,156 Shares by virtue of his shareholding in Maritime Century.
- (2) The long position of 658,893,428 Shares represents (i) the 322,727,272 Shares held by Glory Keen Holdings Limited (“Glory Keen”); and (ii) the security interest held by Glory Keen over the 336,166,156 Shares held by Maritime Century under share charge. Hony Capital Fund 2008, L.P. holds the entire issued share capital of Glory Keen. Hony Capital Fund 2008 GP, L.P. is the sole general partner of Hony Capital Fund 2008, L.P.. Hony Capital Fund 2008 GP Limited, a wholly-owned subsidiary of Hony Group Management Limited, is the sole general partner of Hony Capital Fund 2008, GP, L.P.. Hony Managing Partners Limited owns 80% equity interests in Hony Group Management Limited. Hony Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited. Mr. Zhao John Huan held 49% of the issued share capital of Exponential Fortune Group Limited. Each of the above-mentioned parties is therefore deemed to be interested in the interest held by Glory Keen.

- (3) The long position of 1,294,774,999 underlying Shares represents the interest in the 1,294,774,999 conversion shares which may be issued under the Hony Convertible preferred shares. The exercise of the conversion rights attaching to the Hony Convertible preferred shares are subject to the restrictions as stated in the paragraph headed “Other terms of the Preferred Shares” under the section headed “Subscription Agreement” in the circular dated 19 November 2012.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

## 5. COMPETING INTEREST OF DIRECTORS AND ASSOCIATES

As at the Latest Practicable Date, except as disclosed below, so far as the Directors are aware of, none of the Directors or any of their respective associates had any business or interest that competes or may compete with the business of the Group or any other conflicts of interest which any such person has or may have with the Group.

Name of director	Name of company	Nature of business	Nature of interests
Mr. Wu Yijian	Ginwa Investments Holding Group Ltd.	Project investment, entity investment, real estate development, property sales, leasing and agency services, department store and supermarket operations	92% of the equity interest in Ginwa Investments Holding Group Ltd.

*Note: Although Mr. Wu Yijian has competing interests in Ginwa Investments Holding Group Ltd. by virtue of his common directorship, the Directors consider that such competition, if any, is neither significant nor material to the Group as a whole. Furthermore Mr. Wu Yijian will fulfill his fiduciary duties in order to ensure that he will act in the best interest of the Shareholders and the Company as a whole at all times. Hence, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies. Save as disclosed above, none of the Directors nor their respective associates had any interest which competes or is likely to compete, either directly or indirectly, with the business of the Group.*

**6. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS**

- (i) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 March 2017 (being the date to which the latest published annual report for the audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Group; and
- (ii) none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group.

**7. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, there were no existing or proposed service contracts between the Directors and any member of the Group which were not determinable by the Group within one year without payment of compensation, other than statutory compensation.

**8. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date:

- (i) the letter dated 9 March 2018 in relation to the revision of the expected timetable for the Rights Issue;
- (ii) the Underwriting Agreement;
- (iii) the memorandum of understanding dated 23 October 2017 between Fitness World (Group) Limited and a wholly-owned subsidiary of the Company in relation to the proposed formation of a joint venture for the running of fitness centres in shopping malls located in Xi'an City, Shaanxi Province, the PRC; and
- (iv) the supplemental agreement dated 20 July 2017 between 世紀金花股份有限公司 (Century Ginwa Company Limited\*), a non-wholly owned subsidiary of the Company, and 上海花德投資有限公司 (Shanghai Huade Investment Company Limited\*) in relation to the extension of the payment schedule of the consideration for the acquisition of the commercial part of the development known as "Xi'an Centre" being developed by the project company in the Xi'an Hi-tech Industries Development Zone of Xi'an, the PRC.

**9. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Group.

**10. EXPERT AND CONSENT**

The following is the qualification of the expert who has given opinion or advice which is contained in this prospectus:

<b>Name</b>	<b>Qualification</b>
KPMG	Certified Public Accountants

As at the Latest Practicable Date, the above mentioned expert (i) had no shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) had no direct or indirect interest in any assets which had been, since 31 March 2017 (the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

As at the date of this prospectus, the above mentioned expert has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its letter, report and/or opinion, as the case may be, and the references to its name included herein in the form and context in which they appear.

**11. PARTIES INVOLVED IN THE RIGHTS ISSUE AND CORPORATE INFORMATION**

<b>Registered office</b>	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
<b>Head office and principal place of business in Hong Kong</b>	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
<b>Auditors and reporting accountants</b>	KPMG 8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong

<b>Principal bankers</b>	The Bank of East Asia Bank of China China Construction Bank Industrial and Commercial Bank of China Hankou Bank China Merchants Bank China Everbright Bank Ping An Bank
<b>Underwriter</b>	RaffAello Securities (HK) Ltd.
<b>Independent financial adviser to the Independent Board Committee and the Independent Shareholders</b>	Akron
<b>Legal adviser as to Hong Kong Law for the Rights Issue</b>	Sidley Austin 39/F, Two International Finance Centre 8 Finance Street Central Hong Kong
<b>Branch share registrar and transfer office in Hong Kong</b>	Tricor Abacus Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
<b>Company secretary</b>	Mr. Wu Yip Kai
<b>Authorised representatives</b>	Mr. Kam Hou Yin, John Mr. Wu Yip Kai
<b>Audit Committee</b>	Ms. Sun Zhili ( <i>Chairman</i> ) Mr. Chen Shuai Mr. Cao Yonggang Mr. Tsang Kwok Wai Mr. Ruan Xiaofeng
<b>Remuneration Committee</b>	Mr. Ruan Xiaofeng ( <i>Chairman</i> ) Mr. Chen Shuai Mr. Tsang Kwok Wai Ms. Sun Zhili
<b>Nomination Committee</b>	Mr. Tsang Kwok Wai ( <i>Chairman</i> ) Mr. Chen Shuai Mr. Cao Yonggang Mr. Ruan Xiaofeng Ms. Sun Zhili Dr. Cao Guoqi

## 12. PARTICULAR OF THE DIRECTORS AND SENIOR MANAGEMENT

**Particular of Directors**

<b>Name</b>	<b>Address</b>
<i>Executive and Non-executive Directors</i>	
Mr. Wu Yijian ( <i>Chairman</i> )	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Chen Shuai ( <i>Vice Chairman</i> )	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Chan Wai Kwong, Peter ( <i>Vice Chairman</i> )	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Kam Hou Yin, John ( <i>Chief Executive Officer</i> )	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Sha Yingjie	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Cao Yonggang	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Qu Jiaqi	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
<i>Independent Non-executive Directors</i>	
Mr. Tsang Kwok Wai	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Mr. Ruan Xiaofeng	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Ms. Sun Zhili	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong
Dr. Cao Guoqi	Unit 301, 3/F, OfficePlus @Wan Chai 303 Hennessy Road, Wanchai, Hong Kong



**Executive Directors****Mr. Wu Yijian (“Mr. Wu”)**

Mr. Wu, aged 57, was appointed as Chairman of the Company on 7 January 2011 and re-designated to an Executive Director of the Company on 19 February 2013. Mr. Wu currently holds the directorship of certain subsidiaries of the Company, and he was the Executive Director from January 2001 to May 2008, the Chairman from May 2003 to May 2008 and the Non-executive Director of the Company from January 2011 to 18 February 2013 respectively.

Mr. Wu graduated in Huazhong Normal University with a Master degree in Economic Management (Political Economy). He was granted the national titles of “Ten Most Outstanding Youth of China” in 1996, “Contribution Award of International Excellent Entrepreneur” in 1997, “Chinese Excellent Youth Entrepreneur” in 2002 and “National Outstanding Builders of Socialism with Chinese Characteristics” in 2004. Mr. Wu is chairman of Ginwa Enterprise (Group) Inc. (a company listed on the Shanghai Stock Exchange) and the chairman of the board and the president of Ginwa Investments Holding Group Ltd. (“Ginwa Investments”). He is also the vice-chairman of the China Civil Chamber of Commerce, chairman of the Chairmen Board of China Federation of Industrial Economics, vice-president of the China Association of Small and Medium Enterprises, vice president of China International Chamber of Commerce for the Private Sector, Secretary-general of Augmented Reality Alliance China, vice-chairman of the China Red Ribbon Foundation, expert committee member of The People’s Government of Shaanxi Province Consult Committee, president of Shaanxi Business Promotion Association, vice-president of Shaanxi General Chamber of Commerce, honorable president of Shaanxi Chamber of Commerce of Shanxi Merchant and honorable president of Shenzhen M & A Association of Listed Companies.

Mr. Wu is also the sole director of Maritime Century, the substantial shareholder of the Company. Maritime Century is wholly and beneficially owned by Ginwa Investments. Ginwa Investments is held as to 92% beneficially by Mr. Wu. Therefore, Mr. Wu thru Maritime Century was beneficially interested in 336,166,156 ordinary shares of the Company within the meaning of Part XV of the SFO.

**Mr. Chan Wai Kwong, Peter (“Mr. Chan”)**

Mr. Chan, aged 64, was re-designated to an Executive Director and the Vice-chairman of the Company on 7 August 2015. Mr. Chan graduated with a bachelor degree in Social Science (Economics) from The University of Western Ontario, Canada, in 1978. He has over 20 years’ experience in marketing and business development. He was an executive director of Zhi Cheng Holdings Limited (a company listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange with Stock Code: 8130) from 8 April 2014 to 1 April 2015 and Gold Tat Group International Limited (a company listed on the GEM of the Stock Exchange with Stock Code: 8266) from 27 March 2003 to 13 October 2014.

**Mr. Kam Hou Yin, John (“Mr. Kam”)**

Mr. Kam, aged 45, was appointed as an Executive Director and Chief Executive Officer of the Company on 2 May 2017.

Mr. Kam holds a master’s degree in Business Administration from The University of Manchester in the United Kingdom. He is a fellow member of The Association of Chartered Certified Accountants (“ACCA”) and a member of The Hong Kong Institute of Certified Public Accountants. Mr. Kam is a member of Standing Committee of the 5th Chinese People’s Political Consultative Conference of Futian District, Shenzhen, a member of ACCA China Expert Forum, and he is an expert juror of the First batch of Hong Kong Expert Jurors of Qianhai Court. He was previously appointed as Vice President of 7th Director Board of Shenzhen Association of Enterprises with Foreign Investment and was a member of the Project Advisory Committee for the Authority of Qianhai Shenzhen-Hongkong Modern Service Industry Cooperation Zone and the 13th and 14th Chinese People’s Political Consultative Conference of Xi’an.

Mr. Kam has 20 years’ experience in corporate, personal and interbank business. He was Zone Manager – Corporate Banking Division and General Manager of Shenzhen Branch of The Bank of East Asia (China), Limited from July 2012 to March 2017 and Zone Manager (Western China) – Corporate Banking Division and General Manager of Xi’an Branch of The Bank of East Asia (China), Limited from November 2006 to June 2012.

**Mr. Sha Yingjie (“Mr. Sha”)**

Mr. Sha, aged 60, was appointed as an Executive Director of the Company on 1 July 2007 and holds the directorship of certain subsidiaries of the Company. Mr. Sha is currently the deputy financial controller of Ginwa Investments. He once worked as the financial controller of Xi’an Supply Station of XiBei Electrical Engineering Company Limited and the financial controller of Xi’an Taiwan Hotel.

Mr. Sha has over 20 years of working experience in commerce and finance. Mr. Sha received management education and training in Mainland China. He also holds a master degree in business administration from The Open University of Hong Kong. He was awarded China career manager in June 2003 and was appointed taxation practice review inspector by Xi'an Tax Bureau in the PRC since 2014. He obtained a chief financial officer qualification certificate in respect of business administration position in 2007. In 2012, he was admitted as an affiliate member of The Association of International Accountants.

#### **Non-Executive Directors**

##### **Mr. Chen Shuai (“Mr. Chen”)**

Mr. Chen, aged 44, was appointed as a Non-executive Director of the Company on 3 December 2010. He was also appointed as a member of each of the audit committee and remuneration committee of the Company on 7 January 2011 and the nomination committee of the Company on 7 March 2012. He currently holds the directorship of certain subsidiaries of the Company.

Mr. Chen joined Hony Capital in 2003. As at the Latest Practicable Date, Hony Capital, through Glory Keen Holdings Limited, was beneficially interested in (i) 322,727,272 ordinary shares of the Company, representing approximately 28.07% of the number of ordinary shares of the Company in issue, (ii) the security interest over 336,166,156 ordinary shares held by Maritime Century under a share charge created in favour of Glory Keen Holdings Limited, and (iii) 1,177,068,181 convertible preferred shares of the Company. Mr. Chen directs investments in financial services, culture and media, consumer goods and retail and construction material sectors of Hony Capital. Mr. Chen has extensive experience in investment management, supplier management and retail business.

Prior to joining Hony Capital in 2003, Mr. Chen had worked in an investment company, a PRC retail chain and department store and a PRC domestic comprehensive supermarket company. Mr. Chen holds an Executive Master of Business Administration degree from The China Europe International Business School. He received his bachelor degree in economics from Beijing Forestry University. Currently, Mr. Chen acts as a director of Shanghai SMI Holding Co., Ltd. (a company listed on the Shanghai Stock Exchange with Stock Code: 600649). He was a non-executive director of China Glass Holdings Limited (a company listed on the Stock Exchange with Stock Code: 3300) for the period from 2 January 2009 to 6 March 2014.

**Mr. Cao Yonggang (“Mr. Cao”)**

Mr. Cao, aged 46, was appointed as a Non-executive Director of the Company on 17 May 2015. He was also appointed as a member of each of the audit committee and the nomination committee of the Company on 17 May 2015.

Mr. Cao joined Hony Capital in 2004 and is currently its managing director. He is responsible for the management of the risk management and compliance department, human resources department, department of Hony Capital. As at the Latest Practicable Date, Hony Capital, through Glory Keen Holdings Limited, was beneficially interested in (i) 322,727,272 ordinary shares of the Company, representing approximately 28.07% of the number of ordinary shares of the Company in issue, (ii) the security interest over 336,166,156 ordinary shares held by Maritime Century under a share charge created in favour of Glory Keen Holdings Limited, and (iii) 1,177,068,181 convertible preferred shares of the Company.

Prior to joining Hony Capital, Mr. Cao was an attorney at the Jingtian & Gongcheng Law Firm. He is currently a supervisor of Happigo Home Shopping Co., Ltd. (a company listed on the Shenzhen Stock Exchange with Stock Code: 300413). He was the chairman of supervisory board of Changsha Zoomlion Heavy Industry Science & Technology Development Co., Ltd. (a company listed on the Shenzhen Stock Exchange with Stock Code: 157) for the period from 22 July 2010 to 29 June 2015. He received a bachelor of arts degree in civil and commercial law from Tianjin Nankai University, a master degree in international law from Peking University, a master of laws degree in international law from the Erasmus University in Rotterdam and a master of business administration degree from the China Europe International Business School.

**Mr. Qu Jiaqi (“Mr. Qu”)**

Mr. Qu, aged 58, was re-designated to a Non-executive Director of the Company on 19 February 2013. Mr. Qu currently holds the directorship of certain subsidiaries of the Company and was an Executive Director from 11 August 2007 to 18 February 2013. He is currently executive vice president of Ginwa Investments. Mr. Qu worked with several other large department stores and shopping malls in Xi’an, China.

Mr. Qu has over 30 years of working experience in department store business. Mr. Qu received management education and training in Mainland China. He also received training in High Level Business Administration from The Open University of Hong Kong. He was awarded the “Shaanxi Province Outstanding Young Entrepreneur” in October 2000 and “China Professional Operational Management Master” in 2005. Mr. Qu is also a representative of the 13th and 14th Xi’an City People’s Assembly.

**Independent Non-Executive Directors****Mr. Tsang Kwok Wai (“Mr. Tsang”)**

Mr. Tsang, aged 47, was appointed as an Independent Non-executive Director of the Company on 25 September 2008. Mr. Tsang is a fellow member of The Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and The Taxation Institute of Hong Kong. Mr. Tsang has over 10 years of experience in accounting and finance. At present, he practices public accounting.

Mr. Tsang was an independent non-executive director of China Financial Services Holdings Limited (a company listed on the Stock Exchange with Stock Code: 605) from 28 May 2007 to 27 May 2016.

**Mr. Ruan Xiaofeng (“Mr. Ruan”)**

Mr. Ruan, aged 47, was appointed as an Independent Non-executive Director of the Company on 15 May 2015. Mr. Ruan is currently the Deputy General Manager of Beijing Atman Technology Limited and the chairman of the supervisory board of New Star Energy Stock Company.

Mr. Ruan was the senior investment manager of Hony Capital from 2003 to 2009. He previously worked in ZTE Capital and TCL Ventures as vice president and executive director respectively and served as a law lecturer mainly for corporate law, tax law and securities law in the arts and law faculty in Beijing University of Chemical Technology. During that period, he was a part-time lawyer in a number of law firms. He has solid legal practice experience and is familiar with corporate governance, corporate finance and investment, mergers and acquisition, business restructuring. He holds a master of business administration degree from the China Europe International Business School and a bachelor degree and a master of economic law degree from the Law School of Jilin University.

**Ms. Sun Zhili (“Ms. Sun”)**

Ms. Sun, aged 50, was appointed as an Independent Non-executive Director of the Company on 15 May 2015. Ms. Sun holds a bachelor’s degree from Nanjing Normal University and a master’s degree from the University of Houston. She has over 20 years of working experience in corporate finance and investment banking field.

Ms. Sun is currently a director of Taiping Financial Holdings Company Limited. Prior to that she worked as a vice president of Bosideng International Holdings Limited (a company listed on the Stock Exchange with Stock Code: 3998) focusing on mergers and acquisitions and investor relationship management, an executive director and chief financial officer of China Mass Media Corporation (a company listed on the New York Stock Exchange), and in different positions in investment banking in several banks in Hong Kong.

**Dr. Cao Guoqi (“Dr. Cao”)**

Dr. Cao, aged 54, was appointed as an Independent Non-executive Director of the Company on 5 November 2015. Dr. Cao graduated from the Shanghai University of Finance and Economics, the University of Hong Kong, and the Shanghai Academy of Social Sciences and holds a Ph.D. degree in Economics. He has over 20 years of experience in project financing and investment, finance, fund investment and management, mergers and acquisitions, and corporate advisory.

Dr. Cao is the executive director and general manager of Probest Limited and Master Energy Inc. He is also the deputy president of the Asian Economics Research Institute at the Shanghai University of Finance and Economics, an EMBA professor of Hunan University, a MBA supervisor at the Advanced Institute of Finance of the Shanghai Jiaotong University, and a research fellow at the Shanghai Institute of Development Strategy. From April 2014, he takes the position as the chairman of SBI China Capital Group. Currently, Dr. Cao acts as an executive director of China Smartpay Group Holdings Limited (a company listed on the GEM of the Stock Exchange with Stock Code: 8325) and an independent non-executive director of Dongwu Cement International Ltd. (a company listed on the Stock Exchange with Stock Code: 695).

Dr. Cao was an independent non-executive director of Shanghai Jiaoda Withub Information Industrial Co. Ltd. (a company listed on the GEM of the Stock Exchange with Stock Code: 8205). He was a probationary economist in the International Currency Department of the Economic and Financial Affairs Councils, European Communities, as well as a project coordinator of the World Bank. He co-founded Shanghai Jingcheng Internet Consulting Co. Ltd. with Shanghai Jiaotong University, and was elected as Chairman and CEO.

**13. EXPENSES**

The expenses in connection with the Rights Issue, including underwriting commission, financial advising fees, printing, registration, translation, legal and accounting fees are estimated to be approximately HK\$22.8 million and are payable by the Company.

**14. MISCELLANEOUS**

- (i) As at the Latest Practicable Date, the Board had not received any information from any substantial shareholders of their intention to take up the Rights Shares to be provisionally allotted or offered to them under the Rights Issue.
- (ii) The principal place of business in Hong Kong of the Company is Unit 301, 3/F, OfficePlus @Wan Chai, 303 Hennessy Road, Wanchai, Hong Kong.

- (iii) The Hong Kong branch share registrar and transfer office of the Company is Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (iv) The secretary of the Company is Mr. Wu Yip Kai, who is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.
- (v) The English text of this prospectus shall prevail over the Chinese text in the case of inconsistency.

#### **15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG**

A copy of this prospectus, together with copies of the PAL and EAF and the written consent referred to in the paragraph headed "EXPERT AND CONSENT" in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

#### **16. LEGAL EFFECT**

The Prospectus Documents and all acceptances of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

#### **17. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company at Unit 301, 3/F, OfficePlus @Wan Chai, 303 Hennessy Road, Wanchai, Hong Kong during normal business hours on any Business Day from the date of this prospectus up to and including Wednesday, 9 May 2018:

- (i) the memorandum of association and the amended and restated bye-laws of the Company;
- (ii) the annual reports of the Company for the year ended 31 December 2014, the fifteen months ended 31 March 2016 and the year ended 31 March 2017 and the interim report of the Company for the six months ended 30 September 2017;

- (iii) the material contracts referred to under the section headed “MATERIAL CONTRACTS” in this Appendix;
- (iv) the independent reporting accountants’ assurance report on the compilation of pro forma financial information from KPMG, the text of which is set out in Appendix II to this prospectus;
- (v) the letter of consent referred to the paragraph headed “EXPERT AND CONSENT” in this Appendix; and
- (vi) the Prospectus Documents.